

Members of the Board

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**SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING
Thursday, October 4, 2018 at 1:30 p.m.
Port of San Francisco
Pier 1
San Francisco, CA**

The full agenda packet is available for download at weta.sanfranciscobayferry.com

AGENDA

1. CALL TO ORDER – BOARD CHAIR
2. PLEDGE OF ALLEGIANCE/ROLL CALL
3. REPORT OF BOARD CHAIR *Information*
4. REPORTS OF DIRECTORS *Information*
Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.
5. REPORTS OF STAFF *Information*
 - a. Executive Director’s Report on Agency Projects, Activities and Services
 - b. Monthly Review of Financial Statements
 - c. Legislative Update
6. CONSENT CALENDAR *Action*
 - a. Board Meeting Minutes – September 6, 2018
7. APPROVE CONTRACT AWARD TO MAVRIK MARINE, INC. FOR CONSTRUCTION OF NEW COMMUTER CLASS FERRY *Action*
8. REGIONAL MEASURE 3 PROGRAM AND PLAN UPDATE *Information*
9. OVERVIEW OF WETA SYSTEM PERFORMANCE MEASURES *Information*
10. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

Water Emergency Transportation Authority
October 4, 2018 Meeting of the Board of Directors

All items appearing on the agenda are subject to action by the Board of Directors. Staff recommendations are subject to action and change by the Board of Directors.

PUBLIC COMMENTS WETA welcomes comments from the public. Each person wishing to address the Board of Directors is requested to complete a Speaker Card. Please forward completed Speaker Card and any reports/handouts to the Board Secretary. Speakers will be allotted no more than three (3) minutes to speak and will be heard in the order of sign-up. Said time frames may be extended only upon approval of the Board of Directors.

Non-Agenda Items: A 15 minute period of public comment for non-agenda items will be held at the end of the meeting. Please indicate on your speaker card that you wish to speak on a non-agenda item. No action can be taken on any matter raised during the public comment period.

Agenda Items: Speakers on individual agenda items will be called in order of sign-up after the discussion of each agenda item.

WETA meetings are wheelchair accessible. Upon request, WETA will provide written agenda materials in appropriate alternative formats to individuals with disabilities. In addition, WETA will arrange for disability-related modifications or accommodations including auxiliary aids or services to enable individuals with disabilities to participate in public meetings. Please send a written request including your name, mailing address, telephone number and brief description of the requested materials in preferred alternative format and/or auxiliary aid or service at least five (5) days before the meeting. Requests should be made by mail to: Board Secretary, WETA, 9 Pier, Suite 111, San Francisco, CA 94111; by e-mail to: contactus@watertransit.org; or by telephone: (415) 291-3377.

MEMORANDUM

TO: WETA Board Members
FROM: Nina Rannells, Executive Director
DATE: October 4, 2018
RE: Executive Director's Report

CAPITAL PROJECT IMPLEMENTATION UPDATE

4 New Vessels – Central Bay

This project will construct four new 400-passenger high-speed 27-knot propeller vessels; two to replace the MV *Encinal* and *Harbor Bay Express II* and two to support the growing demand for WETA services.

The Board of Directors approved a contract with Aurora Marine Design (AMD) for vessel construction management services in December 2013, and with Kvichak Marine Industries - now Vigor Kvichak (Vigor) - in April 2015 for the construction of two new replacement vessels. Vessel construction began in September 2015. The first of these vessels, the MV *Hydrus*, was completed in March and put into revenue service in April 2017. The second of these vessels, the MV *Cetus*, was placed into revenue service in August 2017.

On October 6, 2016 the Board of Directors approved a contract award to Vigor for construction of two additional vessels. The first of these vessels, the MV *Argo* safely completed its trip from Seattle to San Francisco on May 18. The MV *Argo*, was placed into revenue service in June 2018. Work continues on the fourth vessel, the MV *Carina*. The hull sections with major machinery and systems installed were launched July 19 and taken to the Vigor Harbor Island facility in Seattle where the cabin module will be joined to the hull sections on October 1st. The MV *Carina* is scheduled for completion at the shipyard in late December 2018.

3 New Vessels – North Bay

This project will construct three new 445-passenger high-speed 34-knot jet propulsion vessels to support WETA's Vallejo and North Bay services. In December 2015, the Board of Directors approved a contract with Fast Ferry Management for vessel construction management services. On September 1, 2016 the Board of Directors approved a contract award to Dakota Creek Industries for vessel construction. Vessel construction is in full swing.

The design and engineering work for the three new vessels is complete; all structural drawings have been approved. Main engine exhaust emissions testing was completed and Environmental Protection Agency (EPA) Tier 4 compliance for emissions was demonstrated at the factory. An agreement between WETA, MTU, Pacific Power Group and Dakota Creek for field testing of these first-ever MTU Tier 4 compliant engines has been finalized. Main propulsion equipment for the first vessel MV *Pyxis* is installed, and installation of other mechanical and electrical systems is well underway. Final outfitting and painting of the MV *Pyxis* will be completed in September, and the vessel will be moved out of the fabrication building and launched following completion of hull painting. Systems testing and sea trials will begin in

October. Delivery of the vessel to Vallejo is projected to occur in December 2018, and it should be available for service in early 2019. Hull and superstructure construction on the second vessel MV *Vela* is at 90% complete. Waterjets have been installed on the MV *Vela* and the shipyard is starting the work to install mechanical and electrical systems. Hull framing for the third vessel, MV *Lyra*, is complete and her keel will be laid as soon as the MV *Pyxis* is moved out of the fabrication building in September.

MV *Peralta* Mid-Life Project – Phase Two

This project provides for a general refurbishment of the MV *Peralta*. On December 7, 2017 the Board of Directors approved a contract award to Marine Group Boat Works. The Phase Two refurbishment includes: renovation of the passenger cabins, bathrooms and galley, exterior paint and coatings, navigation electronics, control systems upgrades, steering system replacement, stern hull section module. The stern hull sections have been replaced with new modules and are complete. The cabin interior passenger spaces have been cleared and repainted and the overhead ceiling has been replaced. The main deck bar was removed; new flooring and counters are installed. Control and navigation systems are replaced. Deck coverings and seating are installed. Successful dock and sea trials were completed on August 29. Final punchlist items are now being completed as well as is the stability certification from the United States Coast Guard (USCG). The overall project is wrapping up and is expected to be completed in October.

New Commuter Class Vessel

In December 2017, the Board of Directors approved a release of a Request For Proposals (RFP) to procure a mid-sized high-speed passenger vessel, with potential options, that will establish a new class of WETA vessel with the versatility to support WETA's diverse system of services. On March 1, 2018, the Board of Directors approved a contract award to Glosten for Construction Management Services to support vessel construction. This mid-size high speed vessel will meet WETA's needs for serving both long and short routes and facilities constrained by vessel size and water depth. On July 20, 2018 five proposals were received from shipyards as a part of the Phase I qualifications component of this procurement. The proposals received, in alphabetical order, came from; (1) All American Marine Inc. in Bellingham, WA, (2) Dakota Creek Industries Inc. in Anacortes, WA, (3) Mavrik Marine in La Conner, WA, (4) Nichols Brothers Boat Builders in Freeland, WA, and (5) Vigor Kvichak LLC in Seattle, WA. All five proposals were determined to be responsive and met requirements for qualifications, experience, basic vessel design, references and financial capacity. Step Two requires proposers to submit detailed information regarding their proposed vessel, technical approach, management plan, delivery schedule and price proposal. Step Two submittals were due on September 9, 2018. Staff has completed their review of the proposals and the October Board of Directors meeting agenda includes an item recommending award of a contract to Mavrik Marine Inc. for this vessel.

Central Bay Operations and Maintenance Facility

This project will construct a new ferry operations and maintenance facility at Alameda Point to serve as the base for WETA's existing and future Central Bay ferry fleet and operations. The project is being constructed by Overaa/Power, a Joint Venture, and construction management is being provided by 4Leaf, Inc. The building exterior skin was recently installed, and the waterside installation of floats and piles was completed in 2017. The project is close to completion. Blue & Gold has moved all WETA Central Bay vessel operations to the new facility, starting with the South San Francisco service on September 17th and followed by the balance of central bay services the following week. Facility and system modifications and final move-in details remain

and will continue to be addressed as Blue & Gold settles into this new facility and operating environment. A facility opening ceremony will be planned for later this year.

Downtown San Francisco Ferry Terminal Expansion Project

This project will expand berthing capacity at the Downtown San Francisco Ferry Terminal in order to support new and existing ferry services to San Francisco. The project also includes landside improvements needed to accommodate expected increases in ridership, and to support emergency response capabilities. Project construction is being provided by Power Engineering under a Guaranteed Maximum Price contract, and construction management is being provided by CH2M, now Jacobs Engineering.

Construction began in February 2017 and is scheduled to be completed by the end of 2019. To date, the contractor has completed site demolition, dredging, and approximately two-thirds of pile driving activities. The deck substructure has been formed for most of the new promenade and approximately half of the new plaza areas. In the past month, the superstructure for the new floats and gangways arrived in the Bay Area where fabrication of the ramp and canopies will be completed at a shipyard in Alameda. The contractor has also progressed with construction of the entranceways and guardrails leading to the new Gates F and G, which are scheduled to open for service by the end of the 2018.

Richmond Ferry Terminal and Service

This project will construct a ferry terminal in Richmond to support new public transit ferry service between Richmond and San Francisco. Construction consists of replacing an existing facility (float and gangway) and the expansion and upgrading of an existing surface parking lot. Manson Construction is the main contractor and construction management is being provided by Ghirardelli Associates. New service will be operated with the support of Contra Costa County Measure J funds authorized by the Contra Costa County Transportation Authority (CCTA) in March 2015.

Project dredging and pile removal was completed in October 2017 and waterside pile installation was completed in November 2017. Construction of the landside improvements commenced in February 2018 and will be completed by the end of the year. Staff has consulted with the City of Richmond and mutually agreed on a service opening date of January 10, 2019. Work is underway to plan for marketing and service opening events for the new terminal and service in consultation with the City of Richmond and CCTA/WCCTAC staff.

Terminal Dredging

At the August Board meeting a contract was awarded to the Dutra Group for South San Francisco Ferry Terminal dredging at the Oyster Point Marina. Permitting is in process with work expected to start in late October and to be completed by November 30.

At the September Board meeting a contract was awarded to the R.E. Staite for dredging and float and gangway rehabilitation work at the Vallejo Ferry Terminal. Permitting is in process and site work is anticipated to start in late October and be completed by November 30.

SERVICE DEVELOPMENT UPDATE

Mission Bay Ferry Landing

The Port of San Francisco released an engineering feasibility and site selection study for a future Mission Bay ferry landing in March 2016. WETA staff participated in the study and provided input regarding ferry operations and potential service models. In December 2016, the Port of San Francisco awarded a contract to COWI/OLMM to complete preliminary design,

permitting and entitlement activities, and began the process in partnership with WETA. To support the effort, the City and Port of San Francisco placed \$7 million in its capital budget. A project Memorandum of Understanding (MOU) between the Port and WETA was adopted by the WETA Board in January 2017. Staff has been working together with Port staff and their consultants on initial design and environmental testing activities. The environmental document is complete. The Port is working to identify funds to move the project forward to construction and has submitted a request for WETA to program \$25 million in Regional Measure 3 to support project construction, which is estimated to cost approximately \$40 million.

Alameda Seaplane Lagoon Ferry Terminal

In April 2016, the Alameda City Council and WETA Board of Directors adopted a MOU defining a future service concept for western Alameda and identifying the terms and conditions under which a new Seaplane Lagoon Ferry Service would be implemented. The MOU defines roles and responsibilities for each party pertaining to the proposed construction of a new ferry terminal along Seaplane Lagoon on the former Naval Air Station at Alameda Point, future operation of the service, and the pursuit of funds necessary to support the new service. The City has contracted with Marcy Wong Donn Logan Architects to complete the final design of the ferry terminal. WETA staff is participating in the design effort. Staff continues to work with the City to fulfill WETA's commitments under the MOU with the common goal of achieving the start of service by 2020.

The transfer of property from the City to the development team - Alameda Point Partners - included a \$10 million contribution toward the Seaplane Lagoon Ferry Terminal. The City previously secured \$8.2 million from the Alameda County Transportation Commission for the terminal and has recently committed \$2 million from City general funds. In August 2018, the WETA Board of Directors authorized a commitment of \$2 million to the project to close a funding gap and keep the project on schedule for an early 2020 opening.

Redwood City Ferry Terminal

WETA prepared a draft Redwood City ferry terminal site feasibility report in 2012 in an effort to identify site opportunities, constraints and design requirements, and better understand project feasibility and costs associated with the development of a terminal and service to Redwood City. During the summer of 2016, staff from the Port of Redwood City (Port), WETA and Redwood City met to redefine a ferry project that could potentially be developed in phases given existing funding limitations. The project concept shifted the development toward a public facility available to multiple ferry operators in advance of formal WETA service given the lack of project funds for such service at this time. This alternative development model would allow the Port and City to move forward with construction of a terminal, allowing time for WETA and the City to advocate for operational and vessel funding for eventual WETA service.

In an effort to jump-start a regional conversation on the Redwood Ferry service, Board Chair Breckenridge, Vice Chair Wunderman and WETA staff participated in a site visit to the Port on May 25, 2018 that also included Port Commissioners, the Mayor of Redwood City, and Councilmembers from Redwood City and Burlingame. In addition, staff from multiple agencies and private sector stakeholders such as Google and Prop SF were in attendance. The two-hour site event consisted of a visit to an adjacent property to view a potential ferry terminal location and an hour of presentations and discussion among the group.

At this juncture, Redwood City has taken the lead role for implementation of the Ferry Terminal Project. The City was awarded \$450,000 in San Mateo County Measure A transportation sales tax funds to prepare a Financial Feasibility Study and Cost Benefit Analysis Report for the

Redwood City Ferry Terminal Construction and Service. As a part of this award, they will be entering into an agreement with the San Mateo County Transportation Authority to develop and adopt the Feasibility Study and Business Plan. Concurrent with this activity, Redwood City, Port of Redwood City and WETA staff are working to develop a draft MOU for future Board consideration that defines agency roles and responsibilities for working together to advance the terminal planning and development.

Berkeley Ferry Terminal

The proposed Berkeley service will provide an alternative transportation link between Berkeley and downtown San Francisco. In past years, staff worked to develop a draft environmental assessment for a project to build a new ferry terminal and service in Berkeley at a site just south of the Berkeley Fishing Pier. This work was ultimately suspended due to extraordinary mitigation measures required by National Marine Fisheries related to project dredging and due to the lack of full funding for project construction and operation; a prerequisite to Federal Transit Administration (FTA) completion of the federal environmental process (NEPA).

City of Berkeley staff recently initiated a study to explore strategies for rebuilding the city's Municipal Fishing Pier, including a concept for a dual-use pier facility that would serve as both a ferry terminal and public access space. This study seeks to address issues related to not only the City's loss of public access to waterfront, but also conflicts that have emerged with the operation of private ferry service within the Berkeley Marina. The study was not originally scoped to consider WETA as the primary ferry service operator; however, both City and WETA staff have expressed a mutual interest in expanding the study to do so. Staff is currently working with their respective counsels to draft an MOU that would define a partnership between the parties for expanding the City's ferry study and pursuing further development of the project, should a feasible concept be identified. Execution of the MOU would require approval by both the WETA Board and the Berkeley City Council.

Treasure Island Service

This project - which will be implemented by the Treasure Island Development Authority (TIDA), the San Francisco County Transportation Authority (SFCTA), acting in its capacity as the Treasure Island Mobility Management Authority, and Lennar Urban, the prospective developer - will institute new ferry service between Treasure Island and downtown San Francisco in connection with the planned Treasure Island Development Project.

WETA staff has worked with City of San Francisco staff over the years to support development of this project. We currently participate in regular meetings of the City's Technical Advisory Committee, convened to update and further develop the Treasure Island Mobility Management Program that will include a new ferry service to be provided in conjunction with the development project. Staff recently learned that the SFCTA has advanced the opening date for new ferry service from 2023 to 2021 and is in the process of consulting with SFCTA staff regarding this change and its impact to their plans.

SYSTEM PLANS/STUDIES

Alameda Terminals Access Initiatives

The City of Alameda City Council authorized a residential parking permit program for the Harbor Bay Ferry Terminal area in February 2017. City of Alameda staff coordinated with the Harbor Bay Master Homeowner's Association to develop a strategy for implementing the residential permit and enforcement program, including outreach to surrounding communities and ferry riders. On June 27, the City began the outreach effort with cooperation from WETA through the

Bay Alerts system. The City continued its outreach process through the end of August and began active enforcement in September 2017. To make up for the loss of parking, WETA began working with the City to develop strategies to enhance alternative access to the terminal, and staff executed an agreement with AC Transit to offer a reciprocal free transfer to ferry riders who take the bus to the ferry. In addition, bike lockers were upgraded and new bike racks were installed.

Recently, the City submitted an application to allow on-street parking on Harbor Bay Parkway and Adelpian Way, two streets where BCDC has imposed no parking or limited parking rules. A group of Harbor Bay riders have submitted letters of support for the City proposal and WETA staff has also written to support the proposed change as a benefit to ferry riders.

At the request of the Harbor Bay Homeowner's Association and the City of Alameda, WETA has been considering a parking fee at the Harbor Bay lot. WETA staff has engaged CDM Smith to evaluate potential parking fee programs, not just for Harbor Bay but for the entire WETA system. A program of systemwide parking fee program policy goals was approved by the WETA Board in November 2016 that can be used to guide the development of a specific paid parking program for the Harbor Bay Terminal site. Staff has asked City of Alameda staff to confirm that there is still interest in paid parking at Harbor Bay and how this would be integrated into the City's overall plans for parking at the other two terminals in Alameda once Seaplane Lagoon is operational in 2020.

At Main Street, WETA worked with City of Alameda staff beginning in spring 2015 to open the Officer's Club parking lot as an overflow lot for the many riders who had been parking on dirt lots or on the shoulders of Main Street. WETA funded a new crosswalk and minor improvements to the lot, which opened to ferry riders in May 2016. In addition to the parking improvements, 20 bicycle lockers were installed at the Main Street terminal in February 2016. Staff has since shifted focus to identify additional access improvement possibilities - such as buses, shuttles, bicycles, and pedestrian improvements - after the parking improvements were underway, and has met with private companies like Lyft, Chariot and Scoop in an effort to explore alternative options for improving transportation options for ferry riders in Alameda and elsewhere.

Staff recently attended the inaugural Shuttle Task Force convened by the City of Alameda and the Greater Alameda Business Association to explore the possibility of a free shuttle within the City. Providing shuttle service to ferry terminals is a primary goal of the effort.

Solano County Water Transit Plan and Financial Feasibility Study

The Solano Transportation Authority (STA) has begun a feasibility study of potential ferry and water transit routes in and around Solano County. WETA is a partner on the study by serving on a Technical Advisory Committee and funding the necessary ridership forecasting tasks, similar to the role WETA played in the 2014 Ferry Feasibility Study in Contra Costa County. The STA study is expected to be complete in the early part of 2019. Staff will provide the Board with updates as the study progresses.

