

Members of the Board

Jody Breckenridge, Chair
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**SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING**
Thursday, November 8, 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 – October 4, 2018
 - b. Resolution Authorizing the Filing of Applications with the Federal Transit Administration
7. APPROVE BOARD OF DIRECTORS MEETING SCHEDULE FOR CALENDAR YEAR 2019 *Action*
8. OVERVIEW OF WETA SYSTEM PERFORMANCE MEASURES *Information*
9. DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION PROJECT UPDATE *Information*
10. VESSEL PROPULSION TECHNOLOGY UPDATE *Information*

Water Emergency Transportation Authority
November 8, 2018 Meeting of the Board of Directors

11. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

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: November 8, 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*, was placed into revenue service in June 2018. Work continues on the fourth vessel, the MV *Carina*. The hull sections and the cabin module were joined in October. Sea trials will be conducted in December. The MV *Carina* is scheduled for completion at the shipyard and transit to San Francisco in January 2019.

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. MV *Pyxis* was launched on October 6. Systems testing and sea trials will begin in December. Delivery of MV *Pyxis* vessel to Vallejo is projected to occur in January 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 was laid.

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. The overall project is wrapping up and the MV *Peralta* is expected to be completed and returned to service in November.

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 October 4, 2018, the Board of Directors approved award of a contract for the vessel to Mavrik Marine, Inc for this vessel. Preliminary design work has begun and a notice to proceed to construction is expected to be issued in early November.

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 project is close to completion. Blue & Gold has moved all WETA Central Bay vessel operations and administrative staff to the new facility. 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 is being 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 January 2020. To date, the contractor has completed site demolition, dredging, and approximately two-thirds of pile driving activities. This month the contractor installed the canopy structure and began pouring the topping slab for the promenade area providing access to Gates F and G. The new float and gangway for Gate G is nearly complete and scheduled to be delivered to the project site in November for installation. 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 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. Site work has started with the temporary passenger float in place and work to 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. WETA staff is working to support City of Alameda efforts to move this project to construction and anticipates continuing in a consultative and support role during construction.

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 was 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.

Redwood City is now leading an effort to prepare a Financial Feasibility Study and Cost Benefit Analysis Report for the Redwood City Ferry Terminal Construction and Service utilizing \$450,000 in San Mateo County Measure A transportation sales tax funds. As a part of this study, they will be entering into an agreement with the San Mateo County Transportation Authority to develop and adopt the Feasibility Study and Business Plan. The feasibility will be completed in approximately 12 months. 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 has reached out to SFCTA to schedule a meeting to discuss their plans to advance the opening date for new ferry service from 2023 to 2021.

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 Adelphian 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 working with the City in 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 recently 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 by the end 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 three 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 late November or December and having a draft report for discussion with the full Board of Directors in January 2019.

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:

- On October 18, 2018 San Francisco Police Department and FBI used the Central Bay Operations & Maintenance Facility for staging small vessel operations for a nearby maritime training exercise.
- 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 has developed 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. The Hopthru mobile ticketing platform was launched on October 29, 2018.

OPERATIONS REPORT

Monthly Operating Statistics - The Monthly Operating Statistics Report for September 2018 is provided as **Attachment A**. A more detailed discussion on performance metrics is included as a separate item on the November 8 meeting agenda.

Winter Schedule Changes

On October 29, 2018 seasonal changes to the Alameda/Oakland and Vallejo ferry services took effect. The winter schedules primarily reduced 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 was also a shift in departure times to accommodate changes in demand and service efficiencies. Specifically, the 4:15 p.m. departure from Pier 41 was shifted to the Ferry Building at 4:00 p.m. This change was necessary to 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.

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

The week of October 8, Nina Rannells participated in the Bay Area Council's Study Trip to Portsmouth, England to learn more about the hovercraft passenger service operated by Hovertravel between Southsea and the town of Ryde on the Isle of Wight and Griffon Hoverworks, a shipyard in nearby Southampton, that develops and builds hovercraft for various purposes.

On October 10, Mike Gougherty presented at the 2018 Ferries Conference in Seattle, WA.

On October 10, Kevin Connolly attended the City of Alameda/AC Transit Intergovernmental Liaison Committee and presented the results of the WETA Onboard Survey.

On October 15, Kevin Connolly and Mike Gougherty hosted a Technical Advisory Committee for WETA's Small Vessel Initiative.

On October 17, Nina Rannells, Kevin Connolly Keith Stahnke and Mike Gougherty attended the Small Vessel Subcommittee meeting with Board Members Josefowitz and Intintoli.

On October 18, Kevin Connolly made a presentation to the Alameda Realtors Round Table.

On October 24 and 25, Thomas Hall attended the California Transit Association's Fall Conference in Long Beach.

The week of October 29, Nina Rannells and Keith Stahnke attended the Passenger Vessel Association's Western Region Meeting in Lahaina, HI.

On November 5, Nina Rannells attended the Clipper Executive Board meeting held in Oakland.

OTHER BUSINESS

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 and is working on required WETA materials.

END

Attachment A

Monthly Operating Statistics Report September 2018

		Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide
vs. last month	Total Passengers September 2018	130,350	28,153	11,778	96,916	267,197
	Total Passengers August 2018	147,648	32,061	13,474	109,879	303,062
	Percent change	-11.72%	-12.19%	-12.59%	-11.80%	-11.83%
vs. same month last year	Total Passengers September 2018	130,350	28,153	11,778	96,916	267,197
	Total Passengers September 2017	117,543	26,496	11,418	93,844	249,301
	Percent change	10.90%	6.25%	3.15%	3.27%	7.18%
vs. prior FY to date	Total Passengers Current FY To Date	429,867	89,994	36,994	319,607	876,462
	Total Passengers Last FY To Date	395,696	83,313	35,908	305,824	820,741
	Percent change	8.64%	8.02%	3.02%	4.51%	6.79%
Ops Stats	Avg Weekday Ridership September 2018	4,385	1,482	620	3,608	10,094
	Passengers Per Hour	178	185	90	160	165
	Revenue Hours	802	143	124	647	1,716
	Revenue Miles	11,043	2,730	2,035	20,514	36,322
	Farebox Recovery	63%	50%	36%	62%	56%
	Cost per Available Seat Mile	\$0.26	\$0.40	\$0.61	\$0.26	\$0.30
	Average peak hour utilization, AM	71%	89%	50%	86%	74%
Average peak hour utilization, PM	80%	87%	60%	95%	81%	
Fuel	Fuel Used (gallons)	55,046	14,063	8,308	201,645	279,063
	Avg Cost per gallon	\$2.76	\$2.76	\$2.76	\$2.73	\$2.74

* Includes backup bus boardings. September bus ridership totaled 111 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 Three Months
Ending September 30, 2018**

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2018/19 Financial Statements for three months ending September 30, 2018.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$5,902,631	\$5,706,420	\$6,347,277
Bridge Toll Revenues	3,115,926	5,330,530	3,714,298
Other Revenues	600	183,496	5,400
Total Operating Revenues	\$9,019,157	\$11,220,446	\$10,066,975
Expenses - Year To Date:			
Planning & Administration	\$386,838	\$756,164	\$490,519
Ferry Services	8,632,319	10,464,282	9,576,455
Total Operatings Expenses	\$9,019,157	\$11,220,446	\$10,066,975
System-Wide Farebox Recovery %	68%	55%	66%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2018/19 Budget
Revenues:		
Federal Funds	\$4,397,448	
State Funds	17,137,774	
Bridge Toll Revenues	6,672,249	
Other Revenues	222,523	
Total Capital Revenues	\$28,429,995	24.36%
Expenses:		
Total Capital Expenses	\$28,429,995	24.36%

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 Three Months Ending 9/30/2018

% of Year Elapsed 25%

	Sep-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	\$102,771	\$243,770	\$391,139	\$294,451	1,551,800	19.0%
Services	88,402	209,600	344,660	231,829	1,367,400	17.0%
Materials and Supplies	287	4,282	45,496	779	180,500	0.4%
Utilities	1,800	5,564	10,359	8,652	41,100	21.1%
Insurance	-	1,201	7,133	1,200	28,300	4.2%
Miscellaneous	13,688	1,615	78,843	30,958	312,800	9.9%
Leases and Rentals	31,354	91,705	97,974	93,739	388,700	24.1%
Admin Overhead Expense Transfer	(62,322)	(170,898)	(219,439)	(171,088)	(870,600)	19.7%
Sub-Total Planning & Gen Admin	\$175,980	\$386,838	\$756,164	\$490,519	3,000,000	16.4%
<u>FERRY OPERATIONS:</u>						
<u>Harbor Bay FerryService</u>						
Purchased Transportation	\$177,407	\$463,838	\$574,685	\$547,217	2,280,000	24.0%
Fuel - Diesel & Urea	38,796	84,484	153,123	123,117	607,500	20.3%
Other Direct Operating Expenses	45,550	90,985	189,646	134,359	752,400	17.9%
Admin Overhead Expense Transfer	7,765	21,595	25,407	21,081	100,800	20.9%
Sub-Total Harbor Bay	\$269,517	\$660,902	\$942,861	\$825,775	3,740,700	22.1%
Farebox Recovery	50%	58%	45%	52%	45%	
<u>Alameda/Oakland Ferry Service</u>						
Purchased Transportation	\$772,169	\$2,251,914	\$2,353,032	\$2,260,195	9,335,400	24.2%
Fuel - Diesel & Urea	151,853	364,945	507,613	478,726	2,013,900	23.8%
Other Direct Operating Expenses	163,814	274,459	640,018	495,065	2,539,200	19.5%
Admin Overhead Expense Transfer	27,493	74,168	96,663	76,402	383,500	19.9%
Sub-Total Alameda/Oakland	\$1,115,329	\$2,965,486	\$3,597,326	\$3,310,388	14,272,000	23.2%
Farebox Recovery	63%	70%	56%	72%	56%	
<u>Vallejo FerryService</u>						
Purchased Transportation	\$774,091	\$2,647,683	\$3,008,551	\$2,724,341	11,936,100	22.8%
Fuel - Diesel & Urea	549,861	1,097,340	1,448,811	1,448,016	5,748,000	25.2%
Other Direct Operating Expenses	129,111	452,070	500,430	377,007	1,985,400	19.0%
Admin Overhead Expense Transfer	23,027	63,638	79,271	63,587	314,500	20.2%
Sub-Total Vallejo	\$1,476,089	\$4,260,731	\$5,037,063	\$4,612,950	19,984,000	23.1%
Farebox Recovery	62%	75%	58%	71%	58%	
<u>South San Francisco FerryService</u>						
Purchased Transportation	\$172,856	\$546,686	\$604,932	\$610,483	2,400,000	25.4%
Fuel - Diesel & Urea	22,925	81,120	145,486	95,128	577,200	16.5%
Other Direct Operating Expenses	44,044	105,897	125,649	111,713	498,500	22.4%
Admin Overhead Expense Transfer	4,037	11,497	10,964	10,018	43,500	23.0%
Sub-Total South San Francisco	\$243,861	\$745,200	\$887,031	\$827,343	3,519,200	23.5%
Farebox Recovery	36%	35%	36%	30%	36%	
Total Operating Expenses	\$3,280,776	\$9,019,157	\$11,220,446	\$10,066,975	\$44,515,900	22.6%
OPERATING REVENUES						
Fare Revenue	\$1,840,286	\$5,902,631	\$5,706,420	\$6,347,277	22,639,600	28.0%
Regional - Bridge Toll	1,438,940	3,115,926	5,330,530	3,714,298	21,148,300	17.6%
Regional - Alameda Tax & Assessment	-	-	183,496	-	728,000	0%
Other Revenue	1,550	600	-	5,400	-	0%
Total Operating Revenues	\$3,280,776	\$9,019,157	\$11,220,446	\$10,066,975	\$44,515,900	22.6%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2018/19 Statement of Revenues and Expenses
For Three Months Ending 9/30/2018

