

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY
MINUTES OF THE BOARD OF DIRECTORS MEETING

(February 11, 2016)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the WETA offices at 9 Pier, Suite 111, San Francisco, CA.

1. CALL TO ORDER – BOARD CHAIR

Chair Jody Breckenridge called the meeting to order at 1:07 p.m.

2. PLEDGE OF ALLEGIANCE AND ROLL CALL

Chair Breckenridge led the Pledge of Allegiance. Other directors present were Vice Chair Jim Wunderman, Director Jeffrey DelBono, Director Timothy Donovan and Director Anthony Intintoli.

3. REPORT OF BOARD CHAIR

Chair Breckenridge welcomed Directors, staff and guests to the meeting and noted that there was a closed session planned for the meeting under Agenda Item 11. She said that because of this, and the fact that so many guests were present who she knew wanted to speak to non-agenda items, she proposed moving the Open Time for Public Comments for Non-Agenda Items period up on the Agenda from Item 13, at the end of the meeting, to Item 7 before the closed session, so speakers could then leave the meeting if they so desired. There were no objections to this change and the Agenda items were reordered to support the suggestion.

Chair Breckenridge said she had been spending a lot of time since the last Board meeting engaging five different people in the industry in the classification society to learn about new technologies. She said her objective in doing so was to garner a better understanding of new vessel propulsion technologies, terminology of these technologies, and their contextual relationships to real world applications. She added that it was important to understand what, if any, tradeoffs might apply when considering these alternatives, and said she had repeatedly been pointed to the experts at the Elliott Bay Design Group (EBDG) as the best equipped and experienced to provide the Directors with an informational presentation that they would see later in the meeting from one of EBDG's Senior Engineers. She further noted that staff had already engaged EBDG prior to her recommendation.

Chair Breckenridge said she had also been involved in a cybersecurity evaluation as part of her service on another organization's board. She said cybersecurity was a real issue across all industries and that strong policies on code of conduct in the workplace were necessary. She noted that staff would be bringing an item to the Board in the near future on that topic to assure WETA had a robust policy in place.

Chair Breckenridge also explained that she had previously discussed with staff the subject of industry days. She said these important and useful outreach opportunities provided networking with industry professionals as well as introductions to emerging technologies and new ideas in the fields of ferry and passenger vessels. She added that they were already an important part of staff's information gathering and she wanted to assure Directors had the same opportunities as staff to learn more. Chair Breckenridge said she had asked staff to look into connecting the Board with these events and opportunities.

4. REPORTS OF DIRECTORS

Vice Chair Wunderman thanked Chair Breckenridge and said he agreed it was very important that WETA assured it was protected with a strong cybersecurity plan in place. He said there was national focus on the issue because it was a real threat to our country. Vice Chair Wunderman added that he was a part-time faculty member at the University of California and, in that capacity, was currently working to pass a cybersecurity process. He said it was a layperson's level program that provided good insights into cybersecurity threat scenarios, and he found it to be a very interesting process which he would be happy to share.

Vice Chair Wunderman apologized that he had been unable to attend the January Board meeting and noted that in his absence, he had sent a letter to Ms. Rannells and the Directors about the Strategic Plan. He said the reason he joined the WETA Board reflected the same reason the Bay Area Council had been involved in creating the Water Transportation Authority two decades ago - and subsequently in the creation of the Water Emergency Transportation Authority - which was to see that a robust water transportation system in the Bay Area was created and fostered. He said he was not personally involved in the big community process that had taken place to create the agency, but everyone knew the objective would not be easy to attain. Vice Chair Wunderman added that the expectation back then had been that WTA would be able to stand up for its goals more successfully as an independent agency and right now WETA, in its Strategic Plan process, had the opportunity to create a visionary and bold statement. He said Directors needed to forget about where the money was going to come from and instead focus on the potential of the system, where the agency wanted to go and how it was going to get there.

Vice Chair Wunderman said the Board needed to think big and present those ideas to the public. He said he was only one Board member but he felt strongly that the agency needed to be its own advocate. He said the Board should be fighting against places that don't want service, not the other way around, and it was possible those places wouldn't fight back. He added that WETA needed to be pursuing big plans for the future and said he planned to offer the Board some resolutions with the objective of putting more thought into the Plan, getting more stakeholder input, and extending the deadline for its completion.

Vice Chair Wunderman said he supported Director DelBono's suggestion at the last meeting of holding future Board meetings at various venues around the Bay Area and said that future meetings needed to accommodate more people than was possible at the WETA Pier 9 office. He added that with the number of people in attendance who wanted to share feedback on the Strategic Plan that he was concerned about the published feedback deadline and said attendees were concerned they would not have future opportunities to comment on the Plan.