Small Vessel Service Study

An Advisory Committee of the Board has been formed and has met on two occasions to initiate study of small vessels as a complement to WETA's service. The Board Subcommittee consists of Board members Josefowitz and Intintoli, and a transportation consultant – ARUP – has been engaged to perform the analysis. The consultant has begun a more intensive part of the analysis and staff will begin reaching out to stakeholders such as City representatives, funding

partners and private companies as this work proceeds. Staff anticipates holding the next meeting of the Board Subcommittee in mid-October and having a draft report for discussion with the full Board of Directors by the end of 2018.

EMERGENCY RESPONSE ACTIVITIES UPDATE

WETA's enabling legislation directs the agency to provide comprehensive water transportation and emergency coordination services for the Bay Area region. Staff is currently working on the following emergency response related activities:

Vessel Mutual Assistance Plan and 2018 Urban Shield Exercise:

On Saturday September 8, WETA participated in the 2018 Urban Shield Red Command exercise which also qualified as the required annual Vessel Mutual Assistance Plan (VMAP) exercise. The exercise was designed to test the Oakland Airport's Water Rescue Plan in the event of a plane landing in the San Francisco Bay.

Participants met at WETA's new Central Bay Operations & Maintenance Facility for a safety briefing and departed to the exercise location just offshore of Alameda Point near Anchorage 9. Golden Gate Ferry provided a vessel that served as the "downed aircraft" and WETA provided a vessel which served as a rescue platform for survivors. Both ferry vessels deployed an Inflatable Buoyancy Apparatus (IBA) for the transfer of survivors. Responding fire department vessels picked up survivors from the IBA attached to the "downed aircraft," transported them to the WETA vessel where they were transferred to the IBA and transited up the slide and into the ferry. As an after action item from a previous exercise conducted in April, WETA purchased equipment including a wooden rope ladder which was laid on the slide to provide traction as well as a safety sling and block and tackle to pull non-able bodied survivors up the slide. This equipment was tested and made survivor transfer up into the ferry very easy. Able-bodied survivors walked up the slide with the assistance of the wooden ladder, and non-able bodied persons (dummies) were pulled up the slide using the safety sling and block and tackle.

The exercise lasted approximately 3 hours, with multiple chances for each fire department vessel to practice touch and gos and transfer survivors to/from the ferries. There were at least three agencies that deployed six different drones from the ferry to test the delivery of mini-inflatable rafts, live streaming capabilities, and to record the exercise.

To maximize this crew training opportunity, WETA funded the participation of additional Blue & Gold Fleet/San Francisco Bay Ferry crews beyond the number of crew necessary to operate the vessel - eight crew and four captains participated.

Participants included WETA, Blue & Gold Fleet, Golden Gate Ferry, Red & White Fleet, Hornblower, Alcatraz Cruises, Angel Island Tiburon Ferry, USCG, Marine Exchange, 17 fire departments, 3 sheriff's offices, Oakland Airport, Port of Oakland, Oakland Police Department, United States Navy, and East Bay Regional Parks District, among other agencies. A total of 19 vessels were used in the exercise, including ferries, 2 USCG vessels and 15 fire department vessels.

The SF Bay Ferry crew members did an excellent job during the exercise, particularly as the exercise was held during a large tide change and the vessel was not anchored or tied to a buoy. Some of the after action items include:

- Ensuring crews have radios to easily communicate amongst themselves during the deployment of equipment
- Providing more opportunities for crews to have hands-on experience deploying IBAs and slides; and
- Holding more collaborative training sessions with responding fire crews to practice safe and efficient approaches to the IBA attached to the ferry.

Blue & Gold Fleet operations staff, including Jason Covell, Grant Sellar and Chris Robbins, put a lot of time and effort into planning for this exercise. Additionally, Chris Robbins was kind enough to deploy a drone and provide us with some fantastic video clips. Thank you to the crew members who participated and to Blue & Gold Fleet staff for making this exercise a success.

Central Bay Operations & Maintenance Facility Emergency Operations Center (EOC):
Staff is continuing to work on ordering emergency communications equipment for the Central Bay Operations & Maintenance Facility, and is developing a functional layout for converting the conference room into an EOC during an event requiring EOC activation.

OTHER PROJECTS

Ridership Database

WETA has contracted with TransSight LLC to build a web-based Ridership Database and Reporting System to improve access to and use of ridership and other operating data from Blue & Gold Fleet's data systems. Initial user training was held on August 15. The database has been deployed to production and is currently undergoing a final code review.

Mobile Ticketing Platform

WETA is in the process of developing a mobile ticketing platform that will allow riders to use their mobile devices to buy tickets for the ferry. Visitors and other infrequent riders who do not have Clipper Cards will be the primary users of the mobile ticketing platform. WETA contracted with on-call technical consultant BlinkTag, Inc. for assistance with market research and RFP development for this project. In May 2018 the WETA Board authorized issuing an RFP for this project. On August 2, the WETA Board approved award of a contract for the mobile ticketing platform to Hopthru, Inc. Staff plans to launch the mobile ticketing platform on October 29, 2018.

OPERATIONS REPORT

Monthly Operating Statistics - The Monthly Operating Statistics Report for August 2018 is provided as **Attachment A**. A more detailed discussion on performance metrics is included as a separate item on the October 4 meeting agenda.

Winter Schedule Changes

On October 29, 2018 seasonal changes to the Alameda/Oakland and Vallejo ferry services take effect. The winter schedules primarily reduce the weekend service for Alameda/Oakland and Vallejo during the lower-ridership wet winter months. As part of a systemwide adjustment in ferry schedules brought on by the January addition of Richmond service and the opening of the Central Bay Maintenance Facility, there will also be a shift in departure times to accommodate changes in demand and service efficiencies. Specifically, the current departure from Pier 41 at 4:15 p.m. will be shifted to the Ferry Building at 4:00 p.m. This will position a vessel to make a critical departure to Richmond at 5:20 p.m. and address increasing pressure on the 4:35 p.m. and 5:20 p.m. departures to the east bay.

Fleet Week 2018

Service planning and schedules are complete for enhanced weekend service for the Alameda/Oakland and Vallejo routes for the Fleet Week festivities. This is historically one of the highest ridership weekends of the year for WETA's SF Bay Ferry services.

WETA/USCG Sector San Francisco Training Opportunity

Lieutenant Amy Gayman of the USCG will spend the month of October in our offices and facilities learning about the WETA organization and our ferry operations and administration activities. Lt Gayman is new to the Bay Area and is assigned to be a marine inspector with the USCG Marine Safety Office. We hope to provide her with a comprehensive view of the work that WETA and our contract operator, Blue & Gold Fleet, do to support the operation of the SF Bay Ferry services. We think that this will be a mutually beneficial exercise and look forward to having Lt Gayman here with us.

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

On September 8, WETA participated in the Urban Shield Red Command exercise, a summary of which is included in the Emergency Response section of this report.

On September 10, Nina Rannells attended the Clipper Executive Board meeting held in San Mateo where the Board unanimously approved the new Clipper 2 contract with Cubic Transportation Services, Inc.

On September 11, Taylor Rutsch attended the Means Based Fare Discount Working Group meeting at the Metropolitan Transportation Commission (MTC).

On September 12-13, Nina Rannells participated in the Global Climate Action Summit activities including a ride on the new Red and White hybrid electric vessel *Enhydra*.

On September 20, Thomas Hall provided updates on WETA projects to other transit agencies through Clipper's Customer Education/Service and Distribution group.

On September 20, Chad Mason and Taylor Rutsch attended the West Contra Costa Council of Industries' annual Shoreline & Bay Yacht Tour.

On September 20, Nina Rannells attended the Propeller Club lunch in Oakland where Elaine Forbes, Executive Director of the Port of San Francisco, was the featured speaker.

On September 25, Kevin Donnelly participated in the USCG Sector San Francisco's MTS Recovery Unit (MTSRU) port partners communication drill utilizing the Alert and Warning System (AWS) notification.

On September 25, Nina Rannells participated in the Zero Emission Hydrogen Fuel Cell Working Group meeting.

On September 26, Kevin Connolly made a presentation of WETA's onboard survey results to the City of Alameda's Transportation Commission.

On September 27, Mike Gougherty presented on behalf of WETA at View by the Bay, an event hosted by the San Francisco Transit Riders as part of their third Annual Transit Week.

On September 28, Kevin Connolly and Mike Gougherty joined staff from other regional transit agencies to meet with the Warriors development team and tour the new Chase Center construction site.

On September 28, Nina Rannells attended the Bay Area Partnership Board meeting at MTC.

On October 3, Kevin Connolly made a presentation to the San Francisco Bar Association Development Committee.

OTHER BUSINESS

Veronica Sanchez

I am saddened to report that Veronica Sanchez, former Port of San Francisco and WTA employee and MMP representative, passed away on September 20, 2018. Veronica brought a zeal to life and her advocacy work in support of WETA, the MMP and the many men and women working on the San Francisco waterfront. She will be greatly missed.

Regional Measure 3

Senate Bill 595 (Beall), authorized a new bridge toll measure - Regional Measure 3 (RM3) - to raise the tolls on the state-owned bridges to fund a program of regional transportation improvements in the San Francisco Bay Area. In June 2017, during the development of this bill, the WETA Board adopted a Regional Measure 3 Principles and Investment Program. The final measure adopted by the legislature included \$300 million in capital funds to support construction of WETA vessels, terminals and facilities and an operating subsidy of up to \$35 million annually to support WETA's growing regional ferry system.

On January 24, 2018, the Bay Area Toll Authority authorized moving forward to place RM3 on the June 5, 2018 ballot. The measure, which passed by a majority of Bay Area voters, will raise tolls by \$3 over a six year period starting with a \$1 increase on January 1, 2019, and followed by additional \$1 increases in January 2022 and January 2025.

On July 5, 2018 the Howard Jarvis Taxpayers Association filed a lawsuit against the Bay Area Toll Authority and the State Legislature arguing that a bridge toll is a tax and therefore subject to a two-thirds vote requirement of the electorate or the Legislature. At this time, it is not known how the lawsuit will affect the toll increase or availability of funding from RM3.

Staff has met with MTC to discuss their process and requirements for moving forward to plan for implementation of the RM3 program. An item to discuss these processes and start to form WETA's plan and approach is included on the October 4 WETA Board of Directors meeting agenda.

END

Attachment A

Monthly Operating Statistics Report August 2018

		Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide
vs. last month	Total Passengers August 2018	147,648	32,061	13,474	109,879	303,062
	Total Passengers July 2018	151,869	29,780	11,742	112,812	306,203
	Percent change	-2.78%	7.66%	14.75%	-2.60%	-1.03%
vs. same month last year	Total Passengers August 2018	147,648	32,061	13,474	109,879	303,062
	Total Passengers August 2017	132,027	30,504	13,243	106,229	282,003
	Percent change	11.83%	5.10%	1.74%	3.44%	7.47%
Boardings	Total Passengers Current FY To Date	299,517	61,841	25,216	222,691	609,265
	Total Passengers Last FY To Date	278,153	56,817	24,490	211,980	571,440
	Percent change	7.68%	8.84%	2.96%	5.05%	6.62%
Ops Stats	Avg Weekday Ridership August 2018	4,779	1,394	586	3,878	10,637
	Passengers Per Hour	178	185	90	160	165
	Revenue Hours	828	173	150	686	1,837
	Revenue Miles	11,597	3,304	2,464	22,058	39,423
	Farebox Recovery	76%	55%	26%	68%	70%
	Cost per Available Seat Mile	\$0.25	\$0.33	\$0.50	\$0.24	\$0.27
	Average peak hour utilization, AM	65%	84%	48%	85%	71%
	Average peak hour utilization, PM	82%	77%	58%	100%	79%
	Fuel Used (gallons)	54,965	13,971	11,364	170,712	251,012
	Avg Cost per gallon	\$2.70	\$2.70	\$2.70	\$2.61	\$2.64

* Includes backup bus boardings. August bus ridership totaled 275 for Vallejo.

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
Lynne Yu, Finance & Administration Manager**

**SUBJECT: Monthly Review of FY 2018/19 Financial Statements for Two Months
Ending August 31, 2018**

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2018/19 Financial Statements for two months ending August 31, 2018.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$4,156,413	\$3,845,631	\$4,506,990
Bridge Toll Revenues	1,843,823	3,592,314	2,275,359
Other Revenues	-	123,660	3,850
Total Operating Revenues	\$6,000,236	\$7,561,605	\$6,786,199
Expenses - Year To Date:			
Planning & Administration	\$237,586	\$509,589	\$314,539
Ferry Services	5,762,649	7,052,016	6,471,660
Total Operatings Expenses	\$6,000,236	\$7,561,605	\$6,786,199
System-Wide Farebox Recovery %	72%	55%	70%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2018/19 Budget
Revenues:		
Federal Funds	\$2,952,368	
State Funds	11,214,029	
Bridge Toll Revenues	3,795,263	
Other Revenues	203,163	
Total Capital Revenues	\$18,164,823	15.75%
Expenses:		
Total Capital Expenses	\$18,164,823	15.75%

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

San Francisco Bay Area Water Emergency Transportation Authority
FY 2018/19 Statement of Revenues and Expenses
For Two Months Ending 8/31/2018

% of Year Elapsed 17%

	Aug-18 Actual	Year - To - Date			Total FY2018/19 Budget	% of Total Budget
		FY2017/18 Actual	FY2018/19 Budget	FY2018/19 Actual		
OPERATING EXPENSES						
<u>PLANNING & GENERAL ADMIN:</u>						
Wages and Fringe Benefits	\$86,411	\$161,989	\$263,593	\$191,680	1,551,800	12.4%
Services	69,978	120,318	232,271	143,428	1,367,400	10.5%
Materials and Supplies	465	3,863	30,660	492	180,500	0.3%
Utilities	3,097	3,481	6,981	6,851	41,100	16.7%
Insurance	-	1,201	4,807	1,200	28,300	4.2%
Miscellaneous	8,588	(329)	53,133	17,269	312,800	5.5%
Leases and Rentals	31,776	60,978	66,026	62,385	388,700	16.0%
Admin Overhead Expense Transfer	(50,565)	(113,914)	(147,883)	(108,766)	(870,600)	12.5%
Sub-Total Planning & Gen Admin	\$149,751	\$237,586	\$509,589	\$314,539	3,000,000	10.5%
<u>FERRY OPERATIONS:</u>						
<u>Harbor Bay FerryService</u>						
Purchased Transportation	\$193,026	\$291,608	\$387,288	\$369,811	2,280,000	16.2%
Fuel - Diesel & Urea	37,657	56,329	103,192	84,321	607,500	13.9%
Other Direct Operating Expenses	47,714	60,922	127,805	88,809	752,400	11.8%
Admin Overhead Expense Transfer	6,358	14,329	17,122	13,316	100,800	13.2%
Sub-Total Harbor Bay	\$284,756	\$423,189	\$635,407	\$556,257	3,740,700	14.9%
Farebox Recovery	55%	62%	45%	53%	45%	
<u>Alameda/Oakland Ferry Service</u>						
Purchased Transportation	\$681,824	\$1,481,461	\$1,585,739	\$1,488,027	9,335,400	15.9%
Fuel - Diesel & Urea	148,148	240,096	342,087	326,873	2,013,900	16.2%
Other Direct Operating Expenses	200,631	170,072	431,316	331,251	2,539,200	13.0%
Admin Overhead Expense Transfer	22,478	49,772	65,142	48,909	383,500	12.8%
Sub-Total Alameda/Oakland	\$1,053,082	\$1,941,401	\$2,424,285	\$2,195,060	14,272,000	15.4%
Farebox Recovery	76%	76%	56%	76%	56%	
<u>Vallejo FerryService</u>						
Purchased Transportation	\$954,921	\$1,847,791	\$2,027,502	\$1,950,250	11,936,100	16.3%
Fuel - Diesel & Urea	450,237	697,136	976,373	898,155	5,748,000	15.6%
Other Direct Operating Expenses	111,548	297,332	337,246	247,896	1,985,400	12.5%
Admin Overhead Expense Transfer	18,701	42,532	53,422	40,560	314,500	12.9%
Sub-Total Vallejo	\$1,535,407	\$2,884,790	\$3,394,542	\$3,136,861	19,984,000	15.7%
Farebox Recovery	68%	78%	58%	76%	58%	
<u>South San Francisco FerryService</u>						
Purchased Transportation	\$230,543	\$385,217	\$407,671	\$437,627	2,400,000	18.2%
Fuel - Diesel & Urea	30,628	52,818	98,045	72,204	577,200	12.5%
Other Direct Operating Expenses	40,737	67,953	84,677	67,670	498,500	13.6%
Admin Overhead Expense Transfer	3,028	7,281	7,389	5,981	43,500	13.7%
Sub-Total South San Francisco	\$304,936	\$513,270	\$597,782	\$583,481	3,519,200	16.6%
Farebox Recovery	26%	35%	36%	27%	36%	
Total Operating Expenses	\$3,327,932	\$6,000,236	\$7,561,605	\$6,786,199	\$44,515,900	15.2%
OPERATING REVENUES						
Fare Revenue	\$2,079,388	\$4,156,413	\$3,845,631	\$4,506,990	22,639,600	19.9%
Regional - Bridge Toll	1,246,394	1,843,823	3,592,314	2,275,359	21,148,300	10.8%
Regional - Alameda Tax & Assessment	-	-	123,660	-	728,000	0%
Other Revenue	2,150	-	-	3,850	-	0%
Total Operating Revenues	\$3,327,932	\$6,000,236	\$7,561,605	\$6,786,199	\$44,515,900	15.2%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2018/19 Statement of Revenues and Expenses
For Two Months Ending 8/31/2018

Project Description	Aug-18 Total	Total Project Budget	Total Prior Expense	Total FY2018/19 Budget	Total FY2018/19 Expense	Total Future Year	% of Total Project Budget Spent
CAPITAL EXPENSES:							
<u>FACILITIES:</u>							
Terminal Construction							
Downtown Ferry Terminal Expansion - South Basin	\$3,301,173	\$97,965,000	\$46,780,727	\$34,556,273	\$6,097,246	\$16,628,000	54%
Richmond Ferry Terminal	28,634	21,000,000	11,134,262	9,865,738	2,090,212	-	63%
Maintenance and Operations Facilities							
Ron Cowan Central Bay Operations & Maintenance Facility	222,480	69,500,000	60,723,722	8,776,278	1,693,344	-	90%
Terminal Improvement							
Terminal Dredging - Vallejo and South San Francisco	68,223	3,750,000	106,999	3,643,001	78,440	-	5%
<u>FERRY VESSELS:</u>							
Vessel Construction							
445-Pax Replacement Vessel - M/V Vallejo	1,291,617	23,372,000	12,443,000	10,929,000	2,621,093	-	64%
445-Pax Expansion (Waterjet) Vessels - 2 vessels	717,408	46,745,000	15,557,743	20,187,257	1,434,409	11,000,000	36%
400-Pax Expansion (Propeller) Vessels - 2 vessels	2,304,404	33,400,000	26,533,692	6,866,308	3,069,900	-	89%
New Commuter Class High-Speed Vessel	14,577	14,000,000	93,374	9,106,626	64,373	4,800,000	1%
Vessel Rehabilitation and Refurbishment							
Vessel Mid-Life Refurbishment - M/V Peralta	97,944	5,117,000	2,929,906	2,187,094	1,015,806	-	77%
Vessel Engine Overhaul - M/V Intintoli and M/V Mare Island	-	3,000,000	-	1,500,000	-	1,500,000	0%
Vessel Qtr-Life Refurbishment - M/V Scorpio	-	2,500,000	-	2,500,000	-	-	0%
Vessel Engine Overhaul - M/V Taurus	-	800,000	-	800,000	-	-	0%
Vessel Service Life Extension - M/V Solano	-	13,000,000	-	3,375,000	-	9,625,000	0%
<u>CAPITAL EQUIPMENT / OTHER:</u>							
CCTV Install and Network Intergration - East Bay Terminals	-	400,000	-	400,000	-	-	0%
Purchase Service Vehicles	-	500,000	27,088	472,912	-	-	5%
Purchase Selective Catalyst Reduction (SCR) System	-	200,000	-	200,000	-	-	0%
Total Capital Expenses	\$8,046,461	\$335,249,000	\$176,330,514	\$115,365,486	\$18,164,823	\$43,553,000	
CAPITAL REVENUES:							
Federal Funds	\$1,154,922	\$78,840,140	\$33,033,731	\$36,906,409	\$2,952,368	\$8,900,000	46%
State Funds	4,889,575	200,233,450	112,665,044	61,852,046	11,214,029	25,716,360	62%
Regional - Bridge Toll	1,982,373	52,952,010	29,605,664	14,629,706	3,795,263	8,716,640	63%
Regional - Alameda Sales Tax Measure B / BB	19,591	1,723,400	586,075	1,137,325	203,163	-	46%
Regional - Alameda TIF / LLAD	-	400,000	-	400,000	-	-	0%
Regional - San Francisco Sales Tax Prop K	-	1,100,000	440,000	440,000	-	220,000	40%
Total Capital Revenues	\$8,046,461	\$335,249,000	\$176,330,514	\$115,365,486	\$18,164,823	\$43,553,000	

TO: WETA Board Members

**FROM: Peter Friedmann, WETA Federal Legislative Representative
Ray Bucheger, WETA Federal Legislative Representative**

SUBJECT: WETA Federal Legislative Board Report – October 2018

This report covers the following topics:

1. What does the Election Mean for the WETA Congressional Delegation?
2. Infrastructure is Likely to be a Priority in 2019 (Again)
3. Keeping WETA's Priorities Front and Center

What does the Election Mean for the WETA Congressional Delegation?

With Election Day approaching, there is a lot of speculation about who will be in control of the House and Senate in 2019. If the election results were based solely on the President's approval rating, Democrats would pick up seats, and likely the majority. If the election results were based solely on the performance of the economy, Republicans would pick up seats, and likely maintain control of the House. The reality is that the results will fall somewhere in between. With that being said, the party that is not in control of the White House tends to pick up seats during off-year elections, and for this reason (among others), a lot of people are predicting substantial gains for House Democrats.

If the Democrats do in fact take control of the House, members of Congress that have traditionally supported WETA initiatives will be more influential, and they will have more ability to support the WETA legislative agenda. This includes Congresswoman Nancy Pelosi, who is expected to run for Speaker of the House, as well as Representatives Jared Huffman, John Garamendi, Mark DeSaulnier and Representative Rick Larsen (the latter being from Washington State), all of whom are members of the House Transportation and Infrastructure Committee and all of whom will have more say in what goes into the next surface transportation bill.

Infrastructure is Likely to be a Priority in 2019 (Again)

While Democrats are expected to make infrastructure investment a top priority if they win control of the House of Representatives, the reality is that infrastructure will be a priority in 2019 regardless of who is in charge of Congress. It's true that infrastructure was said to be a priority after the 2016 election, yet nothing materialized. The difference this time around is that Congress is facing a deadline – the current surface transportation bill (the FAST Act) expires in September of 2020, only five weeks before the 2020 election. In order for Congress to complete a new surface transportation bill by that time, the committees of jurisdiction will need to get started in 2019.

Keeping WETA's Priorities Front and Center

Recall that as part of the FAST Act, we modified the FHWA funding formula to provide greater benefit to WETA and increased the level of funding available through the FHWA formula program. Similarly, we will be working in 2019 to preserve this formula change, further increase funding for the FHWA program and increase funding for the FTA ferry grant program. We will do this, in part, by continuing to work with our partners in the Public Ferry Coalition to ensure that key decision-makers are thinking about funding for public ferries.

As part of our strategy to keep ferry funding front-of-mind, we are also continuing to work with WETA staff to look for various opportunities to engage certain key members of Congress outside of Washington, D.C. This includes possibly getting Washington Senator Patty Murray and / or Washington Congressman Rick Larsen to a Washington shipyard for a photo-op; inviting Rep Barbara Lee to the opening of the Central Bay Maintenance Facility; inviting Rep Nancy Pelosi to the ribbon cutting for phase I of the Downtown Ferry Building project; and inviting Rep Mark DeSaulnier to the opening of the Richmond ferry building.

Respectfully Submitted,

Peter Friedmann and Ray Bucheger

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

(September 6, 2018)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at Pier 1, Port of San Francisco.

1. CALL TO ORDER – BOARD CHAIR

Chair Jody Breckenridge called the meeting to order at 1:30 p.m.

2. ROLL CALL

Chair Breckenridge, Vice Chair James Wunderman, Director Anthony Intintoli and Director Jeffrey DelBono were in attendance.

Director Nick Josefowitz joined the meeting at 1:32 p.m.

3. PUBLIC HEARING TO CONSIDER COMMENTS ON THE PROPOSED RICHMOND FERRY SERVICE FARE SCHEDULE

There were no interested parties in attendance who wanted to comment on the proposed Richmond ferry service fare schedule, and Chair Breckenridge closed the public hearing at 1:33 p.m.

4. REPORT OF BOARD CHAIR

Chair Breckenridge reported that she was involved in very early discussions with the U.S. Coast Guard (USCG), the California Public Utilities Commission (CPUC), CalTrans and a non-profit group regarding two potential Bay Area demonstration projects for green powered vessels and the infrastructure that would be required to support such projects. She said that, at this time, there was no clear state level funding stakeholder for these projects.

5. REPORTS OF DIRECTORS

Vice Chair Wunderman said that WETA is the agency to drive future development of water transportation in the Bay Area and he emphasized the importance of reducing the time between conception and inception of new ferry service. He extended an invitation to join him on a Bay Area Council trip to England next month, where participants will view the latest developments in hovercraft technology. He said hovercrafts may be able to provide new service in the Bay Area without the need to dredge.

Director DelBono thanked staff for their work and participation in the upcoming Urban Shield emergency response exercise. He said he agreed with the Vice Chair's comments on the importance of moving forward with new service and that he was being approached more and more often by the public with requests for more service, new routes, more vessels, and smaller vessel service. Director DelBono said the public, having so graciously passed Regional Measure 3 (RM3) in June, now expects that WETA will work quickly to provide new and expanded service with the resulting new funding. He said it was important to get the information out into the public about how the new RM3 funding is going to be used so people understand what to expect.

Director Josefowitz also echoed Vice Chair Wunderman's interest in speeding up the processes between conception and inception of new ferry service in the Bay Area. He also recommended that WETA sign a Statement of Purpose to affirm a collective commitment, along with the Bay Area District and other entities, to reduce diesel pollution in the Bay Area by 2033.

6. REPORTS OF STAFF

Ms. Rannells shared her written report with Directors. She explained that WETA's Public Information Manager, Ernest Sanchez, had retired in July and had since been replaced by WETA's newest employee, Thomas Hall. She noted that Mr. Hall has extensive public information and marketing experience, brings a collaborative approach to his work with staff, and has hit the ground running in his new position. She noted that one of Mr. Hall's early tasks will be to take the existing marketing plan for the new Richmond service and develop that to get the word out.

Ms. Rannells acknowledged staff of WETA and Blue & Gold Fleet for their ongoing efforts to prepare and move into the new Central Bay Operations and Maintenance Facility in Alameda. She said that construction of the new gates, F and G, for the Downtown San Francisco Ferry Terminal Expansion project were expected to be completed and operational by the end of the year, and she added that discussions to utilize the new gates for existing routes, and for the new Richmond service, continued. Ms. Rannells said a ribbon cutting event for the new Central Bay facility would likely be scheduled for November.

Ms. Rannells noted that the construction schedule for the new Richmond Terminal had slipped, causing a delay to the opening of the service. She said the City of Richmond and WETA staff have worked together to identify a new service start date of January 10, 2019, the same day WETA would normally have its Board meeting. Ms. Rannells suggested that Directors could meet on that day before or after an event to mark the new service launch in Richmond. Directors agreed it was important to have regular, monthly meetings and it was agreed that the January Board meeting could take place in Richmond on January 10 if the new service launches then.

Ms. Rannells explained that staff had researched the possibility of doing a partial service soft launch prior to January 10 but because of the additional costs that would be required to do that - along with the requirement to push the final, full service date out to later in January or even out to February if staggered service start dates are used - the City expressed a preference for a concrete, full service launch date of January 10.

Ms. Rannells said staff was working with the Metropolitan Transportation Commission (MTC) to identify how they will proceed on RM3 funding collection and disbursement given the threat of the lawsuit challenging the voter passed measure. She said she hoped to have more information to share with Directors by the October meeting.

Planning & Development Manager Kevin Connolly shared a brief update on the Mission Bay and Treasure Island development and ferry service timeline planning efforts. He said WETA staff is meeting regularly with San Francisco City staff and the San Francisco Transportation Authority (SFTA), and the stakeholders are working to refine a draft Memorandum of Understanding (MOU) for the ferry service component of a new Treasure Island terminal and service. He added that staff expects to have a MOU for Board discussion by the end of the year. Mr. Connolly said that Directors should expect to have the final findings of the Small Vessel Study by then, also.

It was agreed that planning efforts incorporating the anticipated funding from RM3 should begin now - and that those efforts should be informed by the Small Vessel Study findings and by WETA's Strategic Plan - despite the pending litigation threat to the measure's legality. Directors also agreed that making promises for new service or expanded service before this new funding has been secured was not in the

best interest of WETA or the communities it serves, but that being prepared to receive and utilize the funding if and when it does become available was an important objective.

Chair Breckenridge asked that two items be agendaized for the October Board meeting for Directors to hear a status report for the RM3 service planning and a presentation on green vessels from the zero emission non-profit organization she mentioned in her opening remarks. She added that funding will always be part of these discussions.

PUBLIC COMMENT

Representing Bike Walk Alameda, Pat Potter asked Directors to take a look at some materials she passed out that showed bicycle friendly vessels currently operating in Amsterdam. She explained that the vessel type in the example - that allows bicyclists to just ride onto and off of the vessel – is what she and her group would like to see WETA operating in the Oakland/Alameda Estuary.

7. CONSENT CALENDAR

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

- a. Board Meeting Minutes – August 2, 2018
- b. Authorize Release of a Request for Proposals for MV *Solano* Rebuild Project

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

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

8. ADOPT PROPOSED FARE STRUCTURE FOR NEW RICHMOND FERRY SERVICE

Mr. Connolly presented this item to adopt a proposed fare structure for new Richmond ferry service. He said 11 comments had been received from the public during the open comments period, and these were provided in detail in an item attachment for Directors to review. Mr. Connolly explained that WETA has a lease agreement for the parking lot in Richmond which prohibits charging for parking during the first year to give the service some time to ramp up. He added that the City is open to charging for parking after the first year, and he explained that if the Board implements a parking charge program at Harbor Bay next spring, that program could inform a plan to charge for parking at Richmond the following year.

It was agreed that WETA should work with MTC's needs-based fare study group to explore the possibility of improving accessibility for lower income riders, and Mr. Connolly said that he had confirmed it was possible for WETA to participate in the group. It was also agreed that rewarding riders with a reduced fare incentive if they arrive at the terminal by means other than driving a vehicle would be desirable but logistically daunting and that this idea would be explored by staff for future consideration.

Mr. Connolly said that Directors should expect to see a recommendation on parking charges for the Harbor Bay Terminal before the end of the year, and he reiterated that the earliest that any parking charge program could be implemented at Richmond would be in the second year of service. Mr. Connolly introduced City of Richmond Community and Economic Development Director Shasa Curl.

PUBLIC COMMENT

Ms. Curl explained that the City supports all fares as proposed, and she said that the Richmond community was very much looking forward to welcoming the new ferry service. She added that the City was also quite excited to hear that WETA would be working with the MTC means based fare group to possibly increase rider accessibility, and she offered the City as a partner to WETA and MTC in those efforts. Ms. Curl explained that multiple entities had been involved in the very complex parking arrangement negotiations to support sharing the lot with local businesses throughout the first year of service, including the San Francisco Bay Conservation and Development Commission, Honda, Orton

Development, Toyota, and others. She said that in order to get the agreement in place in a timely manner and secure signatures from these entities to allow ferry rider parking in the shared lot, the no fee parking plan was agreed to for the first year. Ms. Curl said this agreement can be modified after the first year and parking charges can be considered at that time. She added that there is a concern that if riders are initially deterred from parking in the lot for any reason, that they may park on the street near the terminal and there is no City plan in place to respond. She emphasized that if parking charges were to be imposed immediately, the likelihood of riders parking on the street will increase, and the City is not prepared at this time to deal with that. Ms. Curl explained that the City of Richmond will be undertaking a last mile study for the terminal, and she noted that currently, the City has only two people on staff dedicated to working on Richmond transportation concerns.

It was agreed that Directors would like to figure out a way to either charge parking at the Richmond parking lot or to be able to discount fares if riders access the terminal in ways other than driving their cars in the future. They also want to assure that the public is notified well in advance of any changes, such as new parking fees, so that they are not caught off guard. Vice Chair Wunderman said he was scheduled to take a tour the next day with Orton Development during which he planned to further discuss Richmond parking with the stakeholder.

PUBLIC COMMENT

Richmond Mayor Tom Butt Chief of Staff Alex Knox read a statement from the Mayor expressing concern about the service launch date revision, publicity and marketing efforts to promote the new service, and the recent, general communication flow between WETA, the City of Richmond, and the Mayor's Office. Mayor Butt asked that a weekly memo be shared with him and his staff at the Mayor's Office – as well as the City of Richmond - to provide regular construction progress updates for the new terminal. The Mayor also suggested that WETA should provide free ferry service for riders during a period after service launch as a good faith effort to promote the new service to Richmond residents. Mr. Knox added that the City would be happy to host the January WETA Board meeting if Directors so desired.

Chair Breckenridge apologized to Mayor Butt and Mr. Knox for feeling disconnected from the information flow and she emphasized the importance of keeping all of WETA's partners in the loop with regular updates on collaborative projects. She asked Ms. Rannells to reach out to the Mayor's Office to set up a meeting to discuss the Mayor's concerns and offered that she or another Board member would be happy to participate in that discussion. Senior Planner/Project Manager Chad Mason confirmed that he has been in regular communication with the City of Richmond Manager and City staff at least a few times weekly for the last several years, and it was agreed that staff would seek to meet with Richmond City staff as soon as possible to assure that regular communication and progress updates are reaching everyone who wants to receive them.

Vice Chair Wunderman asked if there was any precedent for offering free ferry service on a new route, as Mayor Butt suggested, and Ms. Rannells offered that some free rides were offered on the South San Francisco service when it was launched, but that she did not know immediately how successful that campaign had been. She said that staff would work with Richmond and the other service partners to identify promotional opportunities, such as free rides, for the service launch.

Vice Chair Wunderman made a motion to approve the item.

Director Intintoli seconded the motion and the item passed.

Yeas: Breckenridge, DeBono, Intintoli, Wunderman. Nays: Josefowitz.

9. AWARD A CONTRACT TO R.E. STAITE ENGINEERING FOR VALLEJO TERMINAL DREDGING

Operations & Maintenance Manager Keith Stahnke presented this item to award a contract to R. E. Staite Engineering for Vallejo terminal dredging. Directors discussed the costs associated with disposing of dredging waste and it was noted that being paid for dredged material from WETA projects that can be reused would be desirable and would reduce costs of dredging projects. Vice Chair Wunderman said he planned to learn more about this possibility.

PUBLIC COMMENT

Haley Aldrich Client Leader Scott Bodenstein said the Measure AA funding stream for dredging projects was just beginning to flow, and he was aware of discussions for some of the projects about providing contractors with some capital cost offsets for the special equipment required to offload dredging sediment material at reuse sites. He said if this happens, dredgers would be able to more easily choose reuse instead of disposal, and they could expect to see some cost reductions on future projects as a result.

Director Intintoli made a motion to approve the item.

Director DelBono seconded the motion and the item carried unanimously.

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

10. APPROVE CITY OF ALAMEDA'S REQUEST FOR \$2 MILLION TO SUPPORT THE SEAPLANE LAGOON FERRY TERMINAL CONSTRUCTION AND AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO RELATED AGREEMENTS

Mr. Connolly presented this item to approve the City of Alameda's request for \$2 million to support the Seaplane Lagoon ferry terminal construction and authorize the Executive Director to enter into related agreements. He explained that City of Alameda Base Reuse Director Jennifer Ott would be leaving her position with Alameda effective the next day, and he thanked her for her work with WETA to move projects forward, including this final project on her watch to assure the new ferry terminal at Seaplane Lagoon will be fully funded and can move forward.

PUBLIC COMMENT

Ms. Ott said the City has raised 90% of the funds needed for the project and she spoke in support of the Board approving the final \$2 million to build the terminal.

Director DelBono thanked Ms. Ott for her long partnership with WETA and he asked about a letter Directors had received from the Alameda Point developer that noted an agreement to share use of a planned hotel parking lot for ferry riders at Harbor Bay. Director DelBono said he was concerned that the letter detailing the agreement was noted as being non-binding. He said he saw a sign that the developer had posted at the site advertising the ferry service and a shared parking lot for the ferry service.

PUBLIC COMMENT

Ms. Ott explained that because the hotel has not been approved and the approval process continued for the project, it had not been possible to secure an agreement for a parking lot because it doesn't yet exist. Ms. Ott added that with the short period of time available to secure a basic agreement before she departed Alameda for her new position, the letter had been a best effort to get at least something solidified. She added that before the approval for the hotel is granted, and plans are in hand that provide lot details, it is not possible to expect a binding agreement from the hotel developer.

PUBLIC COMMENT

Joe Ernst - srmErnst Founder and Principal, Harbor Bay Business Park President, and Alameda Point Partners Project Lead - said Alameda Point Partners is in negotiations with the hotel developer and the project has a lot of traction. He said the fact that the developer is advertising the lot for ferry riders was a good sign which he sees as a commitment to the development and to the ferry service. Mr. Ernst said the hotel represents the best opportunity for sharing parking given the use patterns. He said the developer well understands the benefit of sharing the lot and emphasized that if the project does not end up going through as hoped, that Alameda Point Partners will sit down with WETA to consider alternatives for ferry rider parking.

PUBLIC COMMENT

Representing MARAD, Jerry Bellows said that while there could be a risk to funding the final \$2 million, doing so would reduce the time to get service up and running by half, per the information shared at the last meeting about moving forward with the terminal plans to assure delivery deadlines could be met to support work windows for the terminal construction.

The Board thanked Jennifer Ott for her unending commitment, efforts and partnership working with WETA in her role at the City of Alameda. It was agreed by all that she will be missed.

Director DelBono made a motion to approve the item.

Director Intintoli seconded the motion and the item carried unanimously.

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

11. ADOPT POLICY FOR PRIVATE CHARTER FERRY LANDINGS AT WETA FERRY TERMINAL FACILITIES

Ms. Rannells presented this item to adopt a policy for private charter ferry landings at WETA ferry terminal facilities. She reminded Directors of their initial discussion about the item at the June 7 meeting and the subsequent discussion of the framework staff shared in the August 2 meeting. Ms. Rannells explained that the policy brought to Directors today was created by incorporating the large amount of feedback shared by Directors in these two prior meetings.

Vice Chair Wunderman raised questions about three of the items in the proposed agreement and asked if there shouldn't be specific reasons noted for why an operator's permit could be revoked instead of just noting that it can be revoked any time at WETA's sole discretion. He also asked about the customer service standard requirement and whether there was some metric of accountability that would or could be used to assure operators provide high levels of customer care. Vice Chair Wunderman's third inquiry was whether it made sense to have different accessibility standards for small vessel operators than for larger operators.

Ms. Rannells reiterated the importance of assuring WETA can make determinations about rescinding a permit for any reason the Board deems subject to such action. She added that an operator's historical customer service record would provide the assurance of high customer service conscientiousness, and that the accessibility question had been discussed by Directors at length resulting in the agreement that exceptions could be made to any agreement as long as the Board wanted to make an exception. She noted that Directors had wanted to set a high expectation on the accessibility issue, but also allow for exceptions when warranted.

Director DelBono asked about minimum insurance requirements and it was agreed that this important detail was included in the proposed policy and clarified under Items 8 and 10.

PUBLIC COMMENT

J. B. Davis, Inlandboatmen's Union member and senior deckhand with Blue & Gold Fleet, working primarily on WETA's North Bay service route, said he commended Exelixis for bringing their request to the WETA Board. Mr. Davis said WETA should continue with its service enhancements and expansion, and build vessels to accommodate all Bay Area residents' ferry service requirements utilizing WETA's current contract operator, Blue & Gold Fleet, for operations of those vessels. He noted that WETA's system was already a proven and professional system with a sound and long history of success. Mr. Davis said there are empty vessels that return to South San Francisco from the Harbor Bay terminal in the evening – and empty vessels that return to Alameda from South San Francisco in the morning - that could be utilized to provide the service Exelixis is requesting between Oyster Point and its office at Harbor Bay in Alameda. Mr. Davis said that if the Board moves forward to approve an agreement for a private service to land at a publicly funded WETA facility, the private service crews should be required to have TWIC cards, just as all Blue & Gold Fleet employees are required to do. He added that a thorough and robust ADA compliance and general safety study for private service vessels should be done before signing any agreements.

Mr. Davis further noted that the February 2018 edition of *Business Insider* included an analysis establishing the middle class income range in the San Francisco Bay Area as \$64,451 to \$193,354. Mr. Davis explained that by this standard, those working on WETA vessels were earning the Bay Area *prevailing wage*, falling at the very bottom of this current, local middle class income range. He added that the *living wage* calculator puts the hourly wage at \$10 less than this *prevailing wage*, and he asked that the language in the final policy be changed from living wage to prevailing wage to support employees working on any private vessels that are granted permission to land at WETA's publicly funded facilities. He said this will help assure the safety of those employees and of all passengers.

Finally, Mr. Davis asked that a new requirement be added to the proposed policy to require initial testing for drug and alcohol abuse for any private operator's captains and crews, and then require future, regular and random drug and alcohol testing of those employees. He said this was a requirement of Blue & Gold Fleet captains and crews, and was also an excellent measure to help assure safety of crews and passengers.

Director DelBono asked if the prevailing wage language could replace the living wage language in the proposed policy and Board Counsel Madeline Chun of Hanson Bridgett said that the phrase "prevailing wage" was a term used for construction project workers. She said that cities and counties do have established wages and that could be researched and considered and if WETA wanted to set a specific standard called prevailing wage for its operations, that could be explored, but nothing like that was in place currently.

Chair Breckenridge explained that TWIC cards were a federal requirement created to ensure security at ports.

PUBLIC COMMENT

Patrick Murphy, President of Blue & Gold Fleet, explained that Blue & Gold Fleet was the owner of the Safety Plan for WETA operations which is why its employees carry the TWIC cards. He said all of WETA's vessels were included in Blue & Gold Fleet's Safety Plan. He explained that not every single member of vessel crews have to have the TWIC cards but 75% of employees included as part of the Safety Plan are required to carry the card. He added that the USCG can ask a vessel crew for their TWIC cards anytime and they will do that with the expectation that at least 75% of the employees working on a vessel will have one.

Vice Chair Wunderman said he did not want to see people who are working on vessels taking on multiple jobs to make ends meet because their primary pay is not enough to live on in the Bay Area. He agreed that paying a decent wage was a fundamental requirement for the policy. Vice Chair Wunderman said that the Teamsters had recently been in the news claiming that there could be a violation of their labor harmony agreement for some shuttle bus drivers in San Francisco. He asked if including a labor harmony clause in the WETA policy would make sense.

Ms. Chun said the San Francisco Municipal Transportation Agency (SFMTA) Labor Harmony ordinance was brand new, and it directed SFMTA to develop a plan to assure that any disruptions, including labor disputes, would be mitigated. She added that the wage issue for WETA's policy could be tied to specific standards or numbers but not to undefined terms.

Director DelBono said he doesn't want WETA's contract operator to have stricter standards than any other operators that are granted landing rights at WETA facilities. He also said he does not like the word "private" and would prefer that "private operators" be changed to simply "operators" in the policy language.

Director Josefowitz asked how a person can get a TWIC card and Mr. Stahnke said the cards cost \$100 and require a background check. Chair Breckenridge added that a reason for needing the TWIC card must also be demonstrated to attain one.

Directors Intintoli and DelBono expressed concern about advancing the policy vote without investigating their concerns and adequately planning for any landmines that could be lurking in the policy details. Director DelBono suggested postponing the vote on the policy to a future date to allow further and more thoughtful discussion, and Director Intintoli agreed. Concerns about postponing Item 12 in the agenda, related to Item 11, were expressed. Chair Breckenridge said she would like to have staff meet with the USCG to further clarify those policy requirements related to their permitting and approval processes and general safety standards before final decisions about those processes were made.

Ms. Rannells clarified that Item 12 was on the agenda to be voted on as a conditional agreement. She said there was still a good deal of work to be done to support the Tideline request, including confirmation that the proposed vessel will match up with WETA's Harbor Bay terminal and securing the USCG certificate which had been mentioned in an email but not yet received, among other things. She said if Directors would like to see more work on the proposed policy based on the discussions in today's meeting, that could happen in tandem with finishing up the work that is needed on the Tideline request and both items could come back to them for consideration in October.

Vice Chair Wunderman said that staff had already done so much work on the proposed policy and on the Tideline request and Tideline and Exelixis had been waiting already for a long time for an answer. He said he has his own sets of concerns about the policy and the agreement but emphasized that the policy has some very strong intentions and it's pretty clear that any operators granted rights to land at WETA terminals are going to have to agree to these basic things. Vice Chair Wunderman said he did not want to postpone the votes.

Director DelBono said he respectfully disagreed with the Vice Chair and again expressed his concerns about rushing through the items without further and more thoughtful considerations and discussions. He said this was really important and he didn't want to vote on something for which the agency has no official policy. He said he also felt it was not fair that some standards would apply to some operators and not to other operators and said this could create confusion and problems for WETA.

PUBLIC COMMENT

Mr. Bellows said that specific details of the Maritime Transportation Security Act did not need to be included in WETA policy or operator agreements because the general USCG requirements are applied and all encompassing.

Chair Breckenridge reiterated the importance of discussing the proposed policy and agreement requirements with the USCG, and said that she felt the broad language related to maritime security in the proposed policy was sufficient per Mr. Bellows's comment. She said the real challenge will be how to manage the accessibility questions.

Director DelBono made a motion to delay the vote until staff meets with the USCG to discuss their standards in more detail and the language in the policy can be refined.

Director Intintoli asked if language in the proposed policy regarding state and federal requirements was sufficiently clear that it required operators to meet the same standards as those required for Blue & Gold Fleet.

Mr. Stahnke cautioned that the matter of the TWIC card requirement was a bit murky because captains and crews on vessels that carry fewer than 149 passengers were not required to have the TWIC cards. He said, though, that at least one employee on any vessel is required to have a TWIC card for facility access.

Director Josefowitz asked if it was possible to move forward with the vote with the agreement that staff will also meet with the USCG and work to further refine the policy for another Board discussion.

Ms. Chun said the Blue & Gold Fleet requirements have been noted as the desired objective and the question as Director DelBono noted, was whether the standard will be expressed as just the legal standard - which is clear in the proposed language - or will be clarified for operators as the Blue & Gold Fleet standard, which may need further clarification and may exceed the minimum legal standard in some cases. She added that Directors have delegated authority to the Executive Director to grant only one time landings which means that any other requests, such as the one in Item 12, require Directors to weigh in and make the decision.

Directors discussed the desire for further information to be gathered, and noted that clarification and refinement of the policy could be made for changes in a policy amendment recommendation at a later date if it was adopted today. It was agreed that any permissions granted before such an amendment consideration would be subject to all changes resulting from an adopted amendment, and that each individual agreement could clarify individual requirements, as necessary. A per agreement solution versus an ideal, one size fits all policy was also discussed.

Director Intintoli made a motion to approve the item as proposed with the agreement that as individual issues arise, they will be addressed, and that the details in the policy will be clarified for Directors at a future meeting.

Vice Chair Wunderman seconded the motion and the item passed.

Yeas: Breckenridge, Intintoli, Josefowitz, Wunderman. Nays: DelBono.

12. APPROVE TIDELINE MARINE GROUP'S REQUEST TO CONDUCT PRIVATE CHARTER LANDINGS AT THE HARBOR BAY FERRY TERMINAL

Ms. Rannells presented this item to conditionally approve Tideline Marine Group's request to conduct private charter landings at the Harbor Bay ferry terminal for its client Exelixis, a private employer, on a six month demonstration basis. Ms. Rannells explained that Board approval would be conditioned upon completion of final requirements and negotiations with Tideline and subject to any additional requirements of the City of Alameda and Harbor Bay Isle Associates. She said Tideline's initial request was in March and since then staff has been working with Tideline on the request, including physical match up attempts at the terminal with their vessel *Osprey*. She said outstanding issues remain, including receipt of the USCG certificate which was mentioned in an email to WETA but has not yet been received. She said the USCG certificate may bear pertinent information that could affect the final approval of the request.

Ms. Rannells said that due to the agreements WETA has with the City of Alameda and Harbor Bay Isle Associates, Tideline will need to work with these other entities for their approvals if WETA Directors approve the request. She said that process may also require changes to the WETA agreement with Tideline once those approvals are granted and their requirements are clarified. She added that even with the planned modifications to the *Osprey*, Tideline will not be able to meet the WETA accessibility standards because passengers will need to use a set of stairs to get on or off the vessel deck. However, Ms. Rannells noted that WETA had received a letter from Exelixis declaring that they comply with all federal ADA requirements concerning their employees, that no current employees who may use the proposed ferry service would require special accommodations at this time and that they provide a variety of alternative modes of transportation for their employees which could be utilized as an option to the ferry. It is this basis upon which staff has recommended approval of Tideline's request with an exception to the accessibility requirement included in WETA's policy.

Director Intintoli said he had seen photos of the initially proposed modification to the vessel to match it up to the WETA Harbor Bay terminal and it looked dangerous. Ms. Rannells said WETA staff had questioned its safety and insisted that Tideline provide proof of all Coast Guard reviews and approvals for the modifications. She said that Tideline has since abandoned the initial platform modifications that Directors had seen in the photos, and that they had been working on a new design and set of modifications in consultation with the Coast Guard. She added that the email that had been received today from the USCG stated that they had approved the use of the new platform design, and this was expected to be reflected in the anticipated Certificate of Inspection.

Director DelBono said he was uncomfortable with the Board adopting the new policy in Item 11 and then immediately making exceptions to it for a vote in this item. He asked what the point of discussion was if Directors were not going to follow the policy they just adopted. Director DelBono said this should not be up for adoption if no USCG Certificate of Inspection is in hand.

Director Intintoli said it was fine that Exelixis currently had no employees with mobility challenges who would take the Tideline ferry, and he asked what will happen when Exelixis interviews people and some have mobility challenges and some don't. He said the tendency will be to hire the person who will not have problems getting on the boat because if they hire someone who does, that would create a problem for them and possibly for WETA.

Director Josefowitz asked if smaller vessels were just not built to be accessible or if this specific vessel was not. He also asked if the WETA standards were too high. Ms. Rannells said that the vessel was incompatible with WETA's larger facility because it was built to land at smaller facilities like marinas.

PUBLIC COMMENT

President of Tideline Nathan Nayman said that Tideline has contracted with the same ramp fabricators that WETA uses to assure their ramp will align with the WETA terminal. He said that the USCG has inspected the new ramp design, but that the Certificate of Inspection will not be sent to WETA unless permitted by Tideline's Captain Taylor Lewis. He said all adjustments and modifications have been made to the 40 passenger vessel *Osprey* to allow it to land at the Harbor Bay facility. He emphasized that it's meant to be a small vessel ferry, not a large vessel service, and said Tideline will meet all of the requirements that WETA specifies if they grant the landing permission request. Mr. Nayman added that he was surprised that the discussion was continuing for so long and reiterated that the request is for a private, on-demand service for a specific single employer and is not open to the public.

Director DelBono reiterated his concerns about accessibility and the fact that, given the policy Directors just adopted in the prior item, multiple exceptions would be made to that policy if this permission was granted. He said he was especially concerned about WETA's liability if someone were to be hurt at the terminal because the facility is a publicly funded facility.

Vice Chair Wunderman said he was no expert on the American with Disabilities Act but the proposed service was going to be provided by a private company for a private client that has stated that its employees' rights will not be violated, and that also offers other transit options to its employees. He asked why the Exelixis assurance that the rights of any disabled employees will not be violated wasn't enough to provide for an exception to the WETA policy related to accessibility. Vice Chair Wunderman said the USCG should have the final word on whether or not the vessel landing is safe and if they say it is, we have to accept that it is. He said that unless the Board's legal counsel feels it would be unwise for WETA to grant this permission, it should be granted.

Ms. Chun said there is some exposure to WETA if they allow this to happen at public facilities and even though it is unlikely that any liability would arise in this six month agreement, it is not impossible and there is some exposure for WETA and Blue & Gold Fleet. Ms. Chun further explained that this liability can be mitigated in an agreement by having the operator indemnify WETA and its contract operator. She said this can be done for all laws, including ADA and safety standards.

Director DelBono said there were other areas in Alameda where this vessel could safely land right now that are more compatible with its size. He reiterated that he is not comfortable making exceptions to the policy that was just adopted by the Board to grant this request.

Director Josefowitz asked about whether small vessels existed that could safely land at the terminal and Mr. Stahnke said they would need to be custom built because WETA facilities were not built for small vessel landings. Mr. Stahnke said a lift on the vessel could solve the issue of accessibility but it would need to be built into the vessel. Director Josefowitz said Directors had adopted a policy for vessels that will not be able to meet the policy's requirements.

Chair Breckenridge emphasized the importance of vessel stability to assure passenger safety.

PUBLIC COMMENT

Mr. Ernst thanked Directors for considering the Tideline and Exelixis request. He said he didn't know anything about vessel safety but he believed granting the permission would be a positive thing for Harbor Bay Business Park and the City of Alameda.

PUBLIC COMMENT

Mr. Nayman thanked the Board and WETA staff for their work and consideration. He read a message from the USCG that noted their approval of the new platform design and that a certificate was pending. Mr. Nayman said Tideline values safety as much as WETA does and is working to meet all

communicated WETA standards. Mr. Nayman said Tideline will adhere to all WETA requirements to ensure complete compliance if this request is granted. He added that there was a lot to learn and that Tideline looks forward to sharing information during the six month service agreement.

PUBLIC COMMENT

Eric Fonstein, City of Alameda Development Manager said he applauded Exelixis for bringing this request to the Board and added that the City will follow whatever WETA decides and move as quickly as possible to get the matter added to the Alameda City Council agenda for consideration if the WETA Board grants the request. He said the City thinks the request could help reduce traffic congestion and lower polluting emissions.

PUBLIC COMMENT

Exelixis Executive Vice President of Business Operations Dana Aftab said the company's agreement with Oyster Point Marina in South San Francisco was that they would operate an employee shuttle to the terminal which they have been running for several months now. He said employees currently park in a South San Francisco offsite lot, and then ride the shuttle to Alameda, and when employees come over on the Tideline vessel, they will take the Harbor Bay Business Park shuttle to Exelixis. He said if that shuttle reaches capacity that they will hire the same company to provide an additional shuttle and that they are committed to making this plan work without creating parking disruptions. Mr. Aftab added that Exelixis janitors and other service workers moved from South San Francisco to the new Alameda office also, and received a 20% raise in the process because of the difference in minimum wage requirements between San Mateo County and Alameda. He said those employees were so pleased to get a raise, were much happier, and were doing a better job. Mr. Aftab added that Exelixis fully supported these raises.

Director Josefowitz said it was important that accessibility compliance was paramount for service and not limited to protection of people in wheelchairs. Directors agreed that it was important and that exceptions to specifics required for accessibility based on general WETA standards would be weighed for this and future requests. Director Josefowitz said he would likely approve this request now but that in six months, the WETA accessibility standard would need to be enforced.

Director DelBono made a motion to deny the request.

Director Intintoli seconded the motion and the motion failed.

Yeas: DelBono, Intintoli. Nays: Breckenridge, Josefowitz, Wunderman.

Vice Chair Wunderman made a motion to approve the item.

Chair Breckenridge seconded the motion and the item passed.

Yeas: Breckenridge, Josefowitz, Wunderman. Nays: DelBono, Intintoli.

Director Intintoli departed the meeting at 5:06 p.m.

13. ADOPT A PASSENGER CODE OF CONDUCT FOR SAN FRANCISCO BAY FERRY SERVICES

Program Manager/Analyst Lauren Gularte presented this item to adopt a passenger code of conduct for San Francisco Bay Ferry services.

Director Josefowitz asked if there were any legal ramifications for people if they were to violate the code of conduct. Ms. Gularte said that was unlikely but that if laws were broken by a WETA passenger, law

enforcement could be contacted and in that case, the issue would be turned over to those officials. Director Josefowitz said that at BART, panhandling is considered free speech unless it is aggressive.

PUBLIC COMMENT

Mr. Murphy said that if security is needed, the crews are trained to access security at Pier 41 or to contact law enforcement to handle the situation.

Vice Chair Wunderman said he was recently in New York and had tried to ride the subway to get around until he finally just felt unsafe with his family. He said he understands the need to protect free speech, but said there was no place in the WETA system for passenger disruption and discomfort caused by other passengers. Vice Chair Wunderman said he was pleased that Directors were considering this item because he wants to assure WETA passengers have safe and comfortable rides.

It was agreed that the panhandling issue would be further investigated and discussed at a later date if there is a legal issue with the policy.

Vice Chair Wunderman made a motion to approve the item.

Chair Breckenridge seconded the motion and the item passed.

Yeas: Breckenridge, DeBono, Josefowitz, Wunderman. Nays: None. Absent: Intintoli.

14. OVERVIEW OF WETA SYSTEM PERFORMANCE MEASURES

Mr. Connolly briefly presented this informational overview of WETA system performance measures and it was agreed that the item would be agendaized for a future meeting discussion.

Director Josefowitz said he appreciated the work that had gone into the measures and he looked forward to more data driven performance measures to help WETA measure its success. He said he was especially interested in seeing the average for vessel miles between breakdowns and that it would be a really useful industry standard for WETA to adopt. Director Josefowitz asked about late arrivals and Mr. Stahnke said physical logs were currently used, along with NextBus which has some reliability issues, and that this has contributed to difficulties accessing accurate data for late arrivals. Mr. Connolly said there was room for improvement to manage getting the late arrival information and that work was being done.

Chair Breckenridge asked that emergency response be included somehow in the performance measures. She said that she would also like to see something in the data that provides visibility to higher engine hours and resulting increased maintenance costs for any vessels that are being used more than expected. Chair Breckenridge said she would like to see whether missed trips are related to weather or are mechanical breakdown.

Vice Chair Wunderman said he would like to see information for all terminal access methods, including ride sharing and scooter use.

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

All business having been concluded, the meeting was adjourned at 5:24 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Keith Stahnke, Operations & Maintenance Manager

SUBJECT: Approve Contract Award to Mavrik Marine, Inc. for Construction of New Commuter Class Ferry

Recommendation

Approve the following actions related to award of a contract for construction of a new commuter class ferry:

1. Approve contract award to Mavrik Marine, Inc. for the construction of one new high-speed ferry in an amount not to exceed \$13,154,600 and authorize the Executive Director to negotiate and enter into an agreement and take any other related actions as may be necessary to support this work; and
2. Authorize a budget increase to the FY 2018/19 Capital Budget in the amount of \$1,300,000 to support full funding of this project.

Background

At the November 2017 Board of Director's meeting, staff presented a comprehensive Fleet Status and Five Year Forecast. As a part of this presentation, staff provided an overview of the existing fleet characteristics, discussed the system route profiles and resulting vessel requirements for size and speed, identified the need for an appropriately sized back-up fleet to support daily operations, and recommended next steps to support WETA's fleet needs. Looking ahead at upcoming vessel retirements and long range capital vessel projects, staff identified the need for a mid-size (250 to 300 passenger) high speed (32 knot) vessel that could be used to serve South San Francisco and Harbor Bay, as well as long North Bay routes best operated with a high speed vessel. Staff estimated that this new class of vessel would have widespread utility to be used as a regular or back-up vessel to support a variety of existing services and that it would also be well suited to support service and passenger requirements for planned system expansions to Richmond, Seaplane Lagoon and Mission Bay.

In December 2017, the Board of Directors authorized staff to issue a request for proposals for construction management services and procurement of this new commuter class ferry vessel. On March 1, 2018, the Board awarded a contract to Glosten for construction management services for the procurement of the vessel. The work under this contract includes such items as vessel design review and technical specifications preparation, vessel construction management oversight, and warranty administration.

Pre-proposal project design and development activities included outreach to naval architects and shipyards to review recent similar vessel construction projects, discussions with propulsion systems manufacturers and industry experts for the latest developments in marine engines, alternative systems and emission control systems equipment, and consultation with other ferry

transit agencies that have recently constructed new vessels or completed extensive rehabilitation work to identify best practices in procurement and project management.

The Request for Proposal (RFP) was designed for procurement of a single vessel with an option for a second vessel that could be awarded at a later date if additional funds become available. The required design service life of the vessel was identified as twenty five (25) years, or approximately 75,000 operating hours. The technical specifications were tailored to result in a vessel with the capability to meet the service profile of all WETA services. The cost of the project, including vessel construction, construction management, and administration was estimated to be \$14,000,000. This was supported by WETA's consultant's research of recent similar vessel build projects that ranged from \$9.5m to \$14.5M.

The RFP was structured as a Best Value procurement with a two-step sealed RFP process in accordance with the WETA's Administrative Code procurement requirements. This Best Value procurement process considers both price and qualitative components of a proposal that are deemed the most advantageous and of the greatest value to the procuring agency.

Discussion

Procurement & Evaluation Process

On June 26, 2018, staff issued a RFP for a new mid-sized (250 to 300 passenger) high-speed (32 knot) commuter class ferry vessel. Notice of the RFP was sent to WETA's mailing list, posted on the Agency's website, and advertised with the San Francisco Chronicle and the national Passenger Vessel Association weekly industry email. WETA staff issued two addenda to the original RFP clarifying the specifications set forth in the RFP and responding to pre-bid questions.

Step 1 of the procurement process consisted of WETA making a determination as to which Offerors were technically acceptable based upon their initial Technical Proposals. No pricing data was provided during this step. Step 1 Proposals from five shipyards were received by WETA on July 20, 2018. WETA's Proposal Evaluation Committee (PEC) convened and completed Step 1 scoring to determine which Offerors fell within the competitive range. WETA issued a Competitive Range notification on July 30, 2018 qualifying all of the proposers including All American Marine, Dakota Creek Industries Inc, Mavrik Marine, Nichols Brothers Boat Builders and Vigor Inc.

Step 2 of the procurement process involved review and scoring of the technical and cost proposals by the PEC consistent with the scoring criteria identified in the RFP. On August 10, 2018 WETA hosted a mandatory Proposers' conference at Pier 9 which was attended by four of the five qualifying shipyards. WETA issued two additional addenda to the original RFP clarifying the specifications set forth in the RFP and responding to Offeror questions. Step 2 proposals, consisting of a detailed vessel Technical Proposal along with a separately sealed Price Proposal, were received from three Offerors on September 19, 2018. The PEC evaluated and scored the Technical Proposals. Once the technical proposal scoring was completed, the Price Proposals were reviewed and the base vessel price was used to score the price proposals.

Scoring Summary

Two propulsion systems were considered for this vessel project, including a twin engine/waterjet configuration with two engines rated at 2000hp each, and a quad/waterjet configuration with four propulsion engines rated at 1200hp each. Neither engine configuration is available on the

commercial market until late third quarter 2019, as they would be the first in their class of Tier 4 EPA engines.

After analyzing the performance data for both propulsion options, the twin engine configuration was identified as the preferred design alternative due to the lower vessel downtime and lower life cycle costs that would result from the extended maintenance intervals associated with this engine. While the quad engine configuration offered a lower up-front capital cost, this was offset by higher anticipated operating costs within the first eight years.

As a result of the technical and price proposal review and scoring process, the PEC determined that Mavrik Marine was the highest ranked proposer, offering the Best Value to WETA in accordance with the evaluation criteria set forth in the RFP.

The scoring results are summarized in Table 1 below and the associated base ferry price proposals submitted are summarized in Table 2 below.

Table 1: Scoring Results

Scoring Criteria	Points	All American Marine	Mavrik Marine	Nichols Bros. Boat Builders
Technical Proposal	700	424.59	534.54	356.73
Price Proposal	300	170.82	94.65	1.85
Total Score	1000	595.41	629.19	358.58

Table 2: Scored Base Ferry Price

Price Proposal	All American Marine	Mavrik Marine	Nichols Bros. Boat Builders
Vessel Construction Cost (basis for RFP scoring)	\$11,778,400	\$12,601,455	\$14,249,883

After reaching the determination that Mavrik Marine was the highest scoring proposer, WETA entered into negotiations with Mavrik Marine under the procedures set forth in the RFP. As a result of these negotiations, WETA was able to achieve additional cost savings of \$322,074 in the base price for the vessel, lowering it to \$12,279,381. WETA's consultant conducted and developed an independent market analysis and found that Mavrik Marine's price is fair and reasonable.

Recommended Award and Budget

Staff recommends that the Board of Directors approve award of a contract to Mavrik Marine in the amount of \$13,154,600 for the construction of one new 300-passenger 32-knot vessel. WETA staff and the construction management team have inspected the Mavrik Marine shipyard, met with the key shipyard personnel, including the naval architect, interviewed references, and believe that Mavrik Marine is well qualified and experienced to complete this work.

The recommended contract award amount of \$13,154,600 includes funds for the base ferry price (\$12,279,381) plus funds for recommended options (\$410,223), spare parts (\$80,000) and a contingency allowance of approximately 3% (\$384,996) for additive changes for work not yet identified but that may be necessary to satisfactorily complete the project. The recommended award requires a project budget increase in the amount of \$1,300,000 to support this contract award and all other project-related contracts and expenses as summarized in Table 3 below.

Table 3: Project Budget

Items	Cost
Base Price (including delivery)	12,279,381
Option Items	410,223
Spare Parts Allowance	80,000
Contingency Allowance (approximately 3%)	384,996
Subtotal: Shipyard Contract	\$13,154,600
Estimated Use Tax Due	1,215,400
Construction Management Services (Contract #18-001)	730,000
WETA Project Administration	200,000
Total: Project Budget	\$15,300,000

Option Vessel

This RFP included a request for pricing for a second vessel. This second vessel is currently unfunded. Possible funding sources include:

- Regional Measure 3 funds, which are not yet available and are the subject of pending litigation.
- WETA staff is working with the Bay Area Air Quality Management District to determine if Carl Moyer Grant Program funds can be made available to fund the replacement of the MV *Bay Breeze* which is coming up on the end of its useful life. This new commuter class vessel would make a good replacement for the MV *Bay Breeze*. Initial estimates indicate that the replacement vessel would have a 60% reduction in emissions.

Following the negotiation of option terms based upon the pricing provided for a second vessel, and the identification of adequate funding, a separate Board action to authorize the exercise of the option will be required.

Fiscal Impact

The FY 2018/19 Capital Budget includes \$14,000,000 to build one new vessel for WETA's services. A capital budget increase in the amount of \$1,300,000, to be funded with State Proposition 1B (Prop 1B) grant funds, is required to fully fund the projects at the total cost of \$15,300,000.

With the approval of this item, the vessel will be funded as follows: \$10,300,000 (67%) Proposition 1B funds and \$5,000,000 (33%) Regional Measure 1 Bridge Toll Revenues.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2018-32

APPROVE CONTRACT AWARD TO MAVRIK MARINE, INC. FOR SHIPYARD SERVICES TO DESIGN, CONSTRUCT, AND DELIVER ONE NEW COMMUTER CLASS FERRY

WHEREAS, San Francisco Bay Area Water Emergency Transportation Authority (WETA) has established the a new medium sized high-speed passenger vessel as a part of its FY 2018/19 Capital Budget and program of projects; and

WHEREAS, WETA has established procedures in its Administrative Code relating to the selection and contracting of Construction Services; and

WHEREAS, on June 26, 2018, WETA issued a Request for Proposals (RFP) for the New Commuter Class Ferry Procurement Project; and

WHEREAS, WETA followed the procedures in its Administrative Code, regarding solicitation and evaluation of proposals; and

WHEREAS, WETA staff has evaluated proposals submitted for this project based upon a Best Value competitive procurement process and, as a result, recommends the award of a contract in the amount of \$13,154,600, including owner's contingency, to Mavrik Marine, Inc. to complete this project; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves an agreement with Mavrik Marine, Inc. to provide shipyard services for the design, construction, and delivery of one new 300 passenger, 32 knot ferry vessel for an amount not to exceed \$13,154,600; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute a contract for this work and to take any other related actions as may be necessary to support this work; and be it further

RESOLVED, that the Board of Directors authorizes a budget increase in the amount of \$1,300,000 to the New Commuter Class High-Speed Vessel project in the FY 2018/19 Capital Budget to support full funding of this project.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on October 4, 2018.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2018-32

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Planning & Development Manager

SUBJECT: Regional Measure 3 Program and Plan Update

Recommendation

There is no recommendation with this information item.

Background

Regional Measure 3 (RM3), approved by a majority of voters in the nine Bay Area counties during the June 5, 2018 election, authorized a three dollar bridge toll increase on the Bay Area's state-owned bridges to fund a comprehensive program of regional transportation improvements. The measure authorized the bridge toll increase to take place in \$1 increments over a six-year period starting with a \$1 increase on January 1, 2019, and followed by additional \$1 increases in January 2022 and January 2025.

RM 3 will provide WETA with \$300 million in capital funds to support construction of WETA vessels, terminals and facilities and up to \$35 million in annual operating subsidy to support WETA's growing regional system of ferry services. These funds will all be administered by the Metropolitan Transportation Commission (MTC) and allocated annually for WETA's use. Operating funds not utilized in a given year will be set aside in a reserve by the MTC for use by WETA in future years.

On July 5, 2018 the Howard Jarvis Taxpayers Association filed a lawsuit against the Bay Area Toll Authority and the State Legislature arguing that the bridge toll approved by the voters pursuant to RM3 is a special tax and therefore subject to a two-thirds vote requirement of the electorate or the Legislature. At this time, it is not known how the lawsuit will affect the toll increase or availability of funding from RM 3. However, staff is proceeding to discuss required plans and materials for submittal to MTC later this year in the event that funds are available for allocation in early 2019.

Discussion

Prior to MTC providing funding to WETA for operating funds included in RM3, WETA is required to develop and adopt an expenditure plan for the initial five years of the program including performance measures related to fare box recovery, ridership and any other measures as deemed appropriate by WETA in consultation with MTC. In conversation with MTC, staff has proposed utilizing WETA's System Expansion Policy and System Performance Measures, adopted in June 2015, as the basis for this requirement. MTC is considering WETA's proposal and has not set a timetable for offering a counterproposal or accepting staff's suggestion.

Additionally, staff is working to develop a draft expenditure plan for Board consideration and submittal to MTC consistent with RM3 requirements. An early focus of this work has been to develop an operating cost model for forecasting the full cost of existing and proposed new assets and services throughout their lifecycle to help ensure that the proposed program is

sustainable. Program projects will be consistent with WETA's 2016 Strategic Plan and the Regional Measure 3 Principles and Ferry Investment Program adopted by the Board of Directors in June 2017 which identified the following investment principles for RM3 funds and an initial set of projects:

1. Enhance Existing Ferry Services
2. Add Key Expansion Terminals
3. Create Fiscal Stability
4. Pursue Implementation-Ready Projects
5. Continue Partner Development

The Strategic Plan and the RM3 Principles and Investment Program are supported by efforts and plans developed by outside agencies, specifically the Core Capacity/Transbay Study (completed by MTC in 2017), Plan Bay Area (MTC, 2017), both the Mission Bay and Seaplane Lagoon project plans (developed by the Port of San Francisco and City of Alameda, respectively) and current projects in the planning phase such as Redwood City, Berkeley and Treasure Island.

Finally, the Board has appointed a Small Vessel Subcommittee that is tasked with exploring the possibility of utilizing small vessels (below 100 passengers) in existing or potential new markets for ferry service. The work of the Subcommittee should be complete by the end of 2018. However, for the purposes of the RM3 Plan, staff has assumed a two-phase investment using small vessels without specifying the specific service. As a result, there are placeholders in the operating forecast and for capital investment for small vessels in the Plan.

The draft plan under development anticipates the following project activities in the initial five years of the program:

- Enhancements to weekend service starting in 2019
- Enhancements to the most congested weekday services – Vallejo, Oakland, Alameda, Harbor Bay – starting in 2020 when vessels are available
- Procurement of two new standard WETA vessels
- Opening of two new terminals – Seaplane Lagoon & Mission Bay -- in 2020 or 2021
- Introduction of small vessel service, in two phases
- Possibility of Treasure Island service starting in 2021
- Enhancement to South San Francisco service (target 2023)
- Design and permitting activities for two new terminals: Redwood City and Berkeley
- Terminal modifications at Main Street and/or Oakland

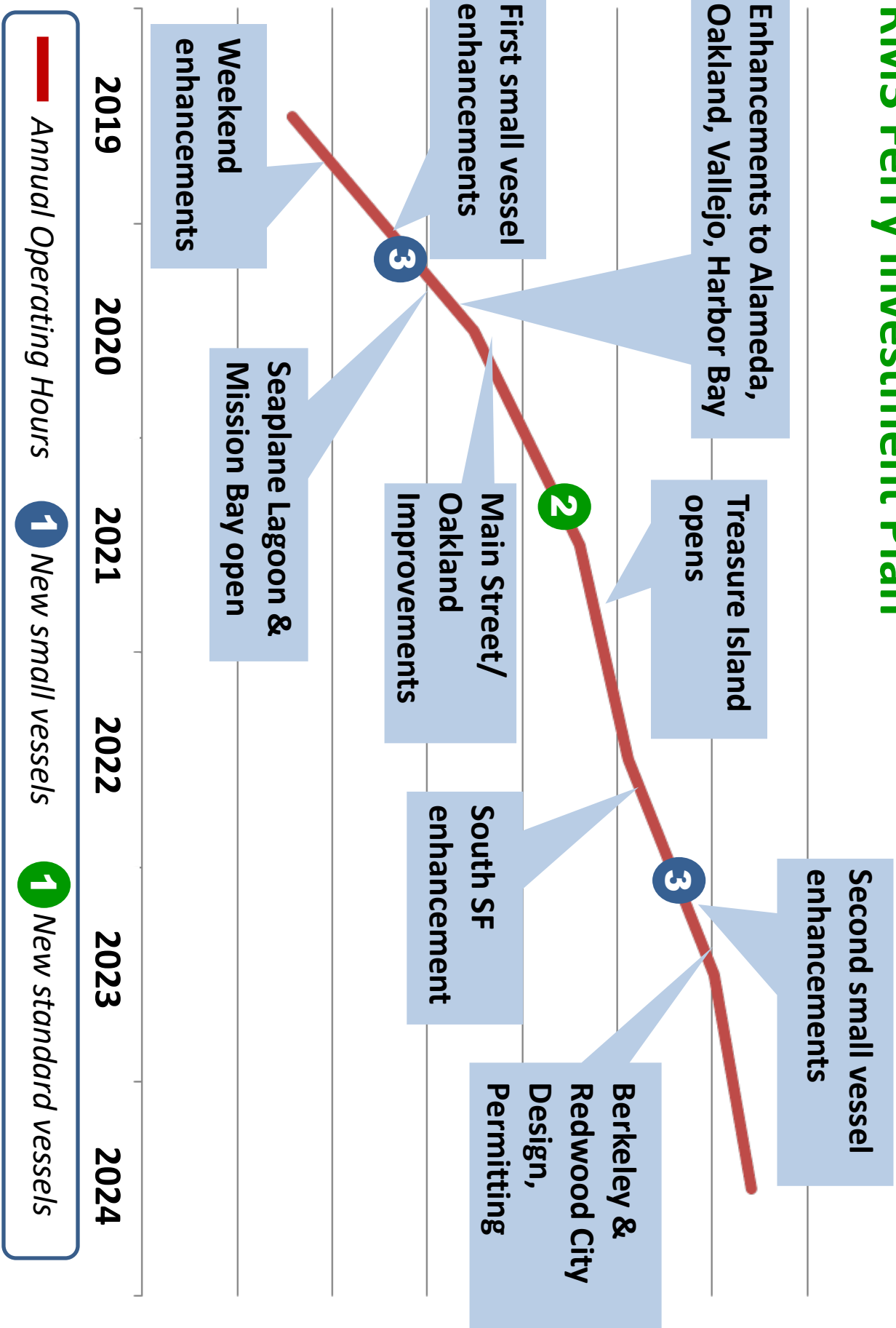
Together, the activities and related investments summarized above represent almost \$85 million in capital investment in RM3 revenues. They also leverage close to \$73 million in outside investment through other public funding or private investment. A schedule for service enhancements and capital project delivery is presented in Attachment A. Staff will provide an overview of these projects and plan assumptions at the Board meeting for discussion and further development.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

RM3 Ferry Investment Plan



MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
Kevin Connolly, Planning & Development Manager**

SUBJECT: Overview of WETA System Performance Measures

Recommendation

There is no recommendation with this information item.

Background

At the June meeting, Director Josefowitz requested that staff develop a more comprehensive report of WETA's system performance for discussion and reporting to the Board of Directors. The goal of this request was to create a better understanding of the business of the agency and to ultimately develop a set of operating and financial metrics and measures beyond those already adopted by the Board of Directors to support system planning, operating and expansion efforts. This item was prepared and brought forward at the September meeting and was deferred to October for more thorough discussion.

Historically, monthly reports to the WETA Board of Directors have included monthly budget to actual financial reporting, with a computed farebox recovery ratio, and a monthly operating report that includes basic ridership, fuel usage and vessel operation information.

Beyond the information presented in the monthly Board packet, WETA has a set of policies that establish system performance standards that are used for service planning, expansion project planning and access planning. These policies were adopted by the Board in June 2015 after a Board workshop in May of that year. There were three workshops that allowed the Board to explore the topics and issues that ultimately led to development of WETA's Strategic Plan. While the system performance policies are used on a regular basis by staff, they are not reported to the Board unless they are referenced in Board actions such as Project Memoranda, service and scheduling changes or vessel planning. All three system performance policies are provided as **Attachment A** to this memorandum.

Discussion

In developing a new, more comprehensive and data-driven report of performance, staff has attempted to tie specific performance areas to WETA Strategic Plan policy areas. The following table provides an overview of the current and anticipated future performance measures that can be reported on a periodic basis.

Strategic Plan Policy	Performance Measure
<i>Expanded Service</i>	<ul style="list-style-type: none">• Ridership• Bicycles avg. per trip• Peak hour occupancy• Passengers per revenue hour
<i>Funding</i>	<ul style="list-style-type: none">• Farebox recovery• Fuel Avg. Cost• Clipper Usage
<i>Service Quality</i>	<ul style="list-style-type: none">• Vessel max outs• Missed or canceled trips• Late arrivals, departures• Vessel (days) out of service• Unplanned vessel out of service days

A draft performance measure report is provided as **Attachment B** to this memorandum for discussion purposes.

This item was presented briefly at the September meeting and the Board requested that it be brought to the October meeting for an expanded discussion. In the September discussion, Board members expressed a desire for additional performance measures to be developed in the following areas: on-time performance, vessel miles (or hours) between incidents and emergency response. Staff will be working in the coming months to identify measures in these areas and to establish and verify data collection procedures to accurately and consistently collect the data to support these measures.

Staff will continue to improve and refine this report over time with additional Board input and direction and as additional data is made more readily available. With the move to the Central Bay Maintenance and Operations Facility over the next few months, WETA's contract operator – Blue & Gold Fleet – will be better situated to record and report system data for regular import into WETA's new database. This new electronic database has a web browser interface that will allow for easier views of the data that is collected and the ability to run reports and queries of that data in the coming months.

Fiscal Impact

There is no fiscal impact associated with this policy item.

END

WETA System Expansion Policy

The proposed WETA expansion policy is intended to provide a framework for evaluating the feasibility of new ferry projects. The framework consists of policy statements that provide guidance for developing candidate project elements such as landside and waterside facilities, vessels and service plans. In addition, a set of evaluation measures defines a range of productivity and efficiency metrics that inform the WETA Board and funding partners regarding a project’s financial feasibility and sustainability.

There is no pre-determined level of evaluation that determines whether a project is feasible. There are many factors that contribute to whether a project is developed and becomes part of the WETA system. Instead, the System Expansion Policy provides policy makers with an agreed-upon framework, bringing objective measures and predictability to the project development process.

I. System Expansion Policy Statements

System Expansion Overview	WETA will expand ferry service throughout San Francisco Bay, working with local and regional partners to increase ferry ridership and relieve traffic congestion and transit crowding. New ferry services will be financially sustainable, contribute to the ferry system and enhance WETA’s emergency response capabilities.
Minimum Service Period	New services will need to be in service for a minimum of 10 years to allow adequate time to build a ridership base. Services will be evaluated after a 10-year initial period to determine their continued operation.
New Service Project Evaluation	The WETA System Expansion Policy establishes a range of evaluation measures that help the WETA Board determine whether a candidate project will be successful and meet WETA’s strategic goals. The new service evaluation is typically performed prior to entering environmental clearance, during the feasibility study phase of a project.
New Service Ongoing Evaluation	Once in operation, new ferry services will be evaluated on regular quarterly and yearly intervals to ensure performance is meeting expectations. Adjustments to the service plan, fare program or access conditions may be warranted.
Service Design	New ferry services typically begin as origin terminals offering commute-period service to San Francisco’s Ferry Building. However, they can act as a destination terminal or offer non-commute period service, depending on local transportation goals and funding availability. WETA will work with project partners to develop a concept service design that meets travelling needs while offering a competitive, sustainable service. For commute-only origin terminals, a minimum level of service would be defined as three peak-direction trips in both the AM and PM commute periods.

WETA System Integration	New projects will enhance the WETA ferry system by adding terminals and vessels while attracting new riders to ferry service. Required system elements such as capacity at maintenance facilities and destination terminals or spare vessels will be estimated and incorporated into a project’s capital cost.
Emergency Response	New projects will enhance WETA’s emergency response capabilities by providing terminals and vessels for use in the response and recovery phases after a natural event. The benefits of interoperable ferry assets such as vessels, floats and terminals mean that new projects must be compatible with WETA facilities. The deployment of WETA vessels and use of ferry terminals will be a decision of state and regional authorities and not necessarily WETA or its local partner.
Vessels, Infrastructure	WETA owns and operates a network of ferry vessels along with landside and waterside facilities that are economically and operationally efficient because they are interchangeable. Therefore, candidate WETA projects must be consistent with this established infrastructure. New projects will utilize WETA catamaran-style vessels powered by marine diesel engines and ranging in capacity from 149 to over 500 passengers. Infrastructure such as maintenance facilities and terminals will be consistent with existing WETA facilities. Alternative vessel technologies or non-compliant terminals will not be considered as WETA facilities.
Public-private partnership opportunities	Ferry terminals and vessels are complex and expensive investments that require a variety of funding sources. Operational expenses can also be significant and require long-term dedicated funding streams. WETA encourages partnerships with public or private entities interested in ferry service as a means of financing both capital and operational needs.
Capital Funding	Ferry project capital funding can come through a variety of local, regional, state and federal sources and even private contributions. Candidate expansion projects must demonstrate that there is full capital funding prior to entering the Final Design phase of a project.
Operating Subsidy	The operating subsidy is defined as the portion of the operating expense not covered by fare revenue. New ferry projects must demonstrate that there is a stable, dedicated source for an operating subsidy for a minimum period of ten years.
Terminal Access	WETA supports the use of alternative modes such as walking, biking and transit as a means of accessing origin ferry terminals. At the same time, minimum parking levels are required to ensure a service will be well utilized and accessible to all users. The ideal access environment provides customers with a choice of safe, convenient and attractive access options.

Project Agreement	A Project Agreement will be required for candidate projects prior to entering into the environmental clearance phase of a project. The Project Agreement establishes a project service plan, identifies likely funding sources and defines partner roles and responsibilities. Both the WETA Board and the policy body from the project partner must adopt the Project Agreement.

II. System Expansion Evaluation Measures

The following measures are intended to evaluate the competitiveness and financial feasibility of candidate WETA ferry projects. The measures are expressed in three ways: minimum, target and maximum (as applicable). Minimum levels are what will be required after the initial 10 years of operation. Target levels are consistent with expected performance of mature services such as Alameda/Oakland, Vallejo and Harbor Bay.

Passengers per Revenue Hour (Commute-only service)

Passengers per revenue hour measures the number of boardings in a given hour of service. Services that have high two-way ridership along with a short travel time, enabling vessels to offer multiple runs in a given commute period will be strong performers. This measure provides an evaluation of ridership and the efficiency of operating resources.

Minimum	Target	Maximum
100	150	250

Passengers per Revenue Hour (All-day service)

All-day services typically operate seven days per week and generally from 6 AM up to 8 PM. Today, only Alameda-Oakland and Vallejo are all day services. The target for Passengers per Revenue Hour is slightly lower, given lower volumes in the midday and off-peak periods.

Minimum	Target	Maximum
100	125	250

Farebox Recovery

Farebox recovery is defined as the portion of operating expenses covered by fare revenues. Farebox recovery measures ridership, operating expense and financial sustainability.

Minimum	Target	Maximum
40%	50% – 70%	100%

Peak Hour Occupancy

Peak hour occupancy – defined as the combined peak direction occupancy level during the highest ridership hour of a commute service – indicates ridership demand and provides guidance for vessel deployment and service planning. High levels of peak hour occupancy indicate the possibility of leave-behinds or standees and would require corrective action.

Minimum	Target	Maximum
50%	60% -- 75%	80%

WETA System Performance Targets Policy

The proposed WETA performance targets policy is intended to provide a framework for evaluating existing ferry services. The framework consists of policy statements that define minimum elements such as landside and waterside facilities, vessels and service plans. A set of performance targets defines a range of productivity and efficiency metrics that inform the WETA Board of a service’s quality and fiscal sustainability.

I. WETA Service Policy Statements

Ferry System Overview	WETA provides ferry service throughout San Francisco Bay, working with local and regional partners to increase ferry ridership and relieve traffic congestion and transit crowding. Ferry services will be financially sustainable, contribute to the ferry system and enhance WETA’s emergency response capabilities.
Service Ongoing Evaluation	Ferry services will be evaluated on regular quarterly and yearly intervals to ensure performance is meeting expectations. Depending on performance, adjustments to the service plan, fare program or access conditions may be warranted.
Service Design	New ferry services typically begin as origin terminals offering commute-period service to San Francisco’s Ferry Building. However, they can act as a destination terminal or offer non-commute period service, depending on local transportation goals and funding availability. WETA will work with project partners to develop a concept service design that meets travelling needs while offering a competitive, sustainable service. For commute-only origin terminals, a minimum level of service would be defined as three peak-direction trips in both the AM and PM commute periods.
Emergency Response	WETA services provide contribute to WETA’s emergency response capabilities by providing terminals and vessels for use in the response and recovery phases after a natural event. The benefits of interoperable ferry assets such as vessels, floats and terminals mean that new projects must be compatible with WETA facilities. The deployment of WETA vessels and use of ferry terminals will be a decision of state and regional authorities and not necessarily WETA or its local partner.
Vessels, Infrastructure	WETA owns and operates a network of ferry vessels along with landside and waterside facilities that are economically and operationally efficient because they are interchangeable. WETA utilizes catamaran-style vessels powered by marine diesel engines and ranging in capacity from 149 to over 500 passengers.

II. System Performance Evaluation Measures

The following measures are intended to evaluate the competitiveness and fiscal sustainability of WETA ferry services. The measures are expressed in three ways: minimum, target and maximum (as applicable). Minimum levels are what will be required after the initial 10 years of operation. Target levels are consistent with expected performance of mature services such as Alameda/Oakland, Vallejo and Harbor Bay. When a project achieves maximum levels indicate that a service enhancement or increase may be justified. After a service enhancement has been introduced, there will be a four year recovery period, allowing the service to regain minimum and target levels of productivity.

Passengers per Revenue Hour (Commute-only service)

<p>Passengers per revenue hour measures the number of boardings in a given hour of service. Services that have high two-way ridership along with a short travel time, enabling vessels to offer multiple runs in a given commute period will be strong performers. This measure provides an evaluation of ridership and the efficiency of operating resources.</p>		
Minimum	Target	Maximum
100	150	250

Passengers per Revenue Hour (All-day service)

<p>All-day services typically operate seven days per week and generally from 6 AM up to 8 PM. Today, only Alameda-Oakland and Vallejo are all day services. The target for Passengers per Revenue Hour is slightly lower, given lower volumes in the midday and off-peak periods.</p>		
Minimum	Target	Maximum
100	125	250

Farebox Recovery

<p>Farebox recovery is defined as the portion of operating expenses covered by fare revenues. Farebox recovery measures ridership, operating expense and financial sustainability.</p>		
Minimum	Target	Maximum
40%	50% – 70%	100%

Peak Hour Occupancy

Peak hour occupancy – defined as the combined peak direction occupancy level during the highest ridership hour of a commute service – indicates ridership demand and provides guidance for vessel deployment and service planning. High levels of peak hour occupancy indicate the possibility of leave-behinds or standees and would require corrective action.

Minimum	Target	Maximum
50%	60% -- 75%	80%

Terminal Access Guidelines and Evaluation Measures

The following measures help WETA and its local partners to enhance access to ferry terminals, increasing ferry ridership by improving the “first mile” of a traveler’s journey. There is no magic formula for perfect terminal access. Each community defines the surrounding environment around a ferry terminal through land use and public infrastructure policies. To the greatest extent possible, WETA emphasizes non-motorized forms of access such as transit, walking and biking as the most environmentally efficient means of access ferry terminals. However, parking is necessary to create a sustainable base of ridership for any service.

Terminal Access, Non-motorized Access Targets

Easy and convenient access to ferry terminals can be the key factor for building ridership and attracting people to ferry services. Inadequate parking, bicycle lanes or transit service limits potential customers. Customer access is measured in a number of ways and there is no predetermined formula for success. Local policy may emphasize one mode of access over another (transit over parking) or choose to find a balance between all modes.

The following targets are for non-motorized mode of access at a ferry terminal. In other words, the percentage of passengers that arrive by walking, biking or transit

Minimum	Target
30%	50%

Terminal Access -- Parking

Adequate parking, especially for terminals that are isolated from residential areas and do not have transit service, is necessary for customer convenience.

Minimum	Target
200 spaces	350 spaces

Terminal Access – Bicycle Facilities

Bike lanes and facilities surrounding ferry terminals and providing linkages to residential areas should be safe and attractive to provide an incentive for experienced and inexperienced cyclists. Class II bike lanes are painted lanes, usually 6-8 feet wide. Class I bike facilities can be removed from street traffic and buffered by barriers for safety and comfort.	
Minimum	Target
Class II bike lanes	Class I bike facilities

Bike parking at terminals must be user-friendly, safe and offer a variety of types ranging from racks to lockers. Space at terminals should be adequate for expansion to meet bike parking demand.	
Minimum	Target
50 rack spaces	100 rack spaces, 12 lockers

Terminal Access – Transit Feeder Service

Transit services in the form of standard public bus or private shuttle that is timed to meet ferry departures and arrivals will attract ferry riders and reduce the need to construct parking.	
Minimum	Target
Local bus service, hourly headways	Local bus and shuttle service timed to meet ferry arrivals and departures

Terminal Access – Pedestrian Environment

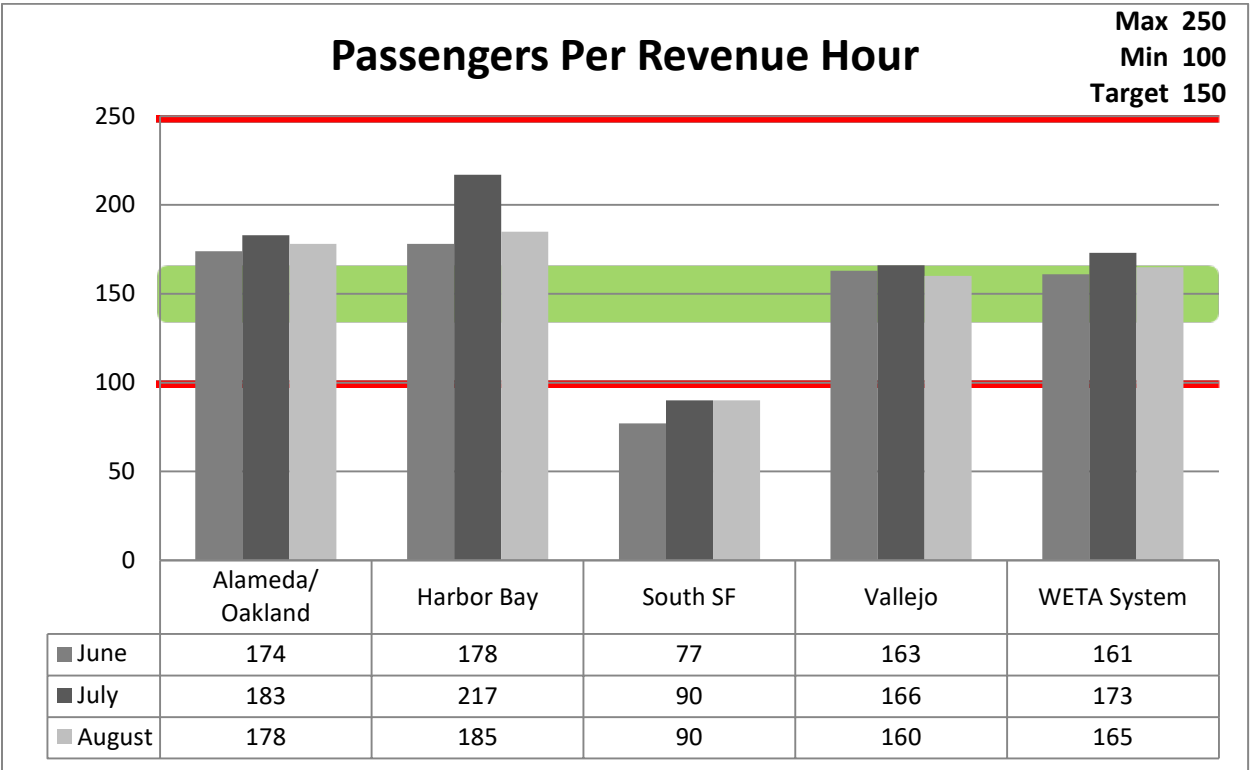
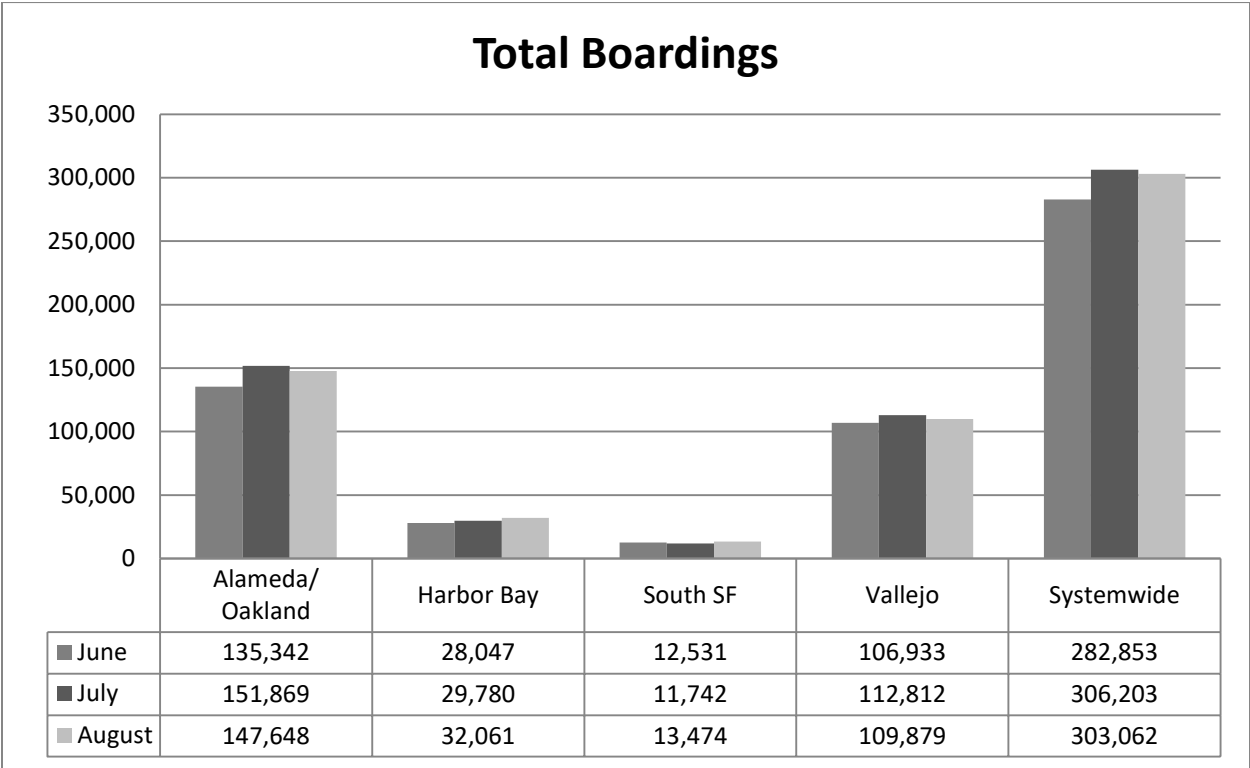
All ferry passengers are pedestrians at some point in their journey to the terminal. Pedestrian facilities include sidewalks, crosswalks and pedestrian lighting. Pedestrians need to feel safe and comfortable on their journey to the terminal	
Minimum	Target
Facilities that ensure safety	Attractive facilities, encouraging walking

Terminal Access – Land Use

Land use and urban design that encourages walking, biking and transit usage is the best environment for improving ferry ridership. When prospective riders can walk in a safe and attractive environment, there is less need for expensive improvements such as parking structures or bus service. Targets for origin terminals are expressed in dwelling units per acre and refer to the half-mile vicinity around a terminal. Density levels of at least 30 dwelling units per acre have been proven to foster transit ridership.

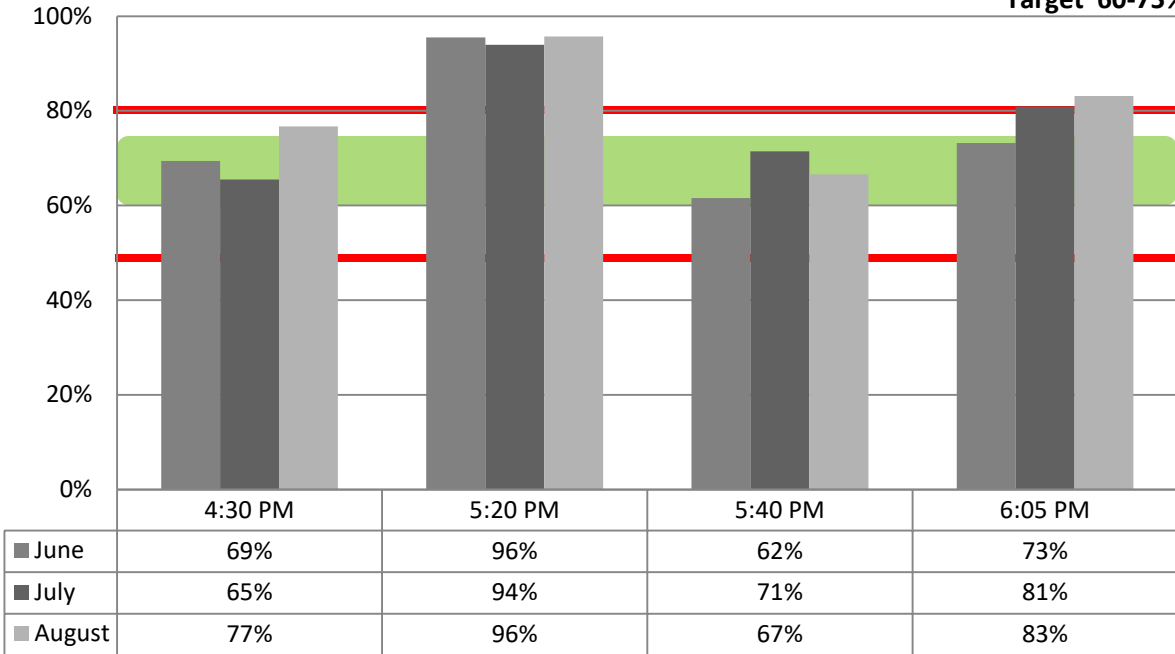
Minimum	Target
20 dwelling units/acre	45 dwelling units/acre

Expanded Service



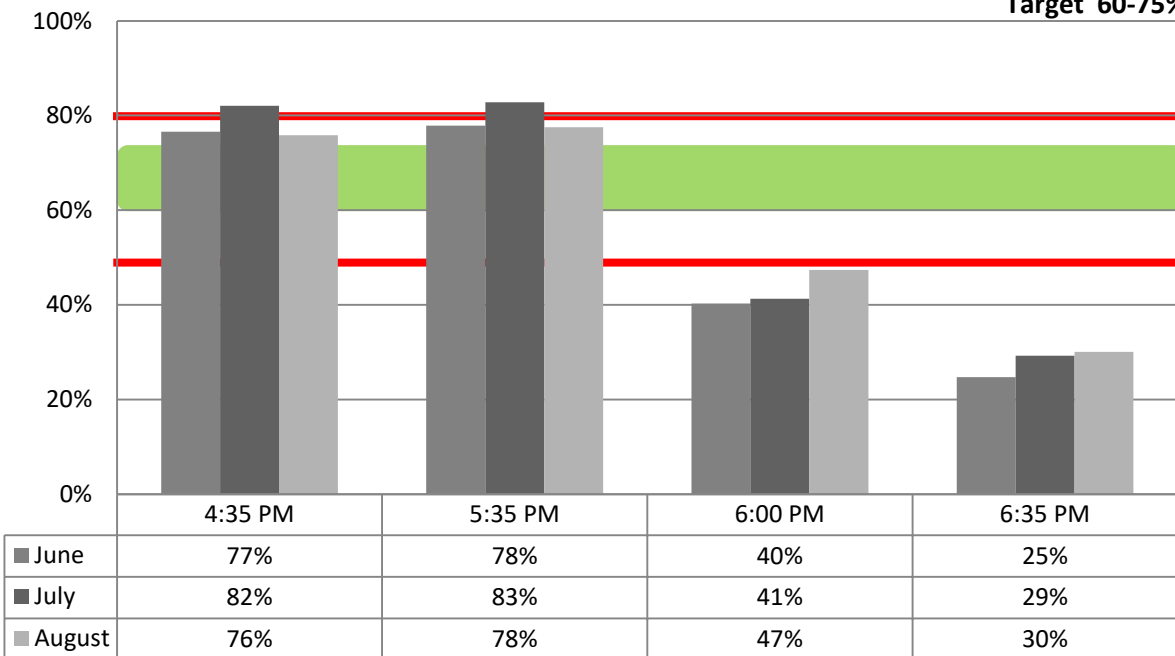
Alameda/Oakland Occupancy - PM Peak

Max 80%
Min 50%
Target 60-75%



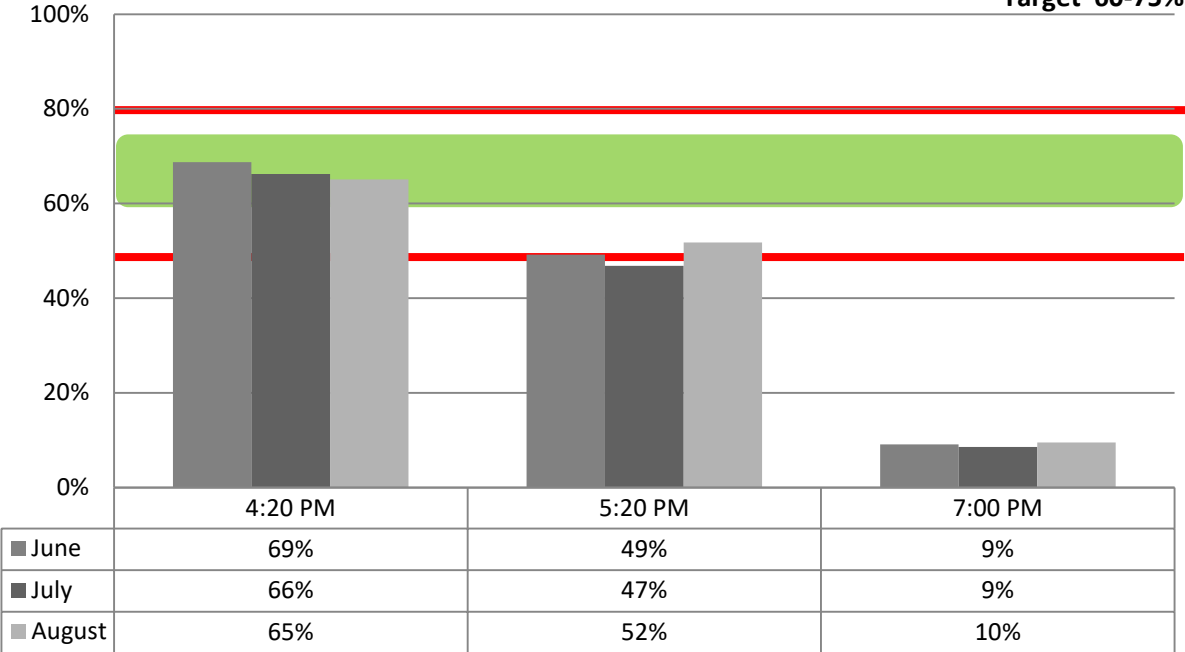
Harbor Bay Occupancy - PM Peak

Max 80%
Min 50%
Target 60-75%



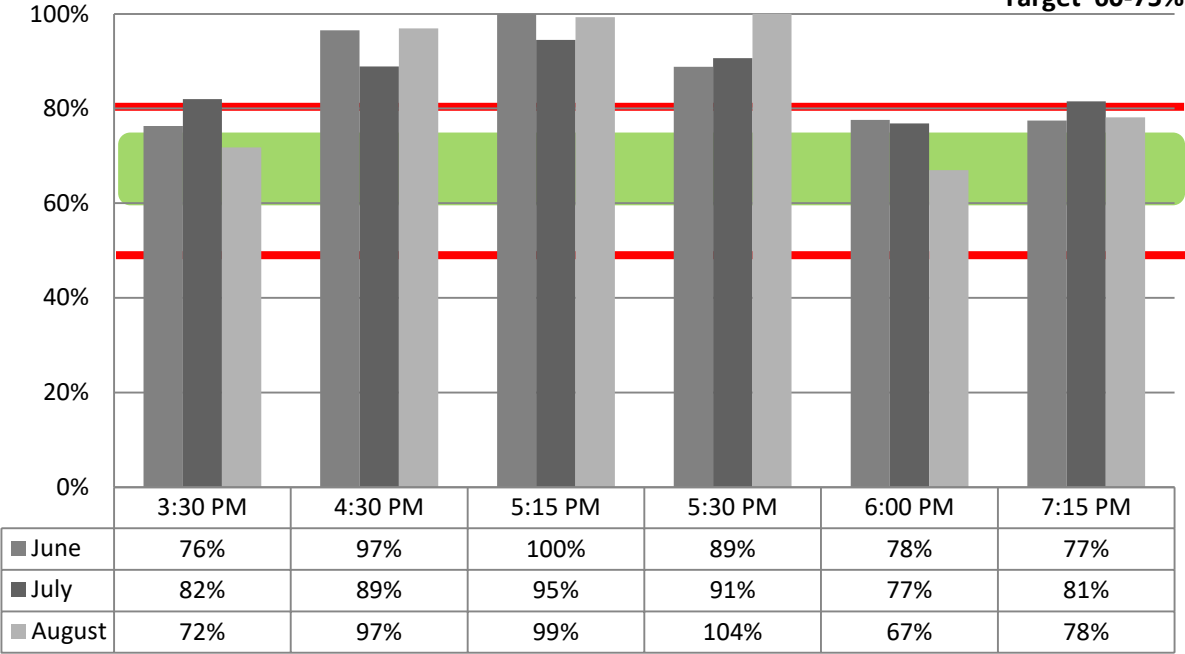
South San Francisco Occupancy - PM Peak

Max 80%
Min 50%
Target 60-75%

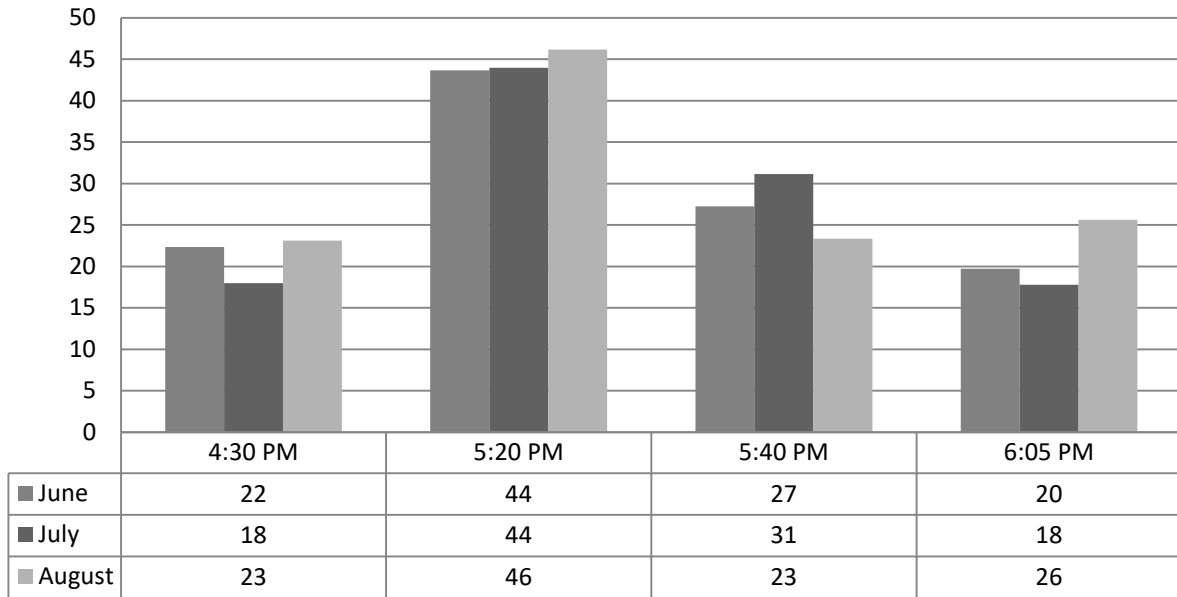


VJO Occupancy - PM Peak

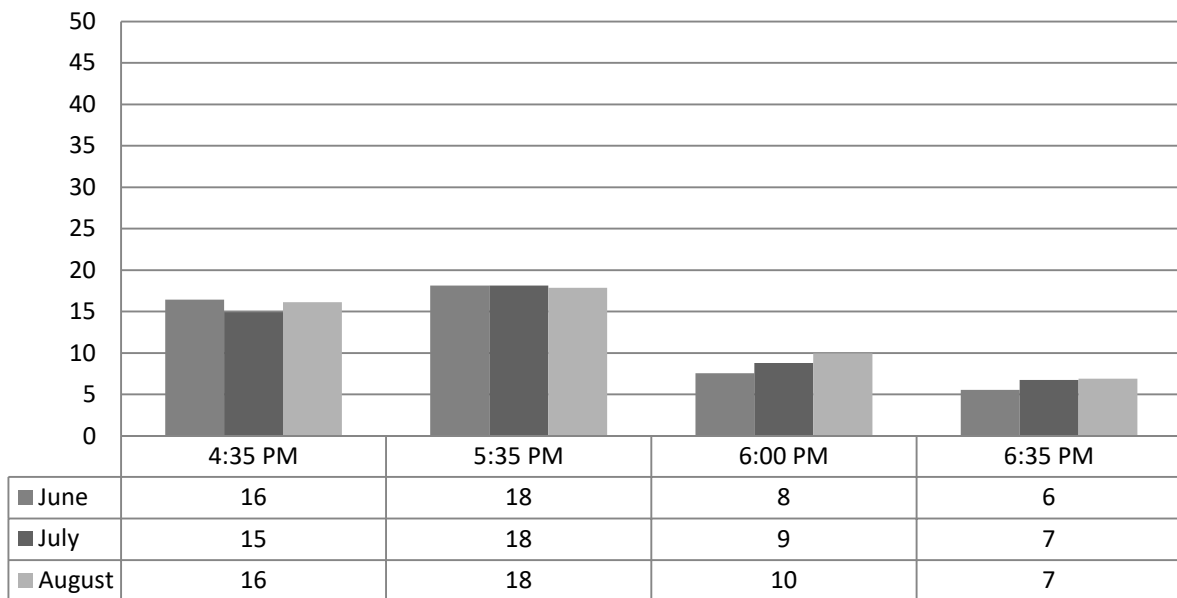
Max 80%
Min 50%
Target 60-75%



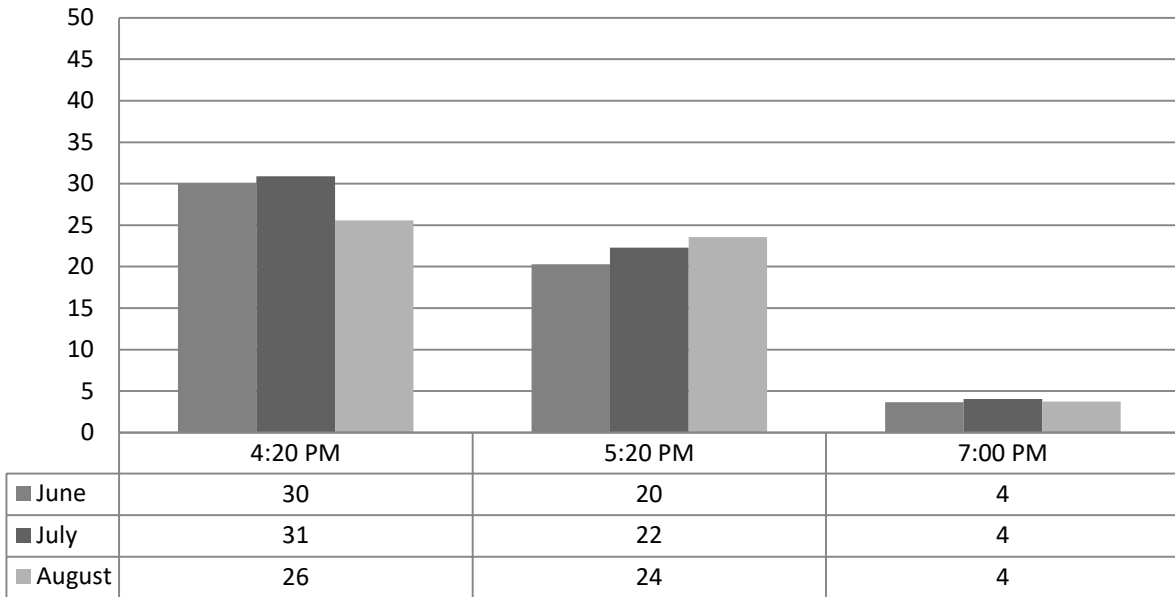
Alameda/Oakland Bikes Per Trip - PM Peak



