

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

*(December 13, 2018)*

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority (WETA) met in regular session at WETA's Ron Cowan Central Bay Maintenance and Operations Facility at Alameda Point in the city of Alameda, CA.

**1. CALL TO ORDER – BOARD CHAIR**

Chair Jody Breckenridge called the meeting to order at 12:02 p.m.

**2. ROLL CALL**

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

**3. REPORT OF BOARD CHAIR**

Chair Breckenridge welcomed attendees and reminded guests about the facility's ribbon cutting event and reception that would immediately follow the Board meeting.

**4. REPORTS OF DIRECTORS**

There were no reports from Directors.

**5. REPORTS OF STAFF**

Ms. Rannells shared her written report with Directors and said that WETA's ferry ridership continued to grow and was up 8 percent year to date, with an on-target farebox recovery of 64 percent. She noted that in addition to celebrating the new Ron Cowan Central Bay Maintenance and Operations Facility (CBMOF) this month, that WETA would soon see its most recently constructed fourth new vessel of the Hydrus class, the MV *Carina*, in the water for sea trials, to be followed soon after by the MV *Pyxis*, the first of three new North Bay vessels. Ms. Rannells also said that the first of two brand new WETA ferry terminal gates would be opening at the San Francisco Ferry Building – Gates F and G - to support WETA's services, including new Richmond service in January, and emergency response capabilities. She said that it is an exciting time for Bay Area ferry riders and she looked forward to celebrating these projects with everyone.

Ms. Rannells said that on December 19, the Bay Area Toll Authority (BATA) will consider a plan to begin collecting an additional \$1 bridge toll beginning January 1, 2019, consistent with Regional Measure 3 (RM3) approved by voters earlier in the year. She noted that due to the pending litigation over RM3, the planned RM3 funds for WETA are at risk. She noted that under BATA's plan, they will begin collecting the new tolls January 1, and will place the toll funds in an escrow account until the pending litigation is resolved. She emphasized that no funds would be disbursed from the escrow account to any qualifying agency until the litigation was settled, and that this could take a couple of years to resolve.

It was noted that San Francisco Supervisors had recently deferred a vote on collecting tolls to fund future ferry service and other transportation projects related to Treasure Island, and that the discussions about the island's ferry funding and service provider and start date were ongoing. It was agreed that Directors need clarification on the timeline and expectations for Treasure Island ferry service and that a

comprehensive conversation would be required soon to confirm the final decisions related to ferry service.

Ms. Rannells reminded Directors and guests that the January Board meeting would be held the morning of January 10 at the new Richmond Ferry Terminal location, to be followed by a ribbon cutting ceremony at 1:30 p.m. to mark the launch of the new Richmond ferry service that will begin that day.

Ms. Rannells introduced WETA's state lobbyist Barry Broad from Broad & Gusman.

### **Public Comment**

Mr. Broad said that bills were still being introduced while the California state legislature was in recess, and that he was watching those to see if anything may be related to WETA. He explained that when the newly elected representatives are seated for 2019, sixty of the 80 seats in the State Assembly will be filled with Democrats, as will 29 of the 40 State Senate seats. Mr. Broad said these numbers reflect the highest majority of democrats in California since the 1940s and he noted that all representatives from the Bay Area, where WETA operates, were Democrats. Mr. Broad said he would let Directors know if any bills are introduced that relate to changing how the WETA Board is appointed. He said that if WETA wants to introduce any new legislation he would be happy to assist, and he emphasized that such conversations should commence as soon as possible.

Chair Breckenridge said that with the newly elected state representatives coming into Sacramento, this would be a good opportunity to work to partner with Golden Gate Ferry and other potential stakeholders to explore and devise some green technology initiatives. She noted that WETA might want to consider seeking the same flexible use language for RM2 funds that was secured in RM3.

### **6. CONSENT CALENDAR**

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

- a. Board Meeting Minutes – November 8, 2018
- b. Approve Contract Amendment 1 to Agreement with Fast Ferry Management, Inc. for Vessel Construction Management Services
- c. Approve Sole Source Contract Award to Pacific Power Group, LLC for Main Engine Over-hauls

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

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

### **7. RECEIVE THE INDEPENDENT AUDITORS' REPORTS FOR THE FISCAL YEAR ENDING JUNE 30, 2018**

Finance & Administration Manager Lynne Yu presented this item to receive the independent auditors' Annual Financial Reports for the fiscal year ending June 30, 2018, as submitted by Maze & Associates, including the following:

- a. Memorandum on Internal Control;
- b. Required Communications;
- b. Basic Financial Statements;
- c. Single Audit Report;
- d. Measure B Fund Financial Statements; and
- e. Measure BB Fund Financial Statements.

Ms. Yu introduced Vikki Rodriguez, Partner and Chief Financial Officer for Audits at Maze & Associates whose accountants performed the audit, who provided Directors with a general overview of the audit reports.

#### **PUBLIC COMMENT**

Ms. Rodriguez said there were no issues to report as a result of the audit. She added that because of the excellent preparation done by Ms. Yu, the work had gone smoothly and quickly, and had all in all been very clean, resulting in no issues related to non-compliance, no findings, and no adjustments of any significance.

The Board acknowledged Ms. Rannells' and Ms. Yu's diligence and ongoing efforts that consistently result in successful and smooth audits for the agency.

Director Intintoli made a motion to approve the item.

Director DelBono seconded the motion and the item passed unanimously.

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

#### **8. AUTHORIZE ACTIONS ASSOCIATED WITH THE SALE OF VESSELS**

Operations & Maintenance Manager Keith Stahnke presented this item to authorize actions associated with the sale of two vessels, the MV *Encinal* and the MV *Vallejo*, which have reached the end of their service lives and are ready for disposal. Mr. Stahnke explained that this item would authorize the sale of both vessels, would authorize the Executive Director to secure the services of a marine broker through a competitive Request for Proposal (RFP) process and contract award to facilitate the sale of the vessels for fair market value, and would authorize the Executive Director to take any other related actions as may be necessary to finalize the sale of these two assets.

Director DelBono made a motion to approve the item.

Director Intintoli seconded the motion and the item passed unanimously.

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

#### **9. APPROVE PILOT PROGRAM TO ENHANCE HARBOR BAY AND SOUTH SAN FRANCISCO SERVICES**

Planning & Development Manager Kevin Connolly presented this item to approve a two-part pilot program to enhance Harbor Bay and South San Francisco ferry service utilizing existing vessels and crews. Mr. Connolly shared a slide show with the Board, and explained that the service would be an addition of a 9 a.m. weekday departure from Harbor Bay to San Francisco and the creation of a limited new reverse-commute service from South San Francisco to Harbor Bay. Mr. Connolly said the proposed pilot program would begin in the new year and run for twelve months, and it would test the market for expanded ferry service into Harbor Bay. He said this service would utilize the existing fare structure for the Alameda/Oakland - South San Francisco service during this pilot period. Mr. Connolly added that the cost for this proposal was \$30,000 and that if the new runs averaged 21 riders each day, the \$30,000 would be covered by farebox revenues. He clarified for Directors that an increased vessel maintenance cost to support the additional service was included in the \$30,000 cost figure.

Mr. Connolly said that WETA may not have extra funding or vessels for new or expanded service right now, but that this proposal was possible because the vessels and the crews are already in use and simply being maximized.

**PUBLIC COMMENTS**

Marilyn Ezzy Ashcraft, City of Alameda Mayor Elect, said she met every morning's commute ferry riders at Alameda Main Street while she was on her mayor's election race campaign trail. She said WETA ferry riders are the happiest people and the City of Alameda needs and wants even more WETA ferry service. She said she supported this new pilot program and that, environmentally speaking, everyone should be concerned and working to take cars off Bay Area roads. Ms. Ashcraft said that WETA ferries do that, and the later Harbor Bay ferry run will be very helpful for Alameda parents who have to drop their children off at daycare before going to work. She urged the Directors to move forward with this pilot program.

City of Alameda Planning Director Andrew Thomas said he fully supports this new service proposal and that he thinks the pilot is very interesting for the island's general development objectives and especially so for the commercial Harbor Bay Business Park tenant companies who want to see expanded and increased ferry service. Mr. Thomas said he had been working with WETA staff throughout the last ten years and he has worked with many developers. He said that WETA is incredibly professional and a supportive and wonderful partner to the City of Alameda.

Director DelBono made a motion to approve the item.

Chair Breckenridge seconded the motion and the item passed unanimously.

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

Chair Breckenridge acknowledged work of WETA staff throughout the year, and especially at this time of year with so many projects coming to fruition, and said she wishes staff well deserved time away from the office with their families during the holidays. She said the new Central Bay facility is beautiful and that she had received very positive feedback from the Blue & Gold Fleet team about working in the new building. Chair Breckenridge said there was much to celebrate this holiday season after a year of hard work and so many changes, and she wished everyone a wonderful holiday and new year.

**10. PUBLIC COMMENTS FOR NON-AGENDA ITEMS**

No additional public comments were shared.

All business having been concluded, the meeting was adjourned at 12:51 p.m.

- Board Secretary

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