Project Description	Sep-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:							
FACILITIES:							
Terminal Construction							
Downtown Ferry Terminal Expansion - South Basin	3,926,032	\$97,965,000	\$46,780,727	\$34,556,273	\$10,023,278	\$16,628,000	58%
Richmond Ferry Terminal	1,894,931	21,000,000	11,134,262	9,865,738	3,985,142	-	72%
Maintenance and Operations Facilities							
Ron Cowan Central Bay Operations & Maintenance Facility	440,272	69,500,000	60,723,722	8,776,278	2,133,616	-	90%
Terminal Improvement							
Terminal Dredging - Vallejo and South San Francisco ¹	21,028	5,100,000	106,999	4,993,001	99,468	-	4%
FERRY VESSELS:							
Vessel Construction							
445-Pax Replacement Vessel - M/V Vallejo	1,696,982	23,372,000	12,443,000	10,929,000	4,318,075	-	72%
445-Pax Expansion (Waterjet) Vessels - 2 vessels	2,112,056	46,745,000	15,557,743	20,187,257	3,546,466	11,000,000	41%
400-Pax Expansion (Propeller) Vessels - 2 vessels	20,137	33,400,000	26,533,692	6,866,308	3,090,037	-	89%
New Commuter Class High-Speed Vessel	56,334	14,000,000	93,374	9,106,626	120,707	4,800,000	2%
Vessel Rehabilitation and Refurbishment							
Vessel Mid-Life Refurbishment - M/V Peralta	96,799	5,117,000	2,929,906	2,187,094	1,112,605	-	79%
Vessel Engine Overhaul - M/V Intintoli and M/V Mare Island	600	3,000,000	-	1,500,000	600.00	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%
CAPITAL EQUIPMENT / OTHER:							
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	\$10,265,172	\$336,599,000	\$176,330,514	\$116,715,486	\$28,429,995	\$43,553,000	
CAPITAL REVENUES:							
Federal Funds	\$1,445,080	\$79,920,140	\$33,033,731	\$37,986,409	\$4,397,448	\$8,900,000	47%
State Funds	5,923,746	200,233,450	112,665,044	61,852,046	17,137,774	25,716,360	65%
Regional - Bridge Toll	2,876,986	53,222,010	29,605,664	14,899,706	6,672,249	8,716,640	68%
Regional - Alameda Sales Tax Measure B / BB	19,360	1,723,400	586,075	1,137,325	222,523	-	47%
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	\$10,265,172	\$336,599,000	\$176,330,514	\$116,715,486	\$28,429,995	\$43,553,000	

¹ On 9/6/2018, Board approved Total Project Budget increase of \$1.35 million, from \$3.75 million to \$5.10 million.

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – November 2018

This report covers the following topics:

1. How the Election Impacts WETA Priorities
 - a. WETA Priorities Require an Act of Congress
 - b. Members of Congress Continue to Prioritize Infrastructure
 - c. How the Make-Up of Congress Determines Priorities
 - d. WETA Congressional Supporters
2. Keeping WETA's Priorities Front and Center

How the Election Impacts WETA Priorities

NOTE: This section was written on 10/29, eight days before the election.

WETA Priorities Require an Act of Congress

We are continuing to advocate for additional funding for the Federal Highway Administration (FHWA) ferry formula program and the Federal Transit Administration (FTA) ferry grant program. Higher funding levels would mean additional funding WETA capital projects. Increasing the level of funding for either program requires Congress to pass legislation. Given how Congress operates, legislation to increase funding for these programs would have to be part of a larger "infrastructure" package.

Members of Congress Continue to Prioritize Infrastructure

There continues to be bipartisan support in Congress for taking up an infrastructure package in 2019. Unfortunately, that doesn't guarantee that Congress will make infrastructure a priority. Recall that infrastructure had a lot of bipartisan support after the 2016 election, but enthusiasm for infrastructure fizzled out after health care and tax reform were prioritized. While that could happen again, the thing that is different this time around is that there is a level of urgency that did not exist two years ago. Specifically, the FAST Act, the current surface transportation bill, expires in September of 2020, which means that Congress is facing a deadline. Very few things get Congress moving like a deadline – in order for Congress to complete a new surface transportation bill by September 2020, the committees of jurisdiction will need to start working on legislation in 2019.

How the Make-Up of Congress Determines Priorities

The outcome of the election may not determine whether Congress takes up an infrastructure bill, but the outcome could dictate the overall level of funding dedicated to infrastructure and could determine what types of infrastructure are prioritized. Democrats are generally inclined to support a bill with a large price tag, whereas conservative members of the Republican caucus – who have a lot of clout with Republican leaders – are likely to oppose any transportation package that will increase the deficit. Democrats are more likely to advocate for transit funding

in urban areas whereas Republicans are keen on supporting rural areas where transit is less of a priority.

The key in the House is that the majority party controls the agenda. Because the minority party has almost no power to slow down the legislative process, the majority party generally passes whatever legislation they want. The Senate is a different story. While the Senate majority leader decides what legislation comes up for a vote, and when, members of the minority party are able to put up procedural roadblocks that require 60 votes to overcome. As a result, the majority party must work with members of the minority party to assemble a bill that can get through that chamber. In other words, as long as the controlling party has a slim majority (fewer than 55 votes), legislation will not advance without bipartisan support.

WETA Congressional Supporters

We have worked hard over the years to ensure that the outcome of any election doesn't entirely determine WETA's level of influence. Because the members of Congress that generally make up WETA's "Congressional delegation" are Democrats, we formed the Public Ferry Coalition years ago to ensure that there is bipartisan support for ferries. This includes states such as California, New York and Washington, with primarily Democratic members of Congress, but also includes states such as Alaska and Maine, which have a heavy Republican contingent.

Keeping WETA's Priorities Front and Center

We are 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

(October 4, 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, Director Jeffrey DelBono, and Director Nick Josefowitz were in attendance.

3. REPORT OF BOARD CHAIR

Chair Breckenridge said that she had no report to share this month.

4. REPORTS OF DIRECTORS

Vice Chair Wunderman reported that he and Executive Director Nina Rannells would be traveling to the United Kingdom the following week as a part of a Bay Area Council study group to learn more about hovercraft technology in regular service use there.

Director Intintoli reported he had made a presentation about WETA ferry service to an enthusiastically supportive group of Solano County realtors.

Director DelBono reported that he had met with the Principal of srmErnst, Joe Ernst, and Dana Aftab, Executive Vice President of Business Operations at Exelixis. He said that the public has expressed a growing and keen interest in learning specifics about how the money from Regional Measure 3 (RM3) is going to be spent to enhance current ferry service and add new service areas, and in seeing WETA's timelines and details for the improvements. Director DelBono said that he is excited to learn these details also, and to be able to share them the public. He added that it was his hope that the RM3 lawsuit threat will soon subside so these plans can be executed into reality with the help of the measure's funding.

Director Josefowitz asked how WETA participates in Fleet Week activities. Ms. Rannells said that historically, service has been increased significantly to support Fleet Week crowds and that WETA generally also participates in related emergency response exercises during the week. She said that staff had taken part in one such exercise related to fueling on Monday. Chair Breckenridge explained that the Fleet Week tradition was the culmination of a ten month national planning effort involving a number of agencies from the first responder community.

5. REPORTS OF STAFF

Ms. Rannells shared her written report with Directors. She said that in addition to increasing service for Fleet Week crowds, additional runs between the Mare Island and Vallejo terminals would be provided to support the upcoming Vallejo Waterfront Weekend, a two day festival celebrating the City of Vallejo,

local government, Mare Island Naval Shipyard, Solano County. She reported that ridership was up, and noted that despite the recent rise in fuel costs, operating costs remained within budget.

Ms. Rannells introduced Lieutenant Amy Gayman of the United States Coast Guard (USCG) who will be spending the next month familiarizing herself with WETA operations at Pier 9 and the North and Central Bay Operating and Maintenance Facilities as part of a USCG training program.

PUBLIC COMMENT

Ms. Gayman thanked the Board and staff and said she was enjoying her time at WETA thus far, was looking forward to seeing the North and Central Bay facilities, and to learning more.

Ms. Rannells shared some details about the 2018 Urban Shield Red Command exercise that took place on September 8 that she herself had participated in. She said that WETA hosted the exercise meet-up at its Emergency Operations Center located in the new Central Bay Operations and Maintenance Facility, and that Golden Gate Ferry provided a vessel for the exercise while WETA's MV *Hydrus* served as the survivors rescue platform. She further explained that the exercise qualified as WETA's annual Vessel Mutual Assistance Plan (VMAP) exercise and noted that WETA had played an integral role in the exercise along with more than 38 other government and private entities, including more than a dozen fire and numerous law enforcement agencies, private ferry operators, the United States Navy, and the Coast Guard. Ms. Rannells said she served as one of the "survivors" in the exercise which was done to test the Oakland Airport's Water Rescue Plan in the event of a plane landing in San Francisco Bay. She said drones had also been utilized in the invaluable and successful exercise and she commended Blue & Gold Fleet, WETA's contract operator, for their work throughout the exercise and for their preparation efforts.

Ms. Rannells noted that it was her hope that Dr. Joseph Pratt, CEO and CTO of Golden Gate Zero Emission Marine, will be able to speak at the November meeting about his work on an 84 passenger hydrogen fuel cell ferry and the potentials for electric ferry technology use in WETA vessels. She reminded Directors of the pledge she sent them for the Diesel Free by 2033 initiative suggested by Director Josefowitz during the September meeting. Ms. Rannells said that staff would bring something more formal to Directors in November to further state WETA's commitment to the objective if the Board desires.

Ms. Rannells reported that WETA Program Manager/Analyst Lauren Gularte gave birth on September 25 to daughter Winona Duran Gularte, and that both were doing well.

Director Josefowitz said that the Treasure Island ferry service start date had been moved up to 2021. It was noted that this left a very tight window for WETA service planning and implementation. Chair Breckenridge said that it was quite late in the process to be addressing funding for the new service, and she emphasized the urgency of Directors being thoroughly informed about the project's status and funding. She said that an agreement for the new Treasure Island ferry service had been in place with WETA for some time, and it was possible that fine tuning of that agreement was being done without WETA's advance knowledge or agreement. It was agreed that staff would work to clarify and confirm the new service details with the San Francisco County Transportation Agency (SFCTA) and the Treasure Island Development Authority (TIDA) so WETA can endeavor to support the new date. Chair Breckenridge said she would like to see an update on the Treasure Island program on an upcoming meeting agenda.