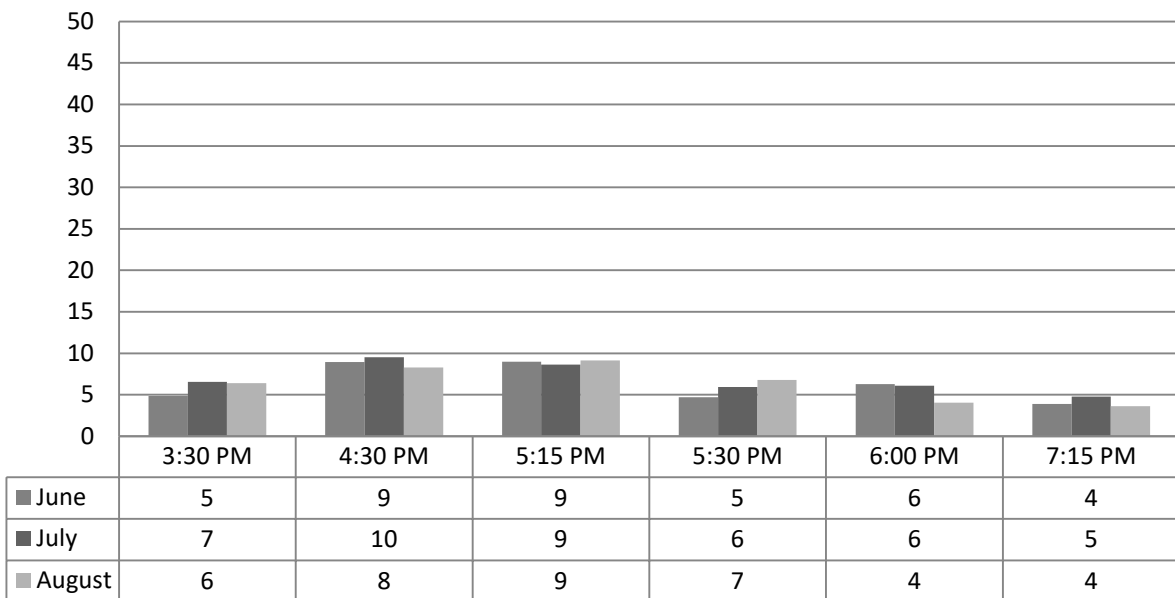
Harbor Bay Bikes Per Trip - PM Peak



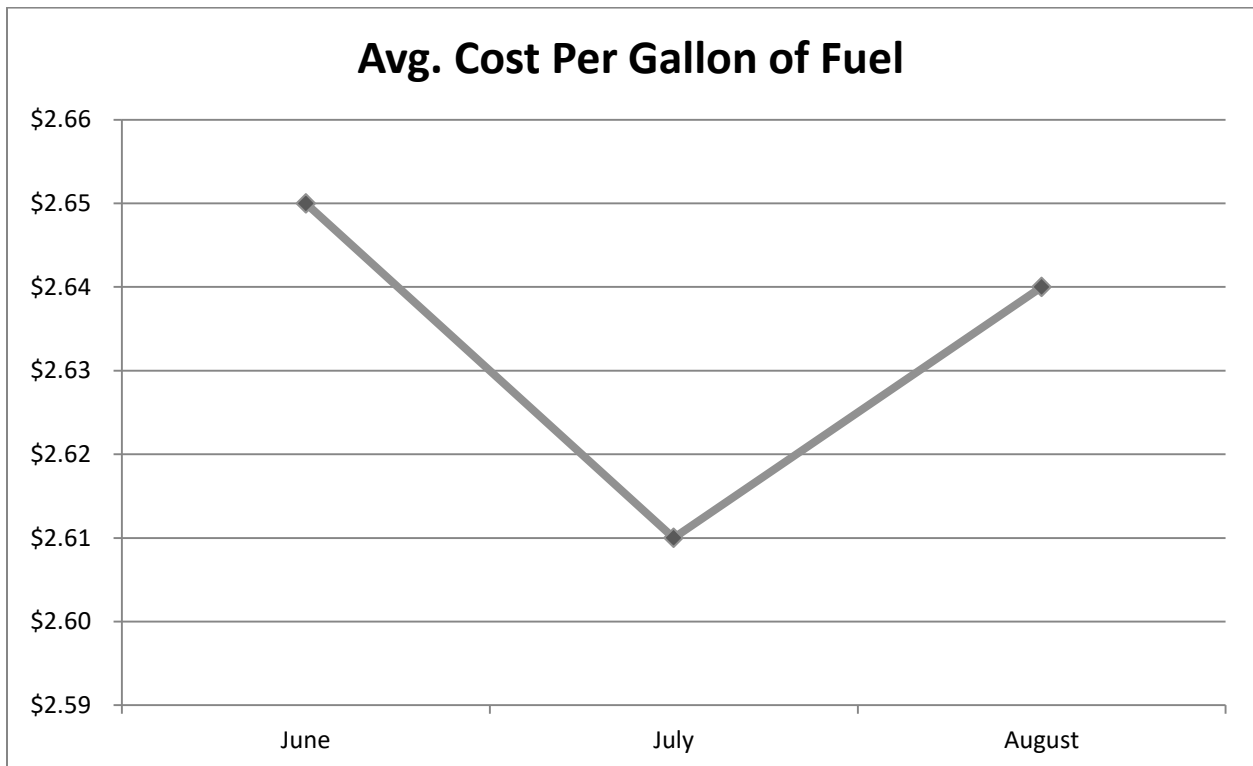
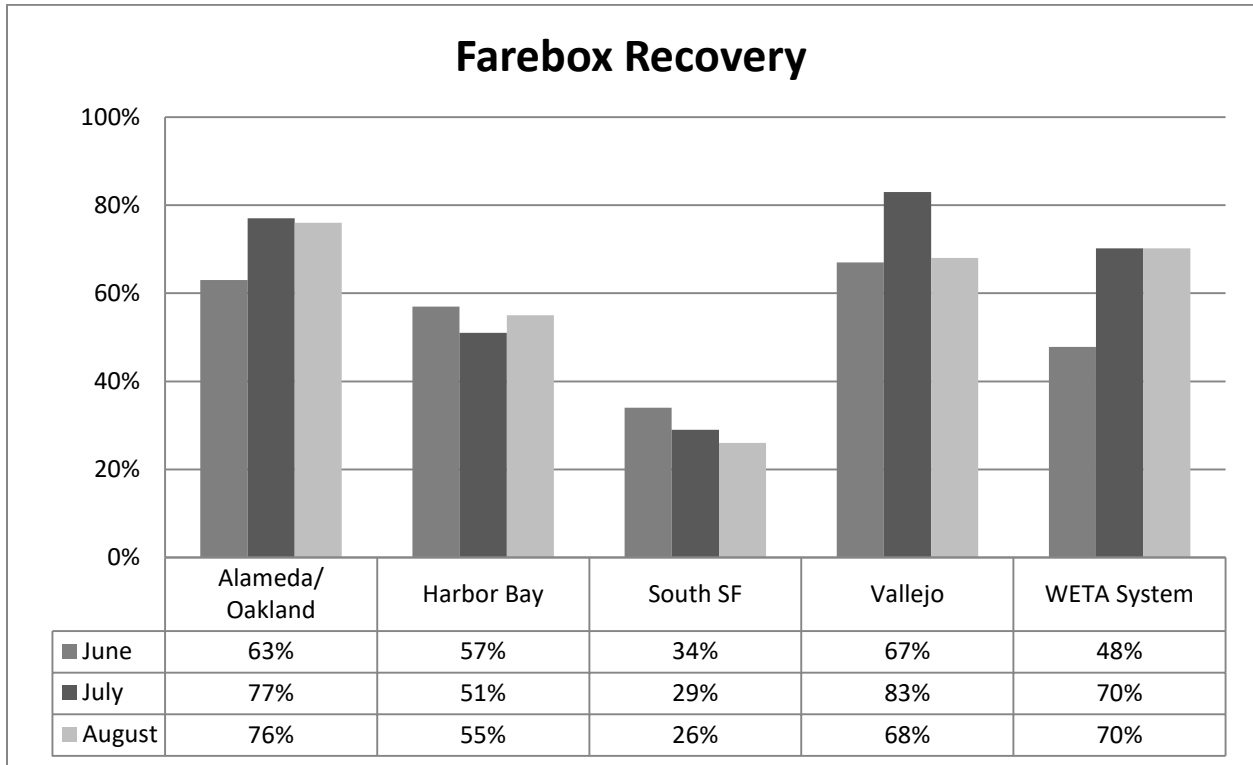
South San Francisco Bikes per Trip - PM Peak



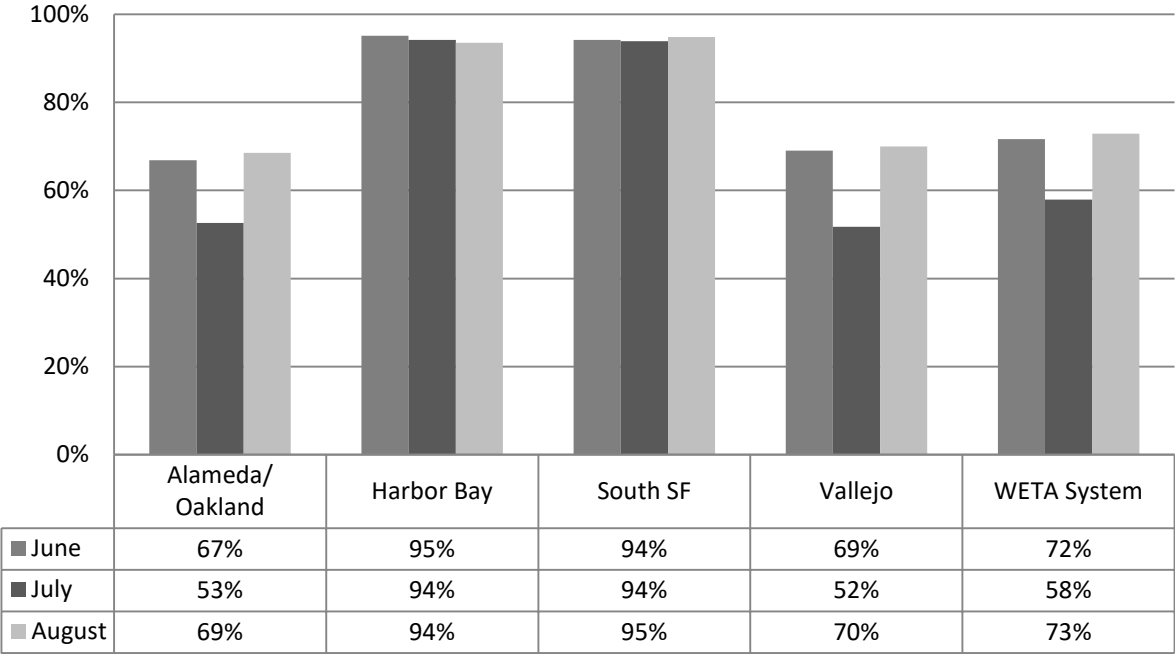
Vallejo Bikes per Trip - PM Peak



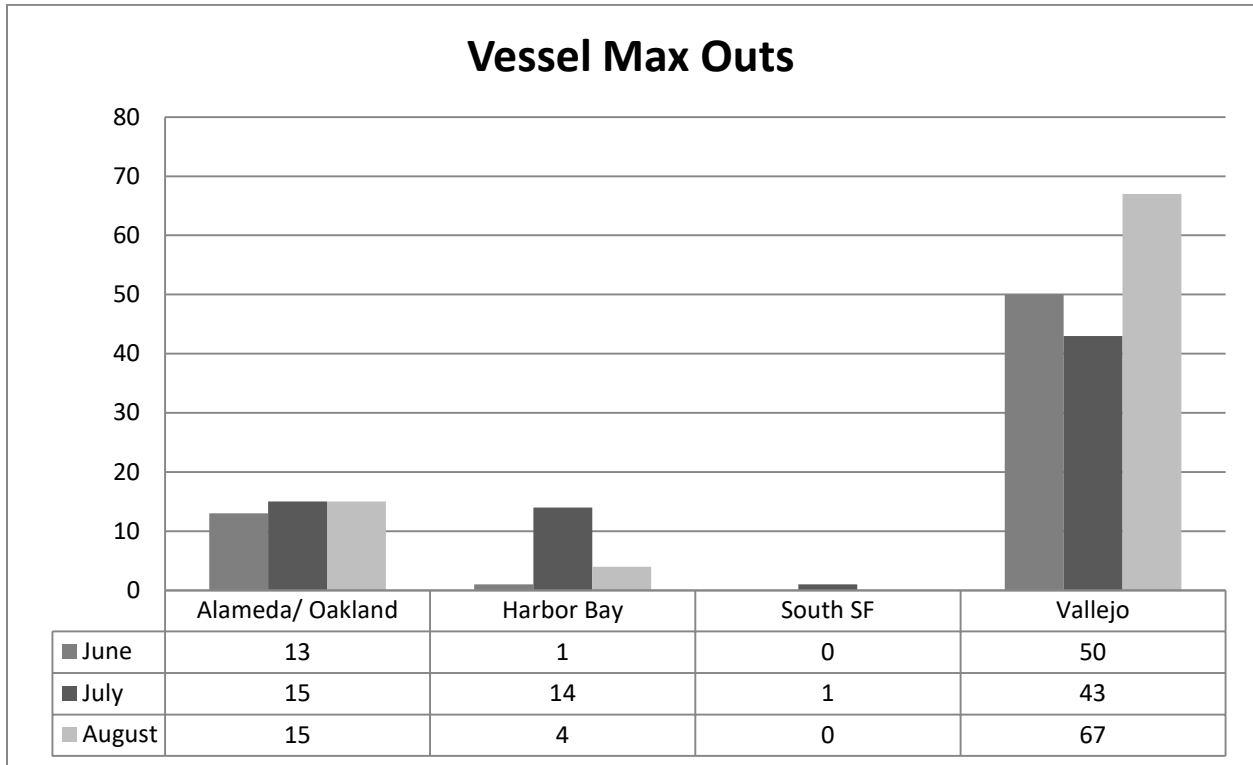
Funding



Clipper Usage



Quality



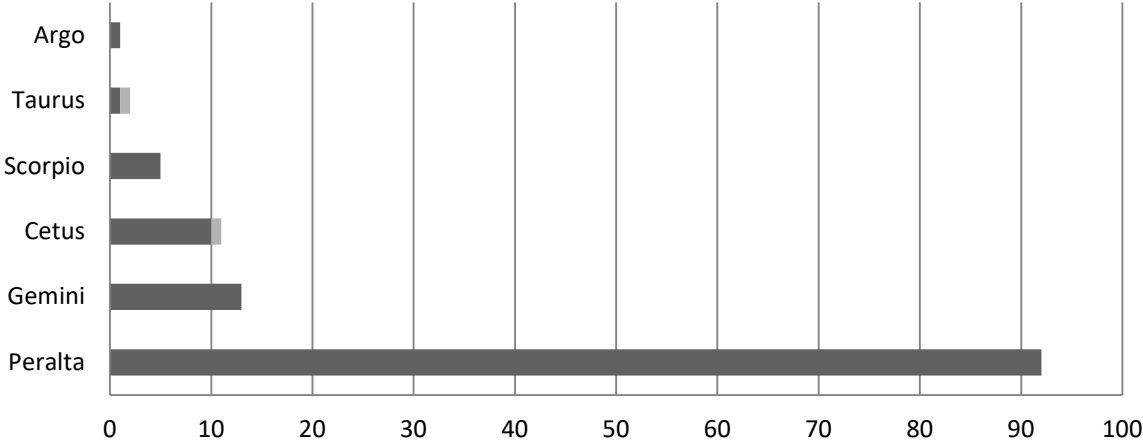
Note: Out of approximately 7,000 total trips.

Missed/Cancelled Trips:

	Alameda/Oakland	Harbor Bay	South SF	Vallejo
June	1	0	0	0
July	0	0	0	4
August	0	0	0	1

Note: We will continue to monitor and improve this data for future reports.

Days Out of Service (June-August)



	Peralta	Gemini	Cetus	Scorpio	Taurus	Argo
■ Planned	92	13	10	5	1	1
■ Unplanned	0	0	1	0	1	0

Average Monthly Spare: Central Bay 1, North Bay 1