

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(September 6, 2012)

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

1. ROLL CALL AND CALL TO ORDER

Vice Chair Anthony Intintoli chaired the meeting and called the meeting to order at 1:00 p.m. Directors present were Director Bellows and Director Timothy Donovan. Director Beverly Johnson arrived at 1:20 and Chair Charlene Haught Johnson arrived at 1:30. Vice Chair Intintoli led the Pledge of Allegiance.

2. REPORT OF BOARD CHAIR

No report.

3. REPORT OF DIRECTORS

No report.

4. REPORTS OF STAFF

Executive Director Nina Rannells referred the Board to her written report and offered to answer any questions. She then introduced a new staff member, Travis Swenston, who had recently assumed the Administrative Assistant position while Scott Houston had moved into a new role as Administrative Analyst.

5. CONSENT CALENDAR

Director Bellows made a motion to approve the consent calendar which included the minutes from the August 2, 2012 meeting. Director Donovan seconded the motion the item carried unanimously.

6. PUBLIC HEARING TO CONSIDER COMMENTS ON THE PROPOSAL TO ESTABLISH NEW FARES FOR THE CLIPPER FARE PAYMENT SYSTEM

Vice Chair Intintoli introduced a hearing to offer the public an opportunity to comment on WETA's proposal to establish fares for the Clipper fare payment system on the Alameda, Harbor Bay, and Oakland to San Francisco services. He formally opened the public hearing at 1:10 p.m. and invited members of the public to comment.

Citing no speakers and no further comments, Vice Chair Intintoli closed the public hearing at 1:11 p.m.

7. ESTABLISH NEW FARES FOR THE CLIPPER FARE PAYMENT SYSTEM

Senior Planner/Analyst Mike Gougherty presented this item requesting Board approval of new fares for the Clipper fare payment system for the Alameda, Harbor Bay, and Oakland to San Francisco services. He emphasized that WETA's objective in establishing Clipper fares was to provide the same or similar fare discounts that were currently provided through existing cash or pre-paid fare products for Adult, Youth, Senior, and Medicare/Disabled patrons. He summarized the extensive outreach seeking public comments and summarized the written comments received.

Vice Chair Intintoli noted a line in the later SRTP item which indicated that cash fares would eventually go away. Mr. Gougherty replied that this point had been considered for inclusion in the

discussion for this item and that cash fares would remain in the near term. Ms. Rannells added that it was likely that cash fares would phase out eventually but that this was not something anticipated in the near future. She said that an objective in the next year would be to look at fares in the system overall.

Vice Chair Intintoli then asked if the discounts for 20 and 40 ride ticket books would also be going away. Ms. Rannells replied that MTC has ultimately required large operators to phase out discounts as they moved to the Clipper system and that a discussion would be brought to the Board in the event WETA faced a similar requirement.

Director Donovan asked if all five comments received were similar. Mr. Gougherty said that of the comments received, two were within the scope of the item, and both were regarding the reduced value of the Muni transfer.

Director Bellows made a motion to approve the item. Director Donovan seconded the motion the item carried unanimously.

8. AUTHORIZE CONTRACT AWARD FOR DREDGING SERVICES FOR THE HARBOR BAY TERMINAL AND CHANNEL AND RELATED ACTIONS

Manager of Operations Keith Stahnke presented this item requesting Board authorization to award a contract to Dutra Dredging in an amount not to exceed \$264,000, to authorize the Executive Director to negotiate and execute the contract, and to approve a budget increase in the FY 2012/13 Capital Budget for the Harbor Bay Channel Dredging project in the amount of \$45,000.

Vice Chair Intintoli remarked that the Dutra bid seemed very reasonable and close to the engineer's estimate. Mr. Stahnke replied that it was, and he suspected the low bid may be due to the firm having other work scheduled in the area which would minimize their mobilization costs.

Director Donovan made a motion to approve the item. Director Bellows seconded the motion the item carried unanimously.

9. APPROVE CONTRACT AWARD FOR NEPA ENVIRONMENTAL REVIEW SERVICES FOR THE VALLEJO FERRY MAINTENANCE FACILITY

Manager of Planning and Development John Sindzinski introduced this item requesting Board approval of a contract award to URS Corporation to provide NEPA Environmental Review Services for the Vallejo Ferry Maintenance Facility in an amount not to exceed \$150,000, and to authorize the Executive Director to negotiate and execute a professional services agreement for this work.

Director Bellows asked if there were any known issues regarding site contamination. Mr. Sindzinski replied that the Navy had used the facility to offload ordinances and that there was submerged contamination as a result but that WETA would require only minimal pile work for this project which would not impacted those areas. Director Bellows asked if the study may uncover other issues. Mr. Sindzinski clarified that the work at hand would be to clear the project for NEPA and that the scope was designed for the lowest possible risk exposure. Director Bellows asked if the Navy was responsible for uncovering such issues. Mr. Sindzinski said he was uncertain and that he would look into it. Vice Chair Intintoli added that portions of the property which had not been turned over to the City of Vallejo were the responsibility of the Navy.

Director Donovan asked what the timeline for this work would be. Mr. Sindzinski said that it should be completed within six months. Director Johnson asked if there had been a clear consensus for choosing URS. Mr. Sindzinski said that several factors made URS stand out as the best choice, specifically their direct experience working with the Navy and understanding of the best approach to a project of this nature.

Director Bellows made a motion to approve the item. Director Donovan seconded the motion the item carried unanimously.

10. AUTHORIZE RELEASE OF A REQUEST FOR PROPOSALS FOR SHIPYARD SERVICES FOR THE ENCINAL MAIN ENGINE OVERHAUL PROJECT

Manager of Operations Keith Stahnke presented this item requesting the Board to authorize the release of a Request for Proposals for the Shipyard Services for the Encinal Main Engine Overhaul Project.

Director Johnson made a motion to approve the item. Director Bellows seconded the motion the item carried unanimously.

11. REVIEW DRAFT WETA 2012 – 2021 SHORT RANGE TRANSIT PLAN

Planner/Analyst Chad Mason presented an overview of WETA's draft Short Range Transit Plan and invited comments or questions from the Board, noting that the SRTP would be finalized and brought back to the Board for adoption at the October Board meeting.

Director Johnson asked if it was accurate that the Berkeley and Richmond ridership estimates remained consistent regardless of whether only one or both services were operating. Mr. Mason answered that the ridership studies indicated small pulls on the catchment areas if both services were operating simultaneously but that overall the numbers modeled for each service remained independent.

Director Donovan asked what the transit times from Antioch to San Francisco were. Mr. Mason said that they would be 90 to 120 minutes depending on speed constraints dictated by the environmental review and other variables such as the Tule fog.

Ms. Rannells added to Mr. Mason's overview of the draft SRTP that costs and revenues for the Treasure Island service were not included in the financial plans as development of that project would be driven by the City of San Francisco.

Mr. Mason pointed out an estimated \$2 million shortfall in the projected operations budget for FY2017/18, mostly due to the start of Berkeley service. He noted that the shortfall would be much greater without the budget assumption for annual fare increases. Ms. Rannells added that part of developing an SRTP required making certain projections and assumptions such as annual fare increases but that she wanted the Board to be clear that in reality these were policy decisions which the Board would be required to address. She further stated that without the projected fare increases the services are projected to run out of budget very quickly and thus this assumption needed to be included in the SRTP for system sustainability purposes.

Director Johnson asked if the \$2 million shortfall would be just for the Berkeley service or system-wide. Mr. Mason responded that it would be system-wide and that as other cost projections increase beyond that that the shortfall would also increase.

Vice Chair Intintoli stated that Chapter 5 needed to be beefed up substantially regarding the creation of opportunities to stabilize ridership. He said that before the projected shortfall in 2017 occurs, an active investment in marketing, specifically for the Vallejo service, would be essential. Vice Chair Intintoli noted that no significant marketing had occurred in Vallejo since fares had been raised in 2008 and that the service had not yet recovered after the resulting 20% loss in ridership. He asked that more thought be put into proactively stabilizing the ridership through marketing and strongly emphasized that this should be included in the SRTP. Ms. Rannells noted that MTC had a

similar comment in from their review of the draft document and replied that staff would work to outline an approach to this work for the final SRTP.

Mr. Mason concluded his report with a reminder to the Board that staff would welcome their additional comments regarding the SRTP during the next several weeks as the draft was being finalized.

Public Comment

Veronica Sanchez of Masters, Mates and Pilots, asked if having the Berkeley environmental work certified by December would meet the requirements for retaining RM2 funding.

Finance and Grants Manager Lynne Yu replied that in the case that the deadline was not met that it was her understanding that funding for the Berkeley vessels could be transferred to support the Richmond project, adding that the funding would not be lost but simply shifted. WETA counsel Stanley Taylor III of Nossaman LLP added that the funding was in fact tied to the environmental review. Ms. Rannells reiterated Ms. Yu's point that the RM2 funds would not be lost, but, rather, they could be shifted from Berkeley to Richmond resulting in no net loss in capital funds to the agency. Ms. Yu added that WETA would have the opportunity to switch other funds such as Prop 1B between the two projects to balance the funding needs and sources.

Ms. Sanchez asked if that meant that both projects were deliverable. Ms. Rannells said that they were, assuming Proposition 1B funds continue to be made available to the agency, further noting that it is the funding for operations that is most critical to the ability to fund future service expansion projects at this juncture.

Director Johnson asked if the money could be used past the December date if the Board chose to. Mr. Taylor said that Ms. Yu's characterization was accurate regarding WETA's ability to shift the funding between the two projects.

12. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Chair Johnson called the meeting into closed session at 1:58 p.m. Upon reopening of the meeting at 2:50 p.m. she reported that no action had been taken.

13. ADJOURNMENT

All business having concluded, the meeting was adjourned at 2:50 p.m.

Respectfully Submitted,

Board Secretary