6. CONSENT CALENDAR

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

- a. Board Meeting Minutes – September 6, 2018

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

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

Before Item 7 was presented, Chair Breckenridge provided some background and context about a procedural issue to Directors to assist them in determining whether or not a protest of the item's vessel construction award should be accepted or denied. She referred them to two paper documents that had been provided to the public and Directors; a Formal Protest Notice emailed to the Executive Director at 3:13 p.m. on October 2 from All American Marine, and a letter dated October 2 to WETA Operations and Maintenance Manager Keith Stahnke from Mavrik Marine in response to the emailed protest.

Chair Breckenridge said that at 3:13 p.m. on October 2, after the intended award to Mavrik Marine notice had been posted, staff received the emailed protest of the planned award from All American Marine. She said that after counsel reviewed the protest, it was determined that the protest was invalid because it was not timely. Chair Breckenridge said that this was because the protest had not been received within the first 48 hours following the award intention notice as required by the instructions in the project's Request for Proposal (RFP). She explained that the representative at the meeting from All American Marine was entitled to be heard by the Board, as was the Mavrik Marine representative, also present at the meeting. She said Directors' objective was to listen to the Executive Director's recommendation on the matter, review the documents provided, listen to the speakers who wanted to comment on the matter, and then make the determination of whether to allow or reject the All American Marine protest.

Ms. Rannells explained that because the protest had been received more than 48 hours after the award notice it was not timely because the RFP protest instructions require that any protests to the intended award be received by WETA within 48 hours of award intention notice. She said that the notice to award was received on September 28 and the protest from All American Marine was received via email on October 2. Protests that do not meet these timing requirements are to be rejected per the RFP, and Ms. Rannells said that counsel advised her that the protest could be rejected based solely on this untimeliness.

However, Ms. Rannells further explained that she and legal counsel further reviewed each point of the protest and found that it was without merit. She said her recommendation to the Board was that the protest be rejected because it was untimely and because the evaluation committee did, in fact, work to arrive at their collective decision in accordance of the RFP, and All American Marine did not provide facts or evidence to the contrary to support its untimely protest claims.

Steven Miller from Hanson Bridgett LLP advised Directors that their decision on whether to allow or reject the protest should be based on the information detailed in the protest and in the original RFP, along with their consideration of the Executive Director's recommendation which was informed by counsel's thorough review of the matter. He emphasized that the decision criteria was limited to whether the written protest, under the standards of the RFP itself, provides facts and evidence that the RFP's procedures were not followed, that evaluation criteria was not properly applied by WETA staff, or that staff did not perform a proper evaluation according to the RFP requirements.

PUBLIC COMMENT

Matt Mullett, President and Chief Executive Officer of All American Marine, thanked Directors for the opportunity to provide more details about his protest. He reviewed the concerns he had shared in his October 2 award protest email and said he felt that the scoring system that had been used by the evaluation committee had been overly subjective and had significantly underplayed the qualifications, experience and overall capabilities of All American Marine. Mr. Mullett said All American Marine's prices

for the twin and quad engine vessel types were the lowest of the proposals, and he said he believed they were not scored properly in the second part of the scoring process. He said that All American Marine has proven they can build vessels for government projects. Mr. Mullett said he has not received all of the information he has requested about the proposal review details, and he asked Directors to accept the All American Marine protest and award the contract to All American Marine to build the vessel at the lowest price offered for the project. He added that All American Marine has financial stability and if they made an error in their protest, they would be happy to correct it. Finally, Mr. Mullett said that All American Marine has never made a protest to an award before this one. He said he respectfully requested an independent review of the scoring and the proposals and that his protest be accepted as valid.

PUBLIC COMMENT

President of Mavrik Marine, Inc. Zachery Battle said he has formed a relationship with another shipyard with a focus to find the perfect fit for WETA's vessel objectives. He said that in terms of qualifications, while Mavrik Marine has not built a K boat, they have built many other vessels and are confident they will be able to deliver a vessel to WETA that will meet its needs and that the agency and the public will be very happy to receive.

Director DelBono asked how long the evaluation process used for this contract had been in place and how many protests WETA has received to date for vessel construction projects. Mr. Stahnke said that the process had been in place since about 2006 and that to the best of his recollection, the All American Marine protest had been the first protest received by WETA for vessel construction.

Director DelBono asked if anyone had thoroughly reviewed the details in the protest against the RFP and evaluation process. Mr. Miller said that this process had been done by Ms. Rannells with counsel as soon as she received the protest. He further explained that if the Board upholds the protest that Directors are essentially stating that the process was flawed, either in conception or as applied. He explained that if Directors accept the protest and request an independent inquiry into the process, it was possible that the decision made then would also be questioned by one or more of the proposers, and he cautioned that this could repeat into the future which could make getting to a final decision challenging.

Director Intintoli said that in listening to the information about the protest, he heard the word subjective a number of times. He said he hoped that no matter what decision was made on the protest that All American Marine would continue to bid on WETA projects in the future.

Vice Chair Wunderman asked if the Board generally approves the scoring system before or during the RFP process and Ms. Rannells said no. Vice Chair Wunderman said that price was the least subjective scoring component in the process with the balance of the scoring – about two thirds - being a subjective component based on the other factors. Mr. Miller emphasized that this issue was a matter of discussion related to the award of the contract and not the protest in question being considered now. Vice Chair Wunderman asked if it made sense to exclude untimeliness of the protest as a reason for rejection since the 48 hours in question were over a weekend, which could have made it more difficult for All American Marine to get all of the details and information they wanted to include in a timely protest. Chair Breckenridge said that the Executive Director's recommendation includes that the protest was not technically timely but despite this fact, it had still been considered and reviewed for merit and the recommendation to reject included insufficient facts or evidence to support its claims.

Director Josefowitz asked how All American Marine would be able to make a timely, evidence based protest if they did not have the information they needed from WETA to do so. Mr. Miller explained that All American Marine had been provided information when they requested it, and he reiterated that counsel had thoroughly reviewed the protest and, based on its insufficient evidence or facts to support its claims, along with its untimeliness, recommended to the Executive Director that she recommend that

the Board reject it. He added that staff had, in fact, done a wonderful job on this project. Director Josefowitz asked if All American Marine had received the same report that Directors had in their Board packets on the project scoring process and final scores, and Ms. Rannells said yes. Mr. Miller added that an additional, more detailed scoring sheet had also been shared with All American Marine at their request.

Ms. Rannells noted that she wanted it to be clear to the Board of Directors that the evaluation committee, through review and scoring of all proposals consistent with the criteria in the RFP, determined the proposal submitted by Mavrik Marine to be the Best Value proposal. She further stated that the vessel design proposed by Mavrik Marine, which is a proven design, was determined by the evaluation committee to be technically superior to all other vessels proposed.

PUBLIC COMMENT

Jay Gardner, Wind+Wing Technologies owner and co-founder of Adventure Cat Sailing, said the Board is asking someone who has not built a Subchapter K vessel to be paid for the privilege to build this kind of vessel. He said a Subchapter T vessel is like a car and a Subchapter K vessel is like a bus. Mr. Gardner said that Directors are asking for a bus to be built by someone who has only built cars.

PUBLIC COMMENT

Mr. Mullet said that he wasn't making any threats but he did want to caution Directors about the claim that he did not respond with his protest in a timely manner. He said he received the notice to award on a Friday afternoon and to respond within 48 hours would have meant he would have had to get his protest to WETA by Sunday afternoon. Mr. Mullett added that he had sought counsel about this and had been advised the 48 hours should be business hours and not calendar hours.

Director Intintoli made a motion to accept the Executive Director recommendation to reject the protest based on its untimeliness and on its lack of substantive evidence and facts to support its claims under the project's RFP's protest requirements.

Chair Breckenridge seconded the motion and the protest was denied.

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

7. APPROVE CONTRACT AWARD TO MAVRIK MARINE, INC. FOR CONSTRUCTION OF NEW COMMUTER CLASS FERRY

Mr. Stahnke presented the item to approve a contract award to Mavrik Marine, Inc. for construction of one new high-speed ferry in an amount not to exceed \$13,541,600 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.

Mr. Stahnke explained that he had made onsite visits to All American Marine's and Mavrik Marine's shipyards. He said he was confident in Mavrik Marine's shipbuilding capabilities and that they were well aware of the differences and requirements of a Subchapter K vessel. Mr. Stahnke added that he was familiar with the vessels built by Mavrik Marine to date and said he had been able to inspect many of them. He said he and the evaluation committee for this project were confident that the vessel proposed by Mavrik Marine far exceeded what had been offered by the other proposers. Mr. Stahnke emphasized that much of what had been considered during the evaluation process had been objective and based on knowledge and facts about the proposals and the proposed shipyards.

PUBLIC COMMENTS

Mr. Gardner spoke in favor of a no vote on this item and asked that instead, the Board prioritize time to evaluate the status and future implications of operating an all diesel ferry fleet on the San Francisco

Bay. He said an all diesel WETA fleet will not survive and he asked how the public would perceive an all-diesel, polluting transportation option.

The importance of emissions reductions for WETA vessels was discussed, and Ms. Rannells said she expected that WETA will be able to start using renewable diesel in some of its vessels as early as January 2019. It was noted that the vessel being proposed for award will be the first to have an MTU Tier 4 engine type, so staff anticipates that we will be asked by the Environmental Protection Agency to conduct a Tier 4 emissions test on this engine utilizing traditional diesel for an initial period of time to certify the engine's reduced emissions. Ms. Rannells reminded Directors that she is working to include presentations on the November meeting agenda on the hydrogen fuel cell demonstration vessel being built locally and an update on the development of electric battery powered ferries. It was noted that an all-electric ferry was ultimately desired as the WETA fleet green solution because hybrid-electric still used quite a bit of diesel in a combustion engine.

Directors agreed that partnering with agencies such as the Bay Area Air Quality District, the California Air Resources Board, and the Department of Energy to assist in furthering WETA's fleet greening objectives would be prudent. It was noted that these groups may be able to provide their expertise, and possibly some funding, - to support WETA's efforts to advance new alternative vessel propulsion technology.

Director Intintoli made a motion to approve the item.

Vice Chair Wunderman seconded the motion and the item passed unanimously.

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

8. REGIONAL MEASURE 3 PROGRAM AND PLAN UPDATE

Mr. Connolly presented this RM3 program and plan update as an informational item. He shared a slideshow presentation of potential service enhancements and capital investments planned for FY 2019 through FY 2024. Mr. Connolly noted that many Bay Area employee work schedules were changing, as evidenced by later morning departures from the East Bay to San Francisco maxing out fairly frequently. He said the service enhancements on some routes would address this by adding trips to support riders where needed such as on the Harbor Bay route.

Mr. Connolly reviewed the new terminals planned for the WETA system in the next five years, which included Seaplane Lagoon in Alameda, Mission Bay in San Francisco, and Treasure Island. He noted that the design and permitting work for new terminals in Berkeley and Redwood City was also included in this plan.

Vice Chair Wunderman asked what was preventing WETA from accelerating construction of a new terminal in Redwood City. Mr. Connolly explained that the San Mateo Transportation Authority (SMTA) requires a feasibility study for Redwood City – anticipated to take about one year – for the city to qualify for the project funding per their SMTA agreement. He said that the SMTA has already issued a RFP for the study, and that once completed, there would be a two year permitting process to move the project forward. Vice Chair Wunderman asked staff to provide more detailed information clarifying the steps and timeline necessary to deliver Redwood City ferry service..

Mr. Connolly said that the expectation is that \$25M of the anticipated RM3 funding will be set aside for Mission Bay small vessel construction. He said that the Seaplane Lagoon terminal was already in construction and expected to be in service in early 2020. He explained that it was highly likely that this would be a concrete service start date and noted that this project was a fundamental component in WETA's overall service enhancement and new service plans.

Mr. Connolly said the Mission Bay terminal was on track for a 2021 completion, perhaps even 2020, but he cautioned that the project required \$25 million of capital funding from RM3 and if the lawsuit threatening the measure goes forward, those crucial funds may not materialize, and the project may not move forward. It was noted that all of the environmental permitting for Mission Bay had already been completed but that additional permitting was required and that those final permitting efforts continued as possible despite the RM3 funding uncertainty.

Director DelBono asked if the RM3 funding is cleared and becomes available how long it will take WETA to deliver small vessels from RFP release to delivery and start of revenue service. Mr. Connolly said that this plan's assumption would be about a year, with a maximum expectation of three vessels in one year due to general shipyard production constraints. He added that if the funding does become available and the WETA Board approves a small vessel service plan, the current assumption is that three new smaller vessels could be added to the fleet and put into service in 2020, with three more in 2023. Mr. Connolly acknowledged that the Small Vessel Study Committee was still working on their research and had not yet issued any findings or recommendations officially yet. He said staff assumptions on this five year RM3 funding plan were that some type of smaller vessel service would eventually be desired and that the small vessels in this plan were just placeholders at this time.

Vice Chair Wunderman said that the University of California at Merced campus was built with the assistance of private financing in a public private partnership (P3). He explained that the cost may end up being a little bit more than it otherwise would have been if the facility had been built using municipal bonds, but he said it was worth it because the project was able to get off the ground and get done. Vice Chair Wunderman said the deal had been made using availability payments to reduce risk. He explained that the facility was owned by the private investors and they were responsible for its maintenance until the end of its life cycle at which time the university will take ownership. He suggested that perhaps WETA could partner with private investors in the same way for the \$25 million needed for the Mission Bay terminal construction instead of waiting for the RM3 lawsuit threat to subside. Vice Chair Wunderman emphasized that a private investment partnership could be a solution for the Mission Bay project if the measure's funds earmarked for WETA never materialize.

Mr. Connolly explained that the City of San Francisco is lead on the Treasure Island development and related transportation services. He said as far as he was aware, they have not considered anything exotic on the funding front and have historically relied on the concept of very high access tolls that they will use to support the cost of new transportation services. Mr. Connolly noted that the new target date for ferry service to begin is 2021, and he said that this new date is feasible if funding is made available and smaller vessels are used for the service.

Mr. Connolly said that the City of Berkeley is working on a master plan for their marina and they expect to replace a fishing pier in the process and hopefully, include new WETA ferry service in the plans. Director Josefowitz said it was fundamentally important from a planning perspective that new ferry terminals are not built in the middle of nowhere in terms of housing, employment, and education. He asked if there was other development in the works for the area being considered for a new terminal in Berkeley and Mr. Connolly said he had not yet seen the master plan but that it was possible. Director Josefowitz said he would like WETA to avoid doing a bunch of work and spending money on studies for future projects that are not collaboratively and intelligently planned to maximize the opportunities that a new ferry service provides. He said WETA ferry service is a catalyst to spur the economy in areas where it does not presently exist in the Bay Area. He said he would like to see Berkeley's master plan for the marina before WETA expends additional resources for a potential new terminal there. Ms. Rannells said that ferry service in Berkeley has been included in WTA/WETA's plans from the start and that the agency had already spent considerable resources in developing the concept in the past. She added that it was important to clarify with the Board whether the current work to support Berkeley's

future ferry service desire should continue. It was agreed that establishing Memoranda of Understanding with entities interested in exploring new ferry service was a fundamental piece of the process, and now the WETA standard. It was also agreed that a more detailed discussion regarding the Berkeley project would be necessary prior to moving forward with significant work or a project MOU.

PUBLIC COMMENT

Bay Crossings Founder Bobby Winston asked why the new Richmond service that is scheduled to open in January 2019 did not appear in the five year RM3 funding plan timeline. Mr. Connolly said that was because Richmond was already funded and would not need RM3 funding to get off the ground. He added that the expectation was that the new Richmond service would very likely need to be enhanced, but not until eight years after service begins, or around 2026, so that change did not appear in this five year plan through 2024.

Mr. Connolly said that in 20-25 years, WETA will need a new source of funding. Vice Chair Wunderman noted that WETA services were not included in the state budget. Mr. Connolly said that an important benefit of the RM3 funding was that the agreement with the Metropolitan Transportation Commission (MTC) for the measure will allow WETA to build some security for unanticipated needs by keeping funds it does not need immediately to be used in the future. Director Intintoli asked how the Washington state ferry systems were funded and Chair Breckenridge said that the state decided early on to fund ferries instead of bridges. She said that decision and those investments really paid off especially for residents in the Seattle region because they have a robust and highly utilized ferry system. She said there is a regular stream of funding from the state and cities to support those services.

Ms. Rannells said WETA that WETA does not receive State Transportation Development Act Funds, which represent a sizable statewide transit operating assistance program. However, she noted that WETA does receive a limited amount of state funding from the State Transit Assistance program based on a formula that considers how much non-state funding an operator invests in their services. Director Josefowitz asked that Directors be provided clarity on the fiscal stability details of this five year plan and raised concerns about assuring regular maintenance costs are understood. Ms. Rannells said that because of the nature of WETA's service, it consistently maintains rigorous maintenance standards for its facilities and vessels and that USCG safety and security requirements assure this. She added that staff would bring back the details and expectations related to costs for the five year plan for Board review, and she reminded Directors that this presentation reflected a five year plan to provide MTC a general idea of WETA's plans for the first five years of the RM3 program, should funds become available.

Director Josefowitz said he would like staff to look into making other operational changes to the WETA system to allow for such things as front loading, improved passenger queuing, shelter for passengers at terminals and general greening of the fleet. Mr. Connolly said the plan he just presented was created at MTC's request to provide them with visibility of WETA's RM3 five year large project objectives. He added that there are many other objectives and projects in WETA's 20 year Strategic Plan and said that staff could revisit the Strategic Plan details with the Board in future discussions when Directors want to more closely focus on projects beyond the immediate term.

Directors agreed that the next and final item on the meeting's agenda, an informational overview of WETA system performance measures, would be agendaized for a November meeting discussion given the late hour.

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

PUBLIC COMMENT

Amiee Alden, Director of Local and State Government Relations at the University of California at San Francisco (UCSF), said that the UCSF community is very excited about the new Mission Bay ferry

terminal and service and is counting on it to get their employees and customers to their facilities, especially during the anticipated crowded times in the area when there are events and games at the new stadium. She said that 25 percent of the UCSF workforce resides in the East Bay, and those employees who work on campuses in areas of the city beyond the immediate Mission Bay ferry will be taking an electric shuttle from the ferry terminal to their work sites. She said that getting this new service going, and getting people to the Mission Bay ferry terminal, could literally be a matter of life and death and she thanked the Board for its efforts to support the project.

All business having been concluded, the meeting was adjourned at 4:42 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Resolution Authorizing the Filing of Applications with the Federal Transit Administration

Recommendation

Approve the following actions related to Federal Transit Administration (FTA) grant applications and executing related agreements for federal assistance:

1. Authorize the Executive Director or his/her designee to execute and file applications for federal assistance on behalf of the San Francisco Bay Area Water Emergency Transportation Authority (WETA) with the Federal Transit Administration (FTA) for federal assistance.
2. Authorize the Executive Director or his/her designee to execute and file with its applications the annual certifications and assurances and other documents FTA requires before awarding a federal assistance grant or cooperative agreement.
3. Authorize the Executive Director or his/her designee to execute grant and cooperative agreements with FTA on behalf of WETA.

Background/Discussion

WETA receives federal assistance from FTA. These funds are used to support our capital program including vessel refurbishments and replacements, gangways and piers rehabilitations, and facility improvements. Recipients of FTA federal assistances are required to adopt a resolution delegating authority to an agency representative to apply for and accept federal awards.

On December 8, 2005, as part of WETA's New Grantee Application, the Board authorized the Chief Executive Officer to file applications for federal assistance, to file annual certifications and assurances, and to execute grant agreements with FTA on behalf of WTA/WETA. Because this previous action occurred over 13 years ago and the chief executive title has changed, FTA is requiring a new resolution. This item changes WETA's authorized representative from the Chief Executive Officer to the Executive Director or his/her designee.

Fiscal Impact

There is no direct fiscal impact associated with this item.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2018-33

AUTHORIZE THE FILING OF APPLICATIONS WITH THE FEDERAL TRANSIT ADMINISTRATION FOR FEDERAL TRANSPORTATION ASSISTANCE AUTHORIZED BY 49 U.S.C. CHAPTER 53: TITLE 23, UNITED STATES CODE, OR OTHER FEDERAL STATUTES ADMINISTERED BY THE FEDERAL TRANSIT ADMINISTRATION

WHEREAS, the Federal Transit Administrator has been delegated authority to award federal financial assistance for transportation projects; and

WHEREAS, the grant or cooperative agreement for federal financial assistance will impose certain obligations upon the applicant, and may require the applicant to provide the local share of the project cost; and

WHEREAS, the applicant has or will provide all annual certifications and assurances to the Federal Transit Administration required for the project; now, therefore, be it

RESOLVED, by the Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority:

1. That the Executive Director or his/her designee is authorized to execute and file applications for federal assistance on behalf of the San Francisco Bay Area Water Emergency Transportation Authority with the Federal Transit Administration for federal assistance authorized by 49 U.S.C. Chapter 53, title 23, United States Code, or other federal statutes authorizing a project administered by the Federal Transit Administration. WETA is the designated recipient as defined by 49 U.S.C. § 5307(a)(2).
2. That the Executive Director or his/her designee is authorized to execute and file with its applications the annual certifications and assurances and other documents the Federal Transportation Administration requires before awarding a federal assistance grant or cooperative agreement.
3. That the Executive Director or his/her designee is authorized to execute grant and cooperative agreements with the Federal Transit Administration on behalf of the San Francisco Bay Area Water Emergency Transportation Authority.

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 November 8, 2018.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2018-33

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Melanie Jann, Board Secretary/Administration & Business Services Manager

SUBJECT: Approve Board of Directors Meeting Schedule for Calendar Year 2019

Recommendation

Approve WETA Board of Directors meeting schedule for Calendar Year 2019.

Discussion

The WETA Board of Directors has traditionally met on the first or second Thursday of the month at 1:30 p.m. at the Port of San Francisco's offices at Pier 1 in downtown San Francisco with exceptions made to address holidays, business conflicts, or occasional travel meetings. Based upon a review of the 2019 calendar, staff proposes to establish the following meeting calendar:

DATE:	TIME:	LOCATION/ADDRESS:
Thursday, January 10	TBD	Richmond
Thursday, February 7	1:30 p.m.	Port of San Francisco
Thursday, March 7	1:30 p.m.	Port of San Francisco
Thursday, April 4	1:30 p.m.	Port of San Francisco
Thursday, May 9	1:30 p.m.	Port of San Francisco
Thursday, June 6	1:30 p.m.	Port of San Francisco
Thursday, July 11	1:30 p.m.	Port of San Francisco
Thursday, August 1	1:30 p.m.	Port of San Francisco
Thursday, September 5	1:30 p.m.	Port of San Francisco
Thursday, October 3	1:30 p.m.	Port of San Francisco
Thursday, November 7	1:30 p.m.	Port of San Francisco
Thursday, December 12	1:30 p.m.	Port of San Francisco

This schedule may be amended during the year to adjust the time, meeting place or number of meetings held in response to WETA's business needs.

Staff acknowledges the Board of Director's stated desire to periodically hold regularly scheduled or special Board meetings in various Bay Area communities that WETA serves or is developing services to support. Staff proposes to establish the above 2019 meeting calendar now and to work with the

Board of Directors during the year to identify and coordinate opportunities for travel meetings that provide the best opportunity, considering meeting content and Board member availability, for diverse public engagement.

Fiscal Impact

There is no fiscal impact associated with setting the Board meeting calendar.

END

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 discussion has been deferred to November for a 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. Due to a lack of time, this item was further carried over to the November meeting agenda. 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)

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%

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

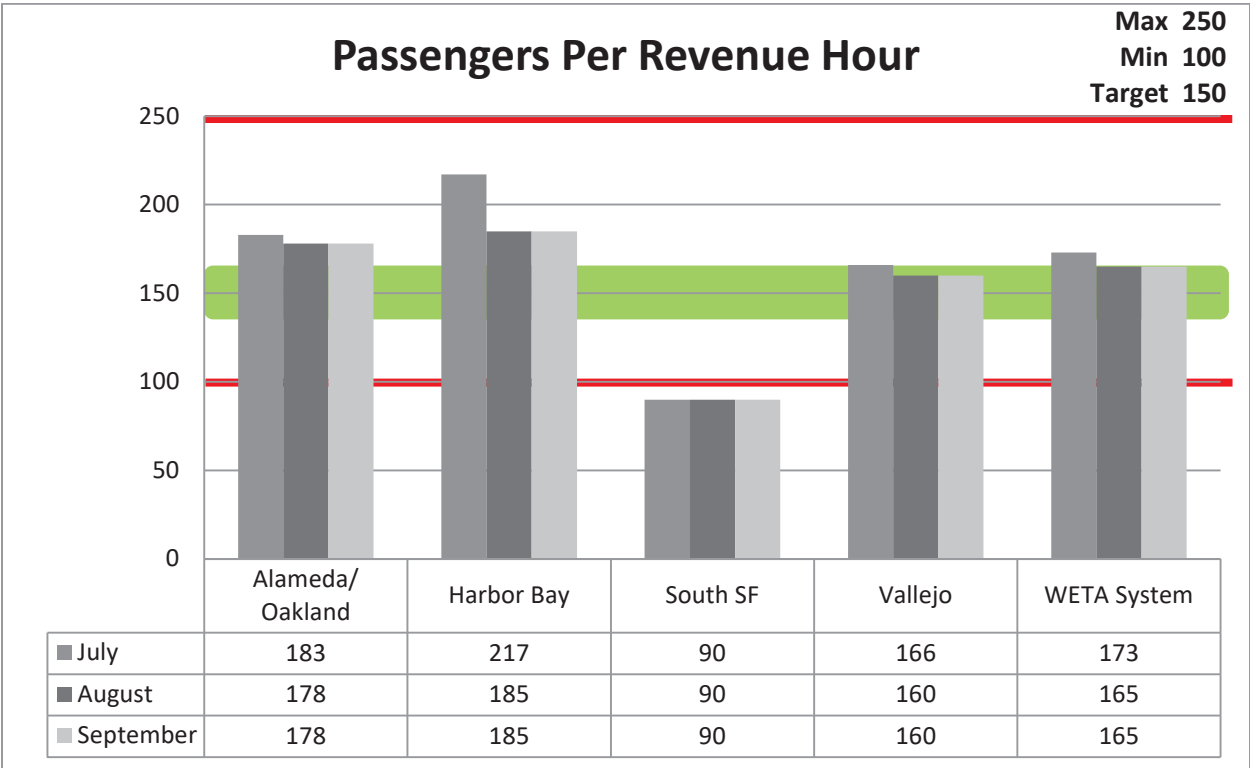
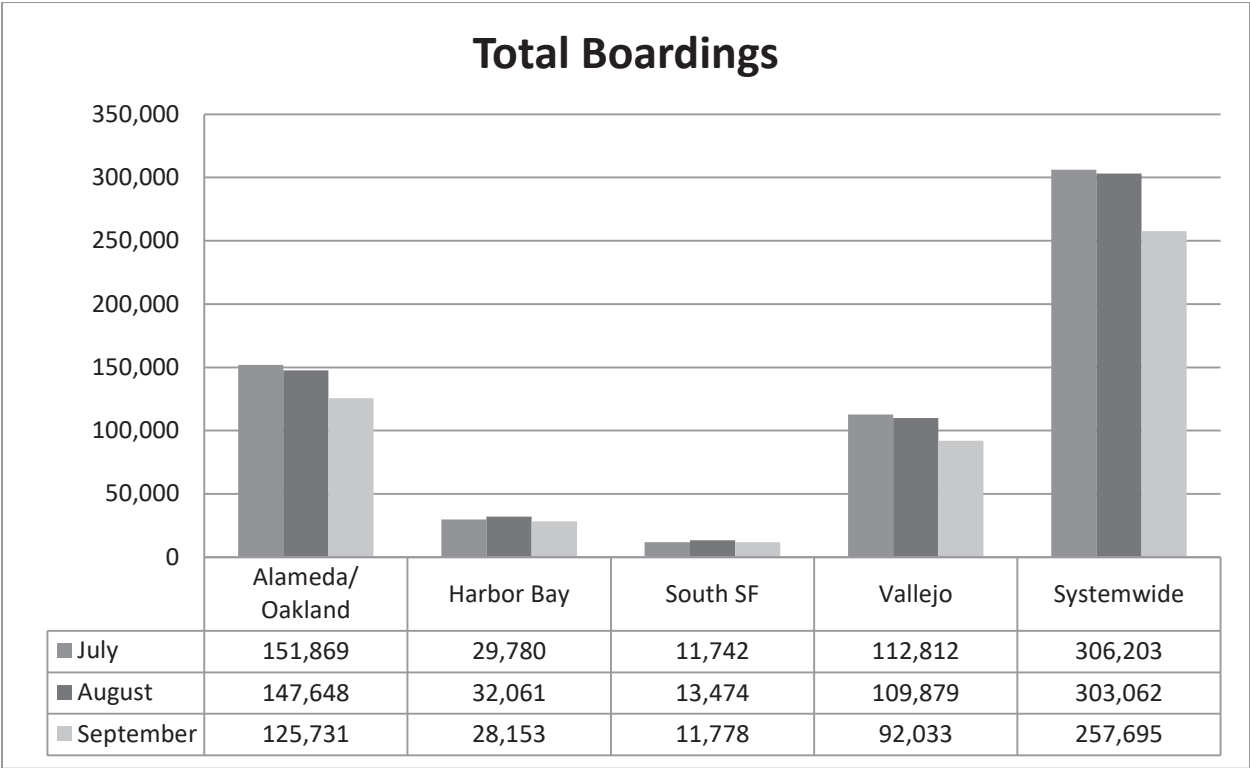
All ferry passengers are pedestrians at some point in their journey to the terminal. Pedestrian facilities include sidewalks, crosswalks and pedestrian lighting. Pedestrians need to feel safe and comfortable on their journey to the terminal	
Minimum	Target
Facilities that ensure safety	Attractive facilities,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

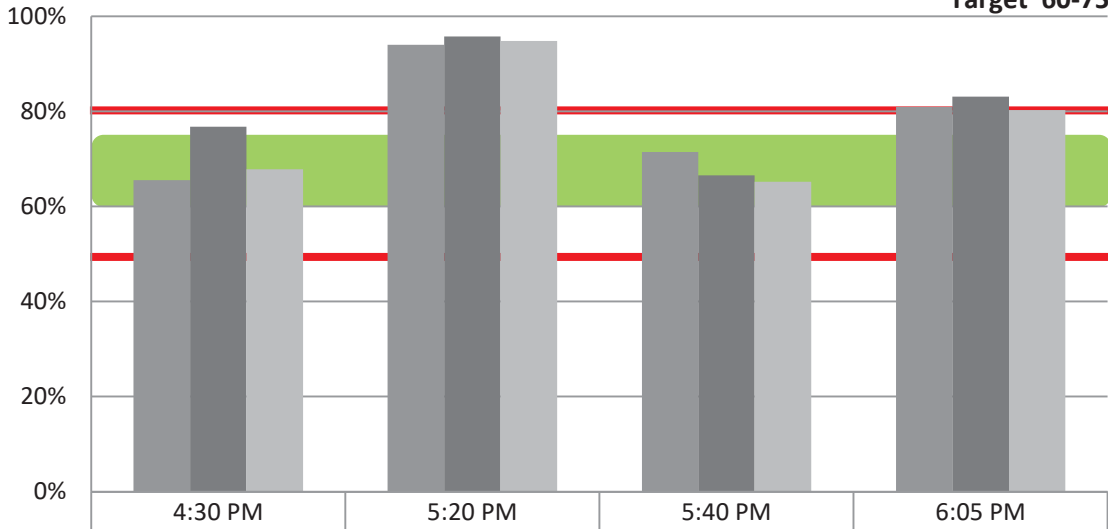
Minimum	Target
20 dwelling units/acre	45 dwelling units/acre

Expanded Service



Alameda/Oakland Occupancy - PM Peak

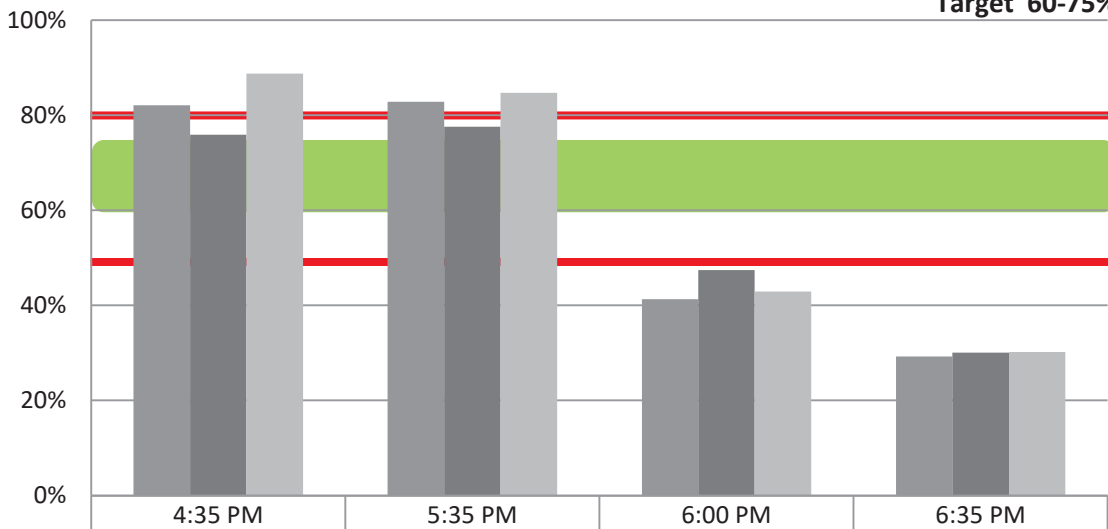
Max 80%
Min 50%
Target 60-75%



■ July	65%	94%	71%	81%
■ August	77%	96%	67%	83%
■ September	68%	95%	65%	80%

Harbor Bay Occupancy - PM Peak

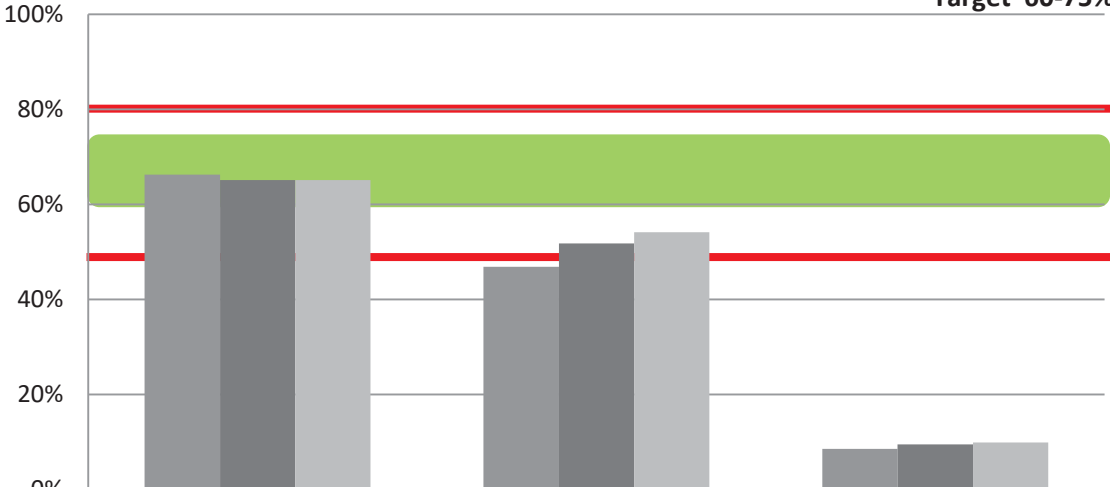
Max 80%
Min 50%
Target 60-75%



■ July	82%	83%	41%	29%
■ August	76%	78%	47%	30%
■ September	89%	85%	43%	30%

South San Francisco Occupancy - PM Peak

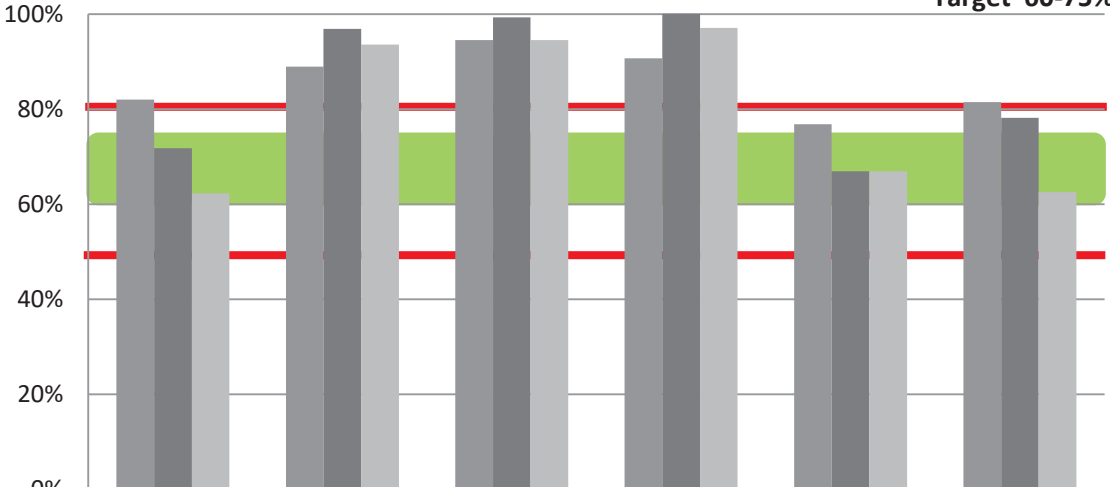
Max 80%
Min 50%
Target 60-75%



	4:20 PM	5:20 PM	7:00 PM
■ July	66%	47%	9%
■ August	65%	52%	10%
■ September	65%	54%	10%

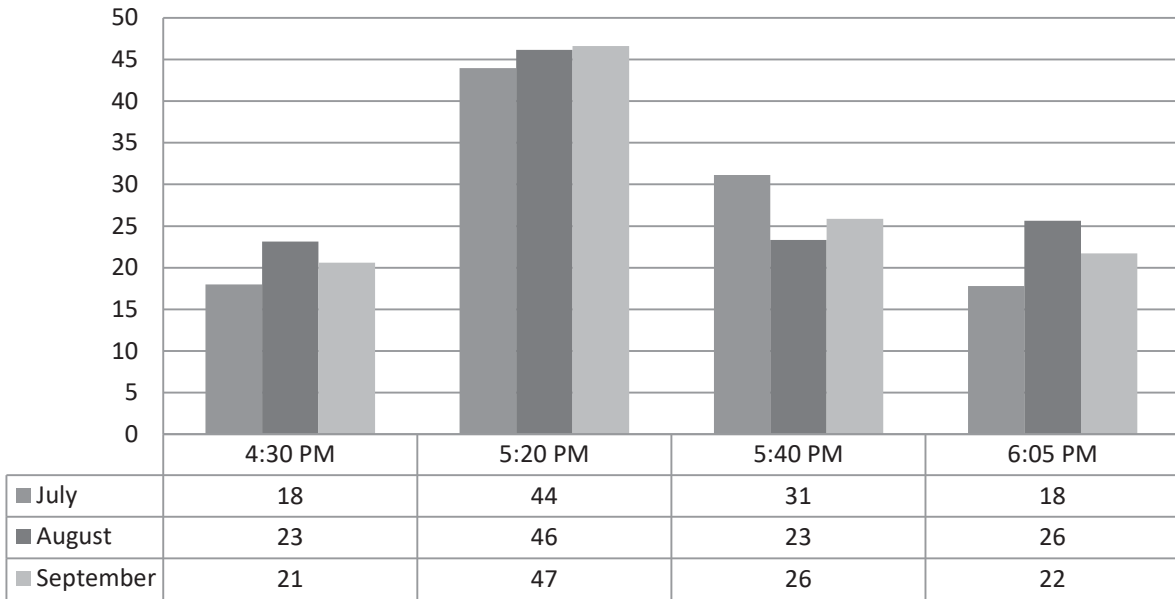
Vallejo Occupancy - PM Peak

Max 80%
Min 50%
Target 60-75%

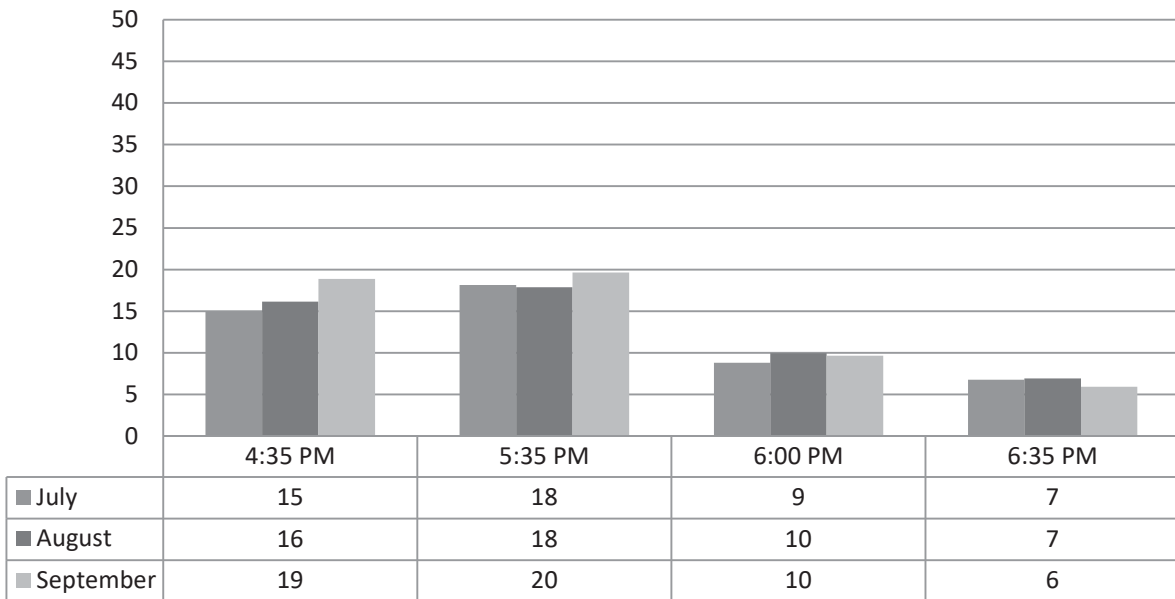


	3:30 PM	4:30 PM	5:15 PM	5:30 PM	6:00 PM	7:15 PM
■ July	82%	89%	95%	91%	77%	81%
■ August	72%	97%	99%	104%	67%	78%
■ September	62%	94%	94%	97%	67%	63%

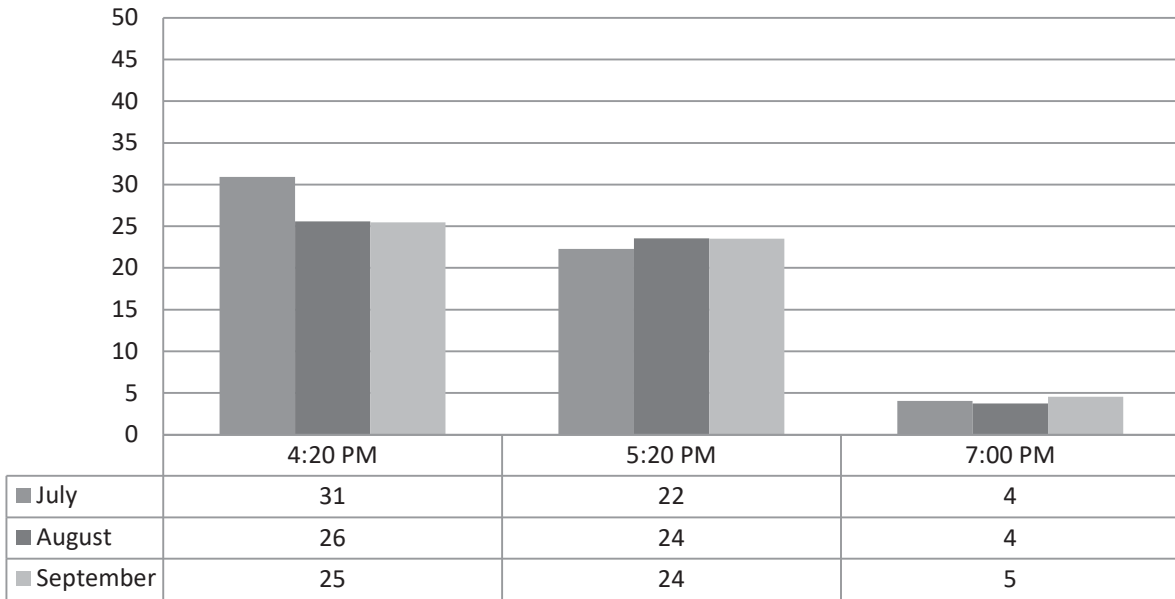
Alameda/Oakland Bikes Per Trip - PM Peak



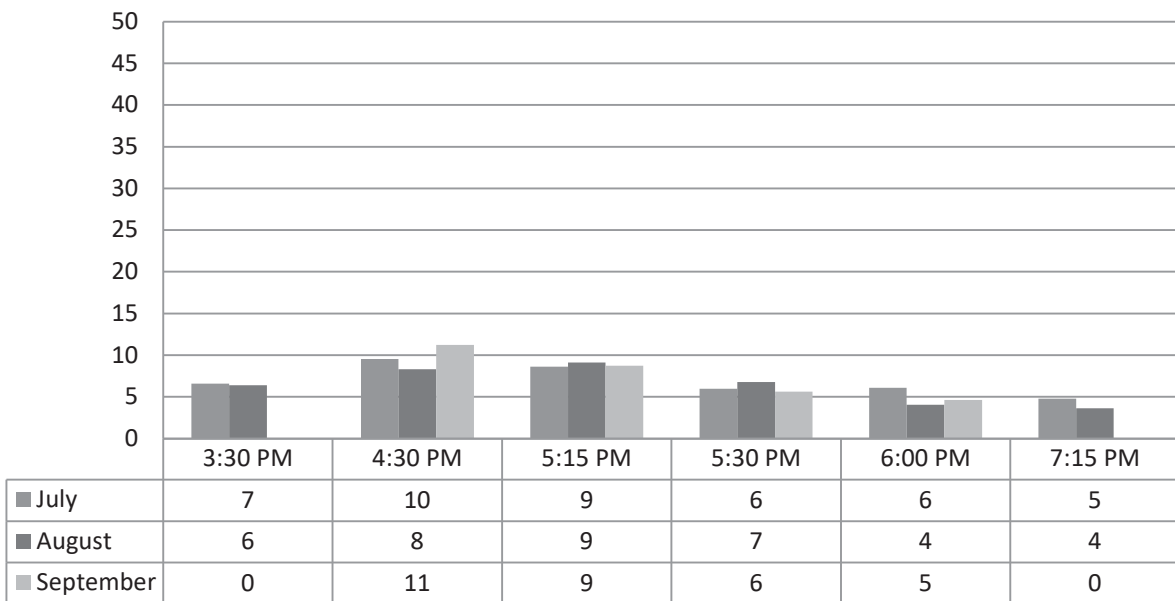
Harbor Bay Bikes Per Trip - PM Peak



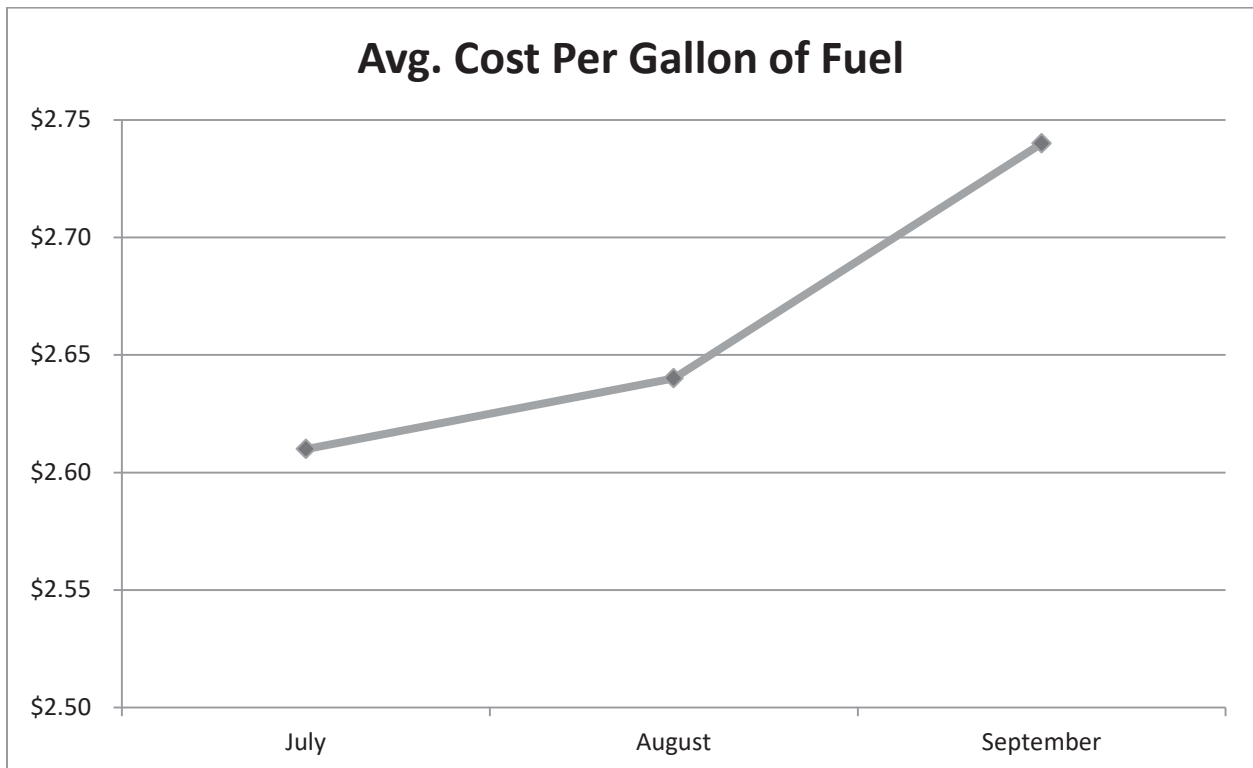
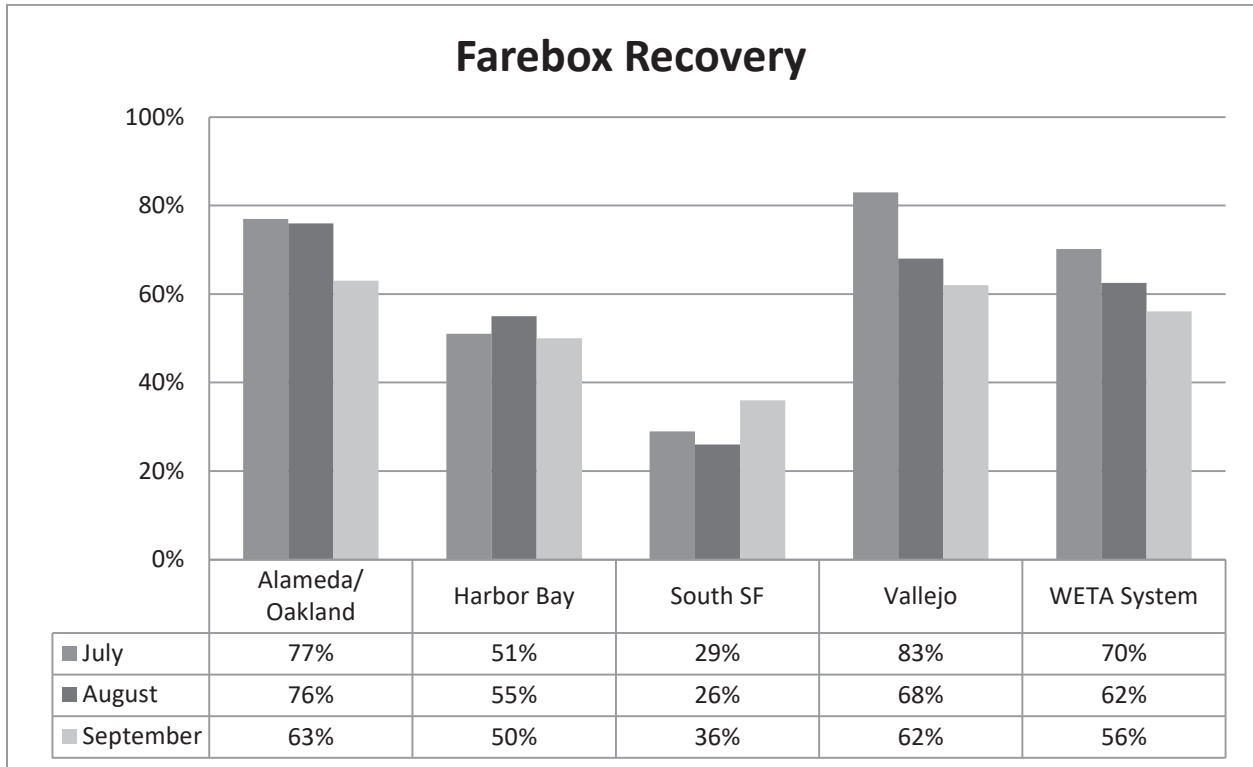
South San Francisco Bikes Per Trip - PM Peak



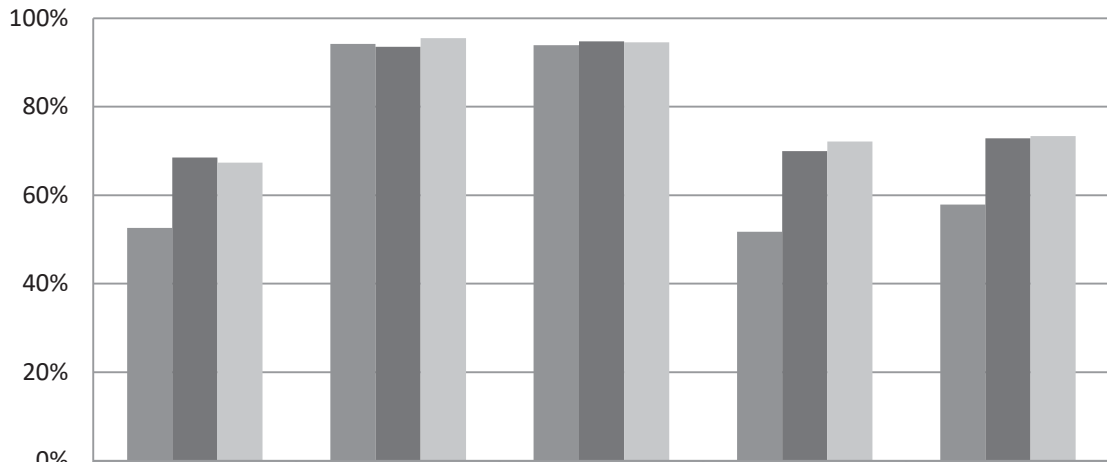
Vallejo Bikes Per Trip - PM Peak



Funding

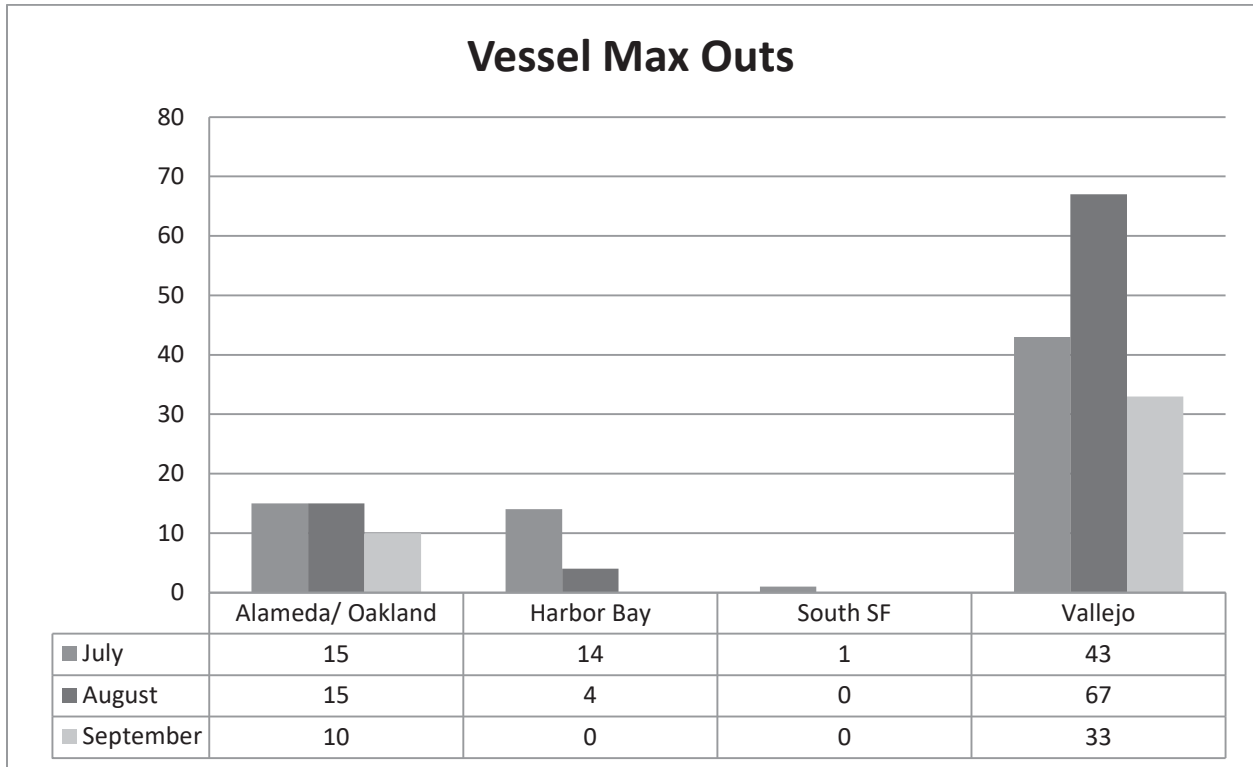


Clipper Usage



	Alameda/ Oakland	Harbor Bay	South SF	Vallejo	WETA System
■ July	53%	94%	94%	52%	58%
■ August	69%	94%	95%	70%	73%
■ September	67%	95%	95%	72%	73%

Quality



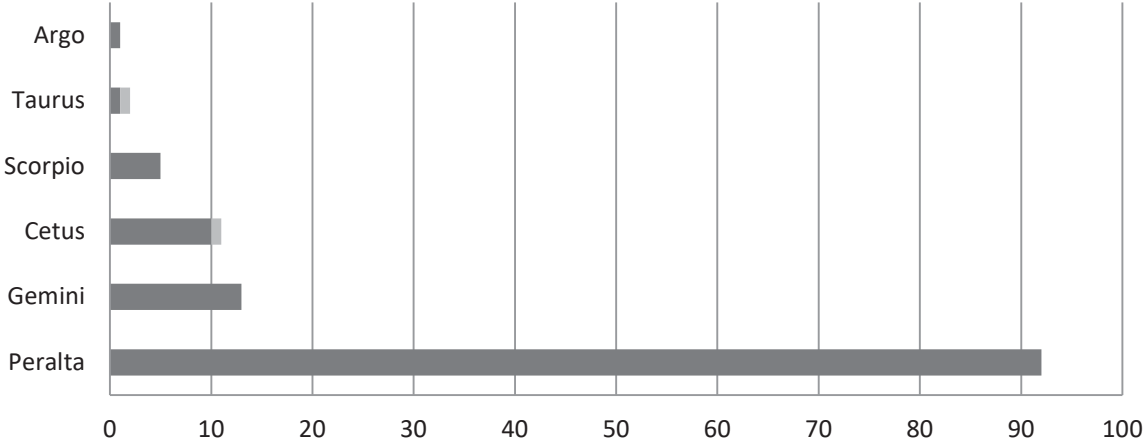
Note: Out of approximately 7,000 total trips.

Missed/Cancelled Trips:

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

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

Days Out of Service (July-September)



	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

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Planning & Development Manager
Mike Gougherty, Senior Planner

SUBJECT: Downtown San Francisco Ferry Terminal Expansion Project Update

Recommendation

There is no recommendation with this informational item.

Background/Discussion

The Downtown Ferry Terminal Expansion (FTX) 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. The project is being constructed by Power Engineering Construction Co and construction management services are being provided by Jacobs Engineering.

In May 2017, WETA and the Port of San Francisco co-hosted a groundbreaking ceremony marking the beginning of project construction. The contractor is nearing completion of new Gates F & G, which are scheduled to open prior to the launch of WETA's new Richmond service. WETA will also shift operation of its Alameda/Oakland and Harbor Bay services to the new gates, allowing the contractor to rebuild Gate E and finish construction of the new plaza located north of the Agriculture Building. Completion of the FTX project is anticipated in January 2020.

Staff will provide a presentation on the status of this project at the meeting.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Vessel Propulsion Technology Update

Recommendation

There is no recommendation with this information item.

Background/Discussion

WETA Vessels and Activities

Since the agency's inception, WTA/WETA's new vessel construction program has focused on building vessels that have the lowest environment impact possible and have been industry leading in efficiency and emissions reduction, while providing viable public fast ferry transportation service.

WETA staff is currently engaged in a number of additional operational activities that support our commitment to the environment including:

- Partnering with the California Air Resources Board to analyze and monitor ferry emissions. Developing and testing emissions reducing strategies for current in service vessels and equipment. Providing vessel operations information and input to the development and implementation on future new California Harbor Craft Emissions Regulations.
- Working to implement the use of Renewable Diesel (R99) fuel on WETA vessels. To support this effort, the new fuel storage and delivery system at the Central Bay Operations Maintenance Facility has been designed to allow storage of both conventional and renewable diesel fuel. WETA is preparing to begin integrating R99 into its older fleet, with Tier 2 and lower engines, beginning early next year.
- Working with engine manufacturer MTU to develop an R99 testing program for newer generation high performance marine engines. This is a critical step not only for full integration of R99 into WETA's fleet, but is essential for there to be widespread use of this fuel in the marine industry into the future.

Emerging Vessel Propulsion Technologies

The development of new propulsion technologies has advanced rapidly over the past three years. Zero emission electric vessels, utilized primarily in Norway, have been in service for over two years now and many more hybrid vessels are in service including on San Francisco Bay. These systems are being applied to low speed vessels with limited endurance designed to meet very specific mission requirements. No alternative propulsion system can meet the requirements for high speed passenger vessels operations at this time due to the weight of energy storage. However, new possibilities are on the horizon as the result of the continued development and advancement of energy technology.

As a part of this item, we have invited two speakers to provide presentations on promising vessel propulsion technologies under development including Dr. Joseph Pratt, who will

discuss a hydrogen fuel cell powered ferry demonstration project underway here in the Bay Area and Shaun Green, who will discuss the evolution of battery propulsion technology. A brief biography of the invited speakers is provided below.

Hydrogen Fuel Cell Demonstration Ferry- Dr. Joseph Pratt

Dr. Joseph Pratt serves as CEO and CTO of Golden Gate Zero Emission Marine. He is a world-leading expert in zero-emission hydrogen fuel cell maritime technology with over 20 years' experience in hydrogen fuel cells including 8 years at Sandia National Laboratories. He received his B.S. in Mechanical Engineering from the University of Washington and his Ph.D. from the University of California, Irvine.

Golden Gate Zero Emission Marine recently received a grant from the California Air Resources Board to build the first hydrogen fuel cell vessel in North America. Named *Water-Go-Round*, the 70-foot aluminum catamaran will be capable of carrying 84 passengers and reaching speeds up to 22 knots. The vessel will be built locally at Bay Ship & Yacht in Alameda, and operated in a pilot phase starting in the Fall of 2019.

At the board meeting, Dr. Pratt will give an introduction to hydrogen fuel cell technology, provide an overview of the vessel *Water-Go-Round* and discuss the planned vessel demonstration services. More information can be found about the company and project at the websites ggzeromarine.com and watergoround.com.

Battery Propulsion Technology- Shaun Green

Shaun Green is the President of Aurora Marine Design, a Naval Architecture and Marine Engineering firm based in San Diego, CA. Shaun holds a degree in Mechanical and Marine Engineering and has 25 years of experience in the marine industry. Aurora Marine Design specializes in the development of high speed, efficient vessels with an emphasis on aluminum catamarans. The staff at Aurora Marine Design has significant experience with aluminum passenger ferries and has been involved in some capacity with almost all of the passenger ferries operating on San Francisco Bay.

For the last 15 years, Shaun has also been at the forefront of the US Navy's aluminum multihull ship programs, working closely with the Office of Naval Research and American Bureau of Shipping to develop, evaluate and transition emerging technologies into the fleet. Shaun also has a long history with WETA, providing engineering and project management for several major refits and new vessel builds, most recently serving as the Construction Manager for the new Hydrus class vessels.

Shaun will give a presentation on the evolution of vessel propulsion technology with an emphasis on battery electric technology.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END