Chair Breckenridge said all input on the Plan was welcome, but that the Plan was not on the Agenda as a discussion item in this meeting. She said that while the March deadline to receive input on the Plan was real, based on the input received by the deadline the Board would subsequently decide what made best sense for a concrete timeline to produce the final version of the Plan. She said that discussion would be an official item on the March meeting agenda and she reminded Directors that while staff had done considerable work on the Plan already, it was ultimately the Board's responsibility to create the vision and the content of the final, published Strategic Plan.

Vice Chair Wunderman thanked staff for their work in accommodating the surge in ridership during the recent Super Bowl 50 festivities. He said he received really favorable comments on the work that was done in the midst of so many road and street closures and general disruption.

Director Intintoli said he agreed with Vice Chair's bold vision objectives idea but he also had concerns about WETA's financial situation. He said he hoped the Plan's final vision and the reality of funding

streams could be married to create success instead of failure, and explained that he was particularly concerned that the money in reserves at this time was only enough to provide current service levels for about two months. He said operational funding was crucial to success and he hoped staff and the Board would be able to identify new sources of revenue to support a bold and expanded vision. He further noted that securing capital funding for service expansion had not been nearly the challenge that finding operational funding had, and cautioned that it was lack of operational funding that would pose the biggest threat to the ongoing operation of the services.

Director Donovan said he agreed with the other Directors and believed the Board was on the right track in the Plan process. He said involving the public was really important. He said he did have other comments which he would hold until the March meeting when the item would be on the meeting agenda.

Director DelBono said he had received many phone calls about the Plan from riders and others, such as people from the City of Alameda with whom he planned to meet monthly to share updates on Alameda projects' progress. He said he had been asking people to put their thoughts and comments on paper and send to the staff and Board. Director DelBono said he agreed with both Vice Chair Wunderman and Director Intintoli on their Plan ideas and concerns, and added that figuring out how service would be paid for was crucial to assure success of the Plan.

Director DelBono reiterated his interest in holding WETA Board meetings in the city of Alameda and said Ms. Rannells had agreed to send staff to some of the community groups seeking more information. He said he had learned of the City of Alameda's and AC Transit's recent decision to not add a bus route to serve the Alameda Main Street Ferry Terminal. He further noted that the parking situation was so challenging that a solution had to be found soon, even if that meant charging for parking.

Director DelBono asked how to get an item added to the Board meeting agenda. He said he had received Brown Act procedure training and would appreciate a review by counsel and Directors on the process. Chair Breckenridge said she and counsel would be happy to review that process for Directors.

5. REPORTS OF STAFF

Ms. Rannells referred the Board to her written report and said she wanted to mention two projects in Alameda in particular that were related to terminal access and parking which she knew had been an ongoing challenge for riders in Alameda. Ms. Rannells noted that staff had been working with City staff to open the Officer's Club parking lot as an overflow lot for the Alameda Main Street terminal. She said the land at the terminal belonged to the City which had accepted WETA's offers to make improvements for increased safety in and around the lot with the objective of being able to lease it for ferry rider parking. She further explained that the work for that project was to be awarded by the City Council later in the week, and this was a great success for WETA riders that had been in the works for a long time. Ms. Rannells also said that twenty new bicycle lockers were also being installed at the Alameda Main Street Terminal in the next few weeks, another project that had been in the works by WETA Planners for quite some time.

Chair Breckenridge explained that the Alameda City Council made the decision to not route an AC Transit bus to the terminal based on their own bus routing study, and said that they have a lot more on their plate than just concerns about WETA's ferry riders. She asked if there were any other options to explore that might help mitigate parking concerns in Alameda. Manager of Planning and Development Kevin Connolly explained that there was a very large dog park next to the current terminal parking lot which could potentially be relocated to open up that land for additional parking. He said as far as terminal access via bus service, AC Transit was unlikely to offer any service in the short term after the recent City Council decision. Mr. Connolly added that the City of Alameda was currently engaged in creating a transportation master plan for which they had received many contributions from developers

for things like shuttles. He said this was their effort to look at their transportation challenges rationally, and that WETA staff was involved in that process and would be meeting with City staff regularly.

Chair Breckenridge asked how many additional cars would fit in the new Officer's lot and said she had particular concern about ferry rider cars spilling out into the surrounding residential streets. Mr. Connolly said that currently, there were approximately 700 cars being parked at or near the terminal each day and the main lot had spaces for just 324 cars. With the addition of the new Officer's Club lot, he added, an additional 140 spaces would be opened up which would be used immediately with the shift of cars currently being parked in the ad hoc dirt lots near the main terminal to the new spaces.

Director DelBono said access to the Alameda Main Street Terminal was not safe. Mr. Connolly said that one of WETA's contributions to the Officer's Club lot was to put in a crosswalk for pedestrians to safely access the terminal.

Vice Chair Wunderman asked if staff had engaged Lyft and Uber to create a round trip ride – to and then from the ferry terminals – with one charge as a ride package solution with a single fare? He said doing so would alleviate riders from having to bring their cars to the terminals. Vice Chair Wunderman noted that these companies were perpetually coming up with new ideas to address these sorts of problems and said he was currently working with the Bay Area Council on getting a round trip ride through these companies to and from the train stations to help mitigate train riders' access challenges. Mr. Connolly said there were a number of other ride sharing companies who had proposed the idea, and that it was already happening organically at the terminals.

Director DelBono asked if Alameda's local cab services had been made aware of the opportunities at the terminals. Mr. Connolly said staff could do a better job getting the word out to those folks, and Chair Breckenridge said the parking challenges in Alameda needed to remain on the radar for all possible creative solution considerations.

Ms. Rannells introduced Manager of Public Information and Marketing Ernest Sanchez to provide a recap of service demand and performance during the Super Bowl 50 week long events. Mr. Sanchez thanked Vice Chair Wunderman for his positive comments about WETA service during the festivities and said WETA had transported approximately 68,800 passengers during the nine days in question which was an 81 percent increase over regular service in an average nine day period. Mr. Sanchez said Port of San Francisco staff was extremely helpful, especially during the protest that took place on Wednesday, February 3, in helping to assure riders were able to access their ferry terminals and Vallejo buses. Mr. Sanchez further noted that Blue & Gold Fleet staff did a wonderful and efficient job in assisting riders.

Manager of Operations Keith Stahnke said that during the nine day period there had not been a single report of any trips, falls or injuries on any of the vessels or at any of the terminals and he commended the Blue & Gold staff for their efforts that contributed to the safe operations.

Chair Breckenridge asked if there had yet been any significant feedback on the Emergency Response Plan Draft that had been shared with key stakeholders. Ms. Rannells said she had received written comments from the California Governor's Office of Emergency Services (CalOES) which were easy to address. She said she and staff were continuing their outreach activities and had had a very productive and positive meeting with the Chief Deputy Director of CalOES and staff at their offices in Mather the prior week.

Director Intintoli asked if, per the provided financial reports, ridership was at an all-time high and fuel prices had been dropping, why expenses and income were the same. Ms. Rannells explained that the bridge toll revenue that WETA received to subsidize service was in an amount that was exactly enough to meet its income and expenditure gaps as a reimbursement of costs. Director Intintoli asked if funds

were not available to support service with fare revenues, whether the bridge toll funding would cover the service costs. Ms. Rannells said it would, but only up to the point of the funding stream's cap. She further noted that the funding cap never changed and Director Intintoli said that was problematic.

Vice Chair Wunderman said the financial reporting indicated that revenue and expenses were the same amount to the dollar and asked how budgeting was done to achieve this. Ms. Rannells reiterated that the fare revenue and cost gaps were closed with reimbursement funding. She introduced Manager of Finance and Grants Lynne Yu who further explained that Regional Measure 2 funding provided the difference between fare revenue and expenses to the penny and up to its cap of \$15.3 million for services and \$3 million for the administration of those services.

Ms. Rannells introduced Barry Broad of Broad and Gusman to provide status updates on his efforts on behalf of WETA in Sacramento at the state Capitol. Mr. Broad said that two bills very strongly supported by WETA last year had been successfully signed by the Governor and those two cap-and-trade bills now allowed ferry systems to receive cap-and-trade funding if qualified. He said the determining factors on whether WETA would qualify for the funding were related to how clean ferry vessel engines were for one bill, and how closely its service was tied to rail projects for the other.

Mr. Broad further reported that this year the new legislative session began in January with a deadline for new legislation of March 19. He said the obvious objective at this time was Regional Measure 3 (RM3) and while everyone seemed to be on board with the need for a new bridge toll funding measure, a bill for it would most likely not make it to the ballot until 2018. He said a transit coalition made up of various organizations would be working this year to secure some of the cap-and-trade funding, an increasing source of revenue, to supplement state transit assistance that can be directed to operations, and added that this money was formulated by region. He explained that the many, varied agencies pursuing this funding were in competition with high speed rail, and the likelihood that WETA would be able to secure any of those funds was low but not impossible and worth trying to secure.

Mr. Broad said the general state of the budget, with Proposition 30 money that had increased taxes and was coming to an end, was an anticipated budget shortfall. He explained that the country was presently in its longest economic recovery in American history and that the general understanding was that it was due for a recession which would eventually occur. He said the hope was that when it did it would be mild but that remained an unknown. He added that while revenue continued to come in at higher levels, many of the governmental programs that had been in place prior to the last recession had never been restored or fully restored, and that government was hit the hardest during times of recession because the symptoms and results were delayed with revenue from taxes delayed. Mr. Broad said the Governor was pulling back on spending for the looming rainy day.

Chair Breckenridge said that the traditional modes of funding for ferries and transportation in general were all on lifeline modes and the time was now to explore and pursue alternative funding opportunities. Mr. Broad agreed and said if Directors were to set aside a day – sometime before the deadline of next fall – to brainstorm and identify new sources of funding, he would be happy to support and pursue them in Sacramento. Director Wunderman said a special session would be coming up that would be addressing things like much needed road repairs and asked what WETA's authority was to get funding measures onto the ballot.

WETA legal counsel Stanley Taylor of Nossaman said WETA's authority was that generally, WETA was able to seek revenue but it was unlikely that it had the authority to put property or parcel tax measures on the ballot but he could confirm this. He said he was certain that WETA did have the authority to propose revenue bonds which would not increase funding streams but would accelerate how quickly funding was delivered to WETA. Vice Chair Wunderman asked if WETA could be granted, by legislative act, the authority to slice and dice regional lines to better support its services. Mr. Broad said

brainstorming by Directors for outside the box funding opportunities was an important process and he was prepared to consider and present anything they wanted to pursue. Chair Breckenridge reiterated that part of the strategic planning process was to throw all of the ideas out there and figure out what could work and might be feasible.

Vice Chair Wunderman said there were several legislators in the Bay Area who very much wanted to support the ferry system. He asked if it would be possible to submit a placeholder for a general ferry funding bill without any specifics initially. Mr. Broad said that was called a Spot Bill and it was possible to do, but at this point the timing didn't make sense, further noting that 2016 was the second year of the current session and that a two year bill had to be submitted in the first year. Mr. Broad said the deadline was fall with an objective of having something together by September or October by the latest, and that staying within the normal deadlines for bills would more likely assure success. He added that if WETA got something on the ballot and lost, it would be much more difficult to raise the issue again successfully. Director Donovan said it would also be important to consider what a loss would mean for established and reliable current funding streams.

6. CONSENT CALENDAR

Director DelBono made a motion to approve the consent calendar which included:

- a) Board Meeting Minutes – January 14, 2016
- b) Authorize Actions Related to Grant Funds Available from the Low Carbon Transit Operations Programs
- c) Authorize Submission of an Allocation Request to the California Department of Transportation for FY 2015/16 Low Carbon Transit Operations Program Grant Funds

PUBLIC COMMENT

President of Wind+Wing Technologies, Adventure Cat Sailing Charters and Meyers Water Company Jay Gardner said WETA would be subject to auditing of greenhouse gases if it received LCTOP funding. He reminded the Board that he had spoken on greenhouse gases at the last Board meeting. Mr. Gardner said he wanted to know what WETA's plan was to reduce greenhouse gases.

Director Intintoli seconded the motion and the consent calendar carried unanimously.

Yeas: Breckenridge, DelBono, Donovan, Intintoli, Wunderman. Nays: None.

7. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS

PUBLIC COMMENT

Golden State Warriors Director of Public Affairs Theo Ellington said he wanted to advocate for ferry service in Mission Bay where the Warriors will be moving to 16th and 3rd Streets. He said the Warriors were looking to create a new destination in San Francisco and were participating in numerous public meetings where they had received unanimous approvals across the board. He said there was huge support for ferry service in Mission Bay and that the project had been pushed back to the 2019-2020 season which would allow time to strategize. He added that there were plans to hold more than 230 events annually at Mission Bay. Mr. Ellington said that the completion of the Warriors project would trigger development of a 5-1/2 acre park there and that he would be happy to write letters or do whatever was necessary to help assure ferry service would be in place for the new development.

PUBLIC COMMENT

Port of Redwood City Commissioner Lorianna Kastrop said she was a volunteer who had been appointed by the City Council who had regularly attended meetings to support ferry service in Redwood City which had set aside \$15 million for it through Measure A tax revenue. She said not including Redwood City in the WETA Strategic or Short Range Strategic Plans was missing the boat. She added

that a Plan for a Redwood City ferry terminal absolutely had to be in the Strategic Plan for WETA to be able to seek operational funding and that was a fact because that was how Silicon Valley worked. She added that Redwood City employers were ready to talk and said Google and Facebook were already filling transportation needs by funding their shuttle buses. Ms. Kastrop said Facebook and Google employees liked and wanted ferry service and Facebook was already running ferries for its employees. She added that Stanford already had plans to add thousands of employees to thirteen buildings five minutes away from the Port of Redwood City.

Ms. Kastrop further noted that the Redwood City terminal site was already dredged, that there would be little environmental impact of a regular ferry service, and that the land was already set aside for a ferry landing site. She cautioned that if a facilities plan was not put into place immediately, a golden opportunity would be lost because the land had to be used right now. Ms. Kastrop asked that a Redwood City terminal be included in WETA's Short Range and Strategic Plans now. She further explained that the City would be geographically cut off from San Francisco and the East Bay from first responders and emergency supplies in the event of a disaster, and said the Port of Redwood City already had a multi-agency interagency operational center specifically for emergency services that would be opening in the next few months.

PUBLIC COMMENT

Port of Redwood City Executive Director Mike Giari said that in moving ahead with the two WETA Plans there needed to be a new ridership survey done because the last one had been done in the middle of a deep economic recession. He said that survey was very likely not an accurate reflection of what ridership in Redwood City would look like today. Additionally, he said WETA needed to go out and talk with the South Bay employers to find out what lessons they had learned in their experiences with private passenger vessel services in the last two and half years that were still in use today.

PUBLIC COMMENT

Representing Berkeley ferry riders, Bruce Lockey said he was born in Vancouver – the home of the SeaBus - and that public transportation was his hobby and passion with ferry service at the top of the list. Mr. Lockey said he had lived in Berkeley for the last 18 years and had previously sent in a letter to the Board about his Berkeley ferry interest. He said the pier was still in place with pilings for a Berkeley ferry, and in the past there had been service to the inner Marina using smaller boats. He said smaller boats with higher frequency could be used again today. Mr. Lockey said there was an AC Transit bus that ran to the ferry site and the Amtrak station already, and it would be easy to add service to BART as well.

Chair Breckenridge said she did not recall the details of Mr. Lockey's letter but that she would check with staff to find it so she could review. She added that she would have someone talk with Mr. Lockey about Berkeley after the meeting because staff had been working on the Berkeley ferry service possibility for a long time.

PUBLIC COMMENT

Harbor Bay resident and board member of the Headlands Homeowners Association Chad Otten said he was very concerned about the issues created by the lack of adequate parking for ferry riders at the Harbor Bay terminal. Mr. Otten explained that the ridership was up 400-500 riders in the last few years and that as a commercial real estate developer he understood the issue related to the only real long term parking solution at this point was property taxes and zoning. He said the Harbor Bay Business Park was never supposed to be mixed up with the residential properties, and ferry riders were now regularly parking on residential streets which were not developed for public parking. Mr. Otten said the time was now to address and resolve the parking problem at Harbor Bay. He added that more town hall meetings needed to take place and that there was confusion about whether the City of Alameda or WETA was responsible for addressing the parking situation.

Director DelBono said there was a meeting planned for 7 p.m. in Alameda Council chambers that residents were encouraged to attend on April 7 and that WETA staff would be attending a Wednesday meeting in March of the Democratic Club at the hospital. Director DelBono agreed that action was needed on this concern sooner rather than later.

PUBLIC COMMENT

Mr. Otten added that the plan for adding the new parking spaces was not adequate and that no shelter for riders queuing up for their departure was causing people to have to stand in the rain on rainy days. He suggested removing benches from the terminal to accommodate more people which if done, he realized, might increase ridership and create additional capacity problems but would make people happier. He said some of the canvases used for shelter at the terminal were torn and should be repaired or replaced.

Director DelBono said a City of Alameda representative was present at the meeting and would take the information he shared back to the City with her.

PUBLIC COMMENT

Bay Area native and President of the Columbia Homeowners Association (HOA) at Harbor Bay Steve Cvitanovic said there were 227 houses in the Columbia HOA and that the residents loved the ferry. He said he felt the ferry service was a huge asset to the development but that the growing pains of the service needed to be addressed. Mr. Cvitanovic shared a map showing where ferry riders were parking, and noted that there was a park on Adelphian Way which was never intended to be used for public parking which was regularly used for parking now by ferry riders. He explained that riders were parking in front of residents' houses, blocking the mailboxes, roads and delivery drivers. Mr. Cvitanovic said he and other members of the Columbia HOA could no longer subsidize WETA's ferry operations and that there needed to be a plan. He said there was a piece of land adjacent to the terminal which WETA needed to acquire immediately for parking purposes. Mr. Cvitanovic said there was absolutely no way service should be expanded without first addressing current ridership capacity challenges and that the adjacent land should be purchased for fair market value and if the owner was not willing to sell it for that, then others should get involved to assure the sale to WETA to be used for parking. Mr. Cvitanovic also shared a hard copy of an email he had sent earlier to the Board.

PUBLIC COMMENT

Harbor Bay resident Tom Krysiak said he wanted to echo what Mr. Cvitanovic had just said because he shared the same concerns about the parking overflow situation. He said he had tried to reach the Board but could not find any email addresses for the Directors. He said people were frustrated and angry about the situation.

PUBLIC COMMENT

Alameda Point Redevelopment Project Manager Michelle Giles said City of Alameda staff was planning to attend WETA Board meetings regularly. She said she wanted to thank WETA staff for their accessibility and cooperation on behalf of the City of Alameda and all ferry riders in efforts to address concerns such as the terminal parking capacity challenges. Ms. Giles said the City would very much love to host WETA staff and Directors for meetings in Alameda. She said the City would also be happy to arrange tours for staff or Directors.

Chair Breckenridge said there was an item on the agenda to confirm a meeting in Alameda in April.

PUBLIC COMMENT

Redwood City Councilmember and Water Transit Advocates of San Mateo Vice President Diane Howard said that in the mid-1990s she had been appointed by the Governor's office, as Mayor of the

city at the time, to sit on a blue ribbon water transit task force. She said Redwood City at the time had been identified as a possible viable solution for water transit service in the future. She added that while on that task force, she met Vice Chair Wunderman, Russell Hancock, and Sunne McPeak who had developed the plan. Ms. Howard further explained that the Water Transit Advocates group was comprised of elected officials and businesspeople who were very interested in water transit service for the South Bay. She said WETA staff regularly attended their quarterly meetings to share updates on its work. She said that today she was speaking on behalf of a Redwood City that had changed quite a bit since the mid-1990s, noting that there were 80,000 people living in Redwood City today, a city that now also had 80,000 jobs. Ms. Howard said her hope was that WETA would be working with the employers and city residents to figure out a way to get water transit in Redwood City and added that WETA should capitalize on the letter E for Emergency to solicit funding sources. She said hopefully WETA's Emergency response capabilities would never have to be utilized but that seeking funding on that premise was the way to go.

Vice Chair Wunderman referred to the January Board meeting minutes and asked what was meant by the SRTP being a "fiscally restrained" Plan. Chair Breckenridge explained that the Plan was a Federal Government and MTC mandated accountability document that had to reflect those projects and services for which WETA had already secured funding. She said projects in the Plan had to already be in the works. Vice Chair Wunderman asked if, since the Plan was submitted every few years, it would be possible to include Redwood City once funding was fully secured, even if it was not included in the initial Plan submission. Vice Chair Breckenridge said yes, and that WETA had to resubmit the Plan every two to three years and could include it at any time. Ms. Rannells said it was also possible to include it as an addendum to the Plan.

Chair Breckenridge said she fully understood the concern of people not seeing their city's ferry service included in the initial Plan. She emphasized that all projects for which funding was fully secured going forward would be added to the Plan and would appear in all subsequent submissions to MTC. For example, she explained, there were a number of projects in the most recent Plan that did not appear in the Plan submitted just a few years ago.

Director DelBono asked if it would be possible to get a report from staff on what solutions had been explored to address the parking concerns at the Harbor Bay Terminal at the April meeting he hoped would be approved to be held in Alameda in April. He said he would hate to begin losing riders because of the parking problems. Director Intintoli said Vallejo had experienced very similar problems with parking at the Vallejo Terminal when the ferry service was growing. He said the solution had been for the City to build a parking structure on land the City acquired. He suggested that the City of Alameda talk with the City of Vallejo about that experience and solution which had been working very efficiently and still in use today.

Vice Chair Wunderman said he thought it would be very useful to also hold meetings in Redwood City, and that he would like to hear capacity concerns from Redwood City residents in the near future the same way he was hearing about the problems in Alameda today. Director Intintoli said that would be a great idea if the subject to discuss at the meeting was that WETA had been able to identify funding for a Redwood City ferry service. He added that the focus at this time should be finding the money for the service so discussions could proceed to make it happen. Director Intintoli cautioned that making promises it was impossible to keep was not a good idea and he reminded the Board that he had direct experience with establishing ferry service during his tenure as Mayor in Vallejo, and it had not been an easy, fast or inexpensive process. He added that while it may not seem like a lot of money was needed when compared to what was required for roads and trains, it still cost \$18 plus million for each boat, tens of millions of dollars of capital investment in a terminal infrastructure, and then millions of dollars each year to operate the boats. He said the absolute worst case scenario would be to build a terminal, buy a

boat, and then have insufficient funds to run the service. Director Intintoli added that a lot of money had already been spent on surveys and environmental studies in Redwood City.

Director Intintoli said he hoped that the excitement and enthusiasm of the Board for service expansion would soon be matched for identifying sources of funding for that service expansion, both on the capital and operational fronts, both of which were required for expansion success. He emphasized that everyone wanted more service and that was not in dispute but he cautioned that money was the issue that needed Directors' focus to address the concerns about Redwood City.

Vice Chair Wunderman said he disagreed, and that there was money sitting in an account right now for a terminal in a region that had an incredible employment base presently being underserved by a transportation and highway system that was already over capacity. He said he agreed with Director Intintoli that WETA should never promise anything it was not able to deliver but he wanted to solve the Redwood City needs as soon as possible. He said WETA should do whatever it took to make it happen and said he was happy to do the asking to facilitate the service. He added that there were already employers there running a ferry service, and WETA needed to move this service forward.

Chair Breckenridge said that a specific location for Redwood City service was not on the agenda for the meeting today and that she appreciated having all of the Plan feedback that had been shared thus far from Redwood City attendees. She said future meetings were going to be taking place in other locations and that the Board would be hearing more on the topic in the near future. Director DelBono reminded the Board that the next meeting— in March —would be focused on the Plans.

Chair Breckenridge said the long term Strategic Plan was not resource constrained, and was not specific to expansion for a single location.

Director Donovan asked that staff address the concerns shared about shelter coverings at the Harbor Bay Terminal.

Chair Breckenridge called the meeting into closed session at 2:55 p.m.

8. REPORT OF ACTIVITY IN CLOSED SESSION

Upon reopening of the meeting at 4:01 p.m. Chair Breckenridge reported that during the closed session, Director Intintoli had made a motion to authorize WETA legal counsel to file responses to PropSF and Tideline applications to the California Public Utilities Commission.

Vice Chair Wunderman had seconded the motion and the action had carried.

Yeas: Breckenridge, Intintoli, Wunderman. Nays: None. Abstentions: DelBono, Donovan.

9. APPROVE CONTRACT AWARD TO MARINE GROUP BOAT WORKS FOR FERRY VESSEL QUARTER LIFE REFURBISHMENT PROJECT

Mr. Stahnke presented this item's recommendations:

- Approve contract award to Marine Group Boat Works for the Gemini Quarter Life Refurbishment Project in an amount not to exceed \$3,325,000 and authorize the Executive Director to negotiate and execute an agreement and take any other related actions as may be necessary to support this work.
- Authorize a project budget increase in the amount of \$1,107,000 to support the contract award.

Director DelBono made a motion to approve the item. Director Intintoli seconded the motion and the item carried unanimously.

Yeas: Breckenridge, DelBono, Donovan, Intintoli. Nays: None. Absent: Wunderman.

10. APPROVE 2016 SPECIAL EVENT FARE PROGRAM

Senior Planner Mike Gougherty presented this item to approve the 2016 Special Event Fare Program holding fares at the same rates established in 2015.

Director DelBono asked if the fares were one-way or round trip tickets. Mr. Gougherty said the tickets were sold as one-way tickets and confirmed that the weekend game tickets historically had regularly sold out during the peak of the Giants season.

Director DelBono expressed concern about leaving the AT&T Park special event fares at current levels for the 2016 Giants season. He said the service was a luxury offering and riders using it could afford to pay more and should. He noted that Giants game tickets, parking at AT&T Park, and concessions prices had all increased and said riders expected that ferry fares would increase as well.

Chair Breckenridge asked what was used to project costs for the special service and said that fuel prices had been very low. She asked what would happen to the projections if fuel costs increased during the next season. Mr. Gougherty said conservative estimates had been used in the fuel projections, as had been done in the annual budgeting process. Ms. Rannells said fuel budgeting was always done very conservatively. Director Donovan asked if a profit in the special service would help or hinder budget balancing and Ms. Rannells said no matter how the numbers worked out with pricing, money still had to be returned if it was not needed to close budget gaps. She added that it might be possible to earn an extra \$15,000 by raising fares but that would mean \$15,000 would then need to be returned to MTC as unused funds.

Director DelBono said the special service fares as they currently stood were a really good deal and that raising the fares by 3 percent annually would be a very reasonable ask. Chair Breckenridge asked if security staff might be needed to help assure safety on the AT&T Park service and help with riders who had been drinking or had other challenges boarding and during their rides. Mr. Gougherty said the cost for increased Blue & Gold Fleet Guest Assistance Representative coverage was included in the budget already for that purpose because it was an ongoing challenge on the special service route.

Director DelBono made a motion to increase AT&T Park service fares by 3 percent and Director Donovan seconded the motion.

Ms. Rannells explained that the Board adopted general fare program required a formal public outreach process to solicit feedback from riders before raising any of WETA's current fares.

Director DelBono made a motion to open up a comment solicitation period with the objective of raising the AT&T Park fares by 3 percent and Director Donovan seconded the motion.

Yeas: DelBono, Donovan. Nays: Breckenridge, Intintoli. Absent: Wunderman.

The motion failed.

Director Intintoli made a motion to approve the original Agenda item to leave the fares at current levels. Chair Breckenridge seconded the motion.

Yeas: Breckenridge, Intintoli. Nays: DelBono, Donovan. Absent: Wunderman.

The item failed.

Mr. Taylor noted that fares would remain at the previously-established rates since the motion to change the rates failed.

11. APPROVE REVISED MEETING SCHEDULE FOR CALENDAR YEAR 2016

Ms. Rannells presented the item to approve a revised meeting schedule for Calendar Year 2016 and discuss additional upcoming event activities and locations. She said that Alameda was proposed for the April 7 Board meeting and that she expected there would be a ribbon-cutting event at Mare Island soon, as well as other upcoming groundbreaking events that would take place in various locations and communities.

Chair Breckenridge asked that Directors vote on moving the April 7 meeting to Alameda as proposed, and then bring in their top three choices for other meeting locations to be shared, considered and voted on at the next meeting. She asked if there were any objections to holding the April 7 meeting in Alameda and there were none.

Director Donovan made a motion to approve the item of moving the April 7 meeting to Alameda. Director DelBono seconded the motion and the item carried unanimously.

Yeas: Breckenridge, DelBono, Donovan, Intintoli. Nays: None. Absent: Wunderman.

12. INFORMATIONAL REPORT ON NORTH BAY VESSEL PROCUREMENT AND VESSEL PROPULSION TECHNOLOGY

Mr. Stahnke introduced Elliott Bay Design Group Senior Engineer John Reeves who presented an informational report on vessel propulsion technology options. The report focused on the North Bay Vessels project and how new technology would apply to vessels on the Vallejo and Richmond routes given their service and route profiles.

Director Donovan thanked Mr. Reeves and said the presentation was a real eye-opener and he was surprised to see what the trade-offs in performance and capacity would have to be to support the additional weight and space for the alternative technology options.

Mr. Stahnke said that many of the benefits one would expect to receive in fuel savings with the alternative technology options would not be realized even with the reduction of passenger capacity primarily because of the weight increase. He added that further studies would be required to prove such benefits.

13. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS

PUBLIC COMMENT

Wind+Wing Technology Director of Marketing and Development Strategy Charlie Bogue said Wind+Wing had not been asked for data to contribute to the report presented. He said he was still convinced there would be savings with wind assist wings at high vessel speeds. He added that there would be commonality across all of the vessels with wind technology vessels because crews would only have to turn something on and off. He said there would be 99 percent commonality and WETA would still reap the benefits. Mr. Bogue also said the Richmond City Council had passed a resolution that asked for alternative technology vessels and Chair Breckenridge confirmed receipt of the resolution.

Chair Breckenridge said it was important to look at the art of the possible in creating the Strategic Plans and that critically thinking about what was involved to support viable and proven new technologies, including what was necessary in current and future infrastructure, was crucial.

PUBLIC COMMENT

Mr. Gardner said that the hybrid cars that many people drove today were heavier than other cars but they were also greener than other cars. He said there would be additional weight and increased costs for the new vessel technologies presented and noted that car companies got really good mileage in some of their cars and had some cars, such as Cadillacs, on which they made a lot of money. Mr. Gardner said the new Richmond vessels didn't need to be fast and many boats in use around the world had been slowed way down to save fuel as a regular service practice. Mr. Gardner suggested that vessel speed be reduced from 34 knots to 30 knots or so on the Vallejo and Richmond routes which would save fuel. He also said that commonality would exist with the Wind+Wing technology because the design of the vessels would be exactly the same as vessels already in use, with no differences other than the wind-assist wing.

Chair Breckenridge asked if there were any other comments from anyone in the room and there were none. She thanked everyone for their comments and attendance.

14. ADJOURNMENT

All business having been concluded, the meeting was adjourned at 4:56 p.m.

Respectfully Submitted,

Board Secretary