

Members of the Board

Jody Breckenridge, Chair
Jeffrey DelBono
Anthony J. Intintoli, Jr.
Nicholas Josefowitz
James Wunderman, Vice Chair

**SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING
Thursday, March 7, 2019 at 1:00 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. PUBLIC HEARING TO CONSIDER COMMENTS ON THE PROPOSED SPECIAL EVENT FARE CHANGE *Timed Item
1:00 p.m.*
4. REPORT OF BOARD CHAIR *Information*
5. 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.
6. REPORTS OF STAFF *Information*
 - a. Executive Director’s Report on Agency Projects, Activities and Services
 - b. Monthly Review of Financial Statements
 - c. Legislative Update
7. CONSENT CALENDAR *Action*
 - a. Board Meeting Minutes – February 7, 2019
 - b. Authorize Submission of an Allocation Request to the California Department of Transportation for FY 2018/19 Low Carbon Transit Operations Program Grant Funds
8. APPROVE SPECIAL EVENT FARE CHANGE *Action*
9. RECESS INTO CLOSED SESSION *Action*
 - a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION; CONFERENCE WITH LABOR NEGOTIATOR (DESIGNATED REPRESENTATIVE: CHAIR BRECKENRIDGE) *To Be Determined*

Water Emergency Transportation Authority
March 7, 2019 Meeting of the Board of Directors

Pursuant to Government Code Sections 54957, 54957.6
Position: Executive Director

10. OPEN SESSION

Consideration of action pertaining to adjustment in compensation for the Executive Director.

***Action
To Be Determined***

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: Board Members

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

SUBJECT: Public Hearing to Consider Comments on the Proposed Special Event Fare Change

Background/Discussion

The purpose of this agenda item is to conduct a formal public hearing to consider comments on the proposed special event fare change, as specified below:

Proposed 2019 Special Event Fares

Service	Adult	Youth	Senior/Disabled
Alameda/Oakland	\$9.60 \$7.50	\$7.20 \$5.60	\$7.20 \$5.60
Vallejo	\$15.90 \$14.20	\$11.80 \$10.60	\$11.80 \$10.60

Speakers will be asked to clearly state their name and city of residence for the record and to keep their comments to three minutes or less. Once all public comments are received the hearing will be closed. The WETA Board will then consider, later in today's agenda, taking formal action on the proposed special event fare changes subject to any comments received at today's hearing or to comments that have been received during the public comment period that began on February 8, 2019.

END

MEMORANDUM

TO: WETA Board Members

FROM: Nina Rannells, Executive Director

DATE: March 7, 2019

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 MV *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 placed 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*. December work included vessel relaunch, dockside commissioning, United States Coast Guard (USCG) inspection and builder's trials. Owner's acceptance trials were conducted January 8-11. The MV *Carina* departed Seattle and arrived in Alameda on January 28, 2019. The MV *Carina* completed final USCG and dry-dock inspections and was placed into service on February 20.

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 dock trials were conducted in December. Owner's acceptance trials were completed on January 24, 2019. The MV *Pyxis* arrived in Vallejo on February 7 after safe transit from Washington. Final USCG inspections and acceptance have been completed and the MV *Pyxis* will enter service on March 1.

Hull structure for the second vessel, the MV *Vela*, is 96% complete and is expected to be finished by the end of February. The superstructure is 84% complete. The shipyard is well along with installation of piping, mechanical systems, and wiring. The generator sets and waterjets are installed. As soon as insulation and linings are complete in the engine rooms, the main engines will be landed. The vessel is expected to be completed and ready for transit to the San Francisco Bay Area in late June or July 2019.

Hull structure for vessel three, the MV *Lyra* is 27% finished with all of the structure forward of Frame 12 almost complete. Hull work on the engine room and jet room will be begin soon. Completion in December 2019 is expected.

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. Keel laying and construction commenced on December 18.

The Mavrik design team is developing engine room arrangements with particular attention to exhaust after-treatments and access to all equipment for future maintenance. The WETA project team is working closely with the Mavrik team to answer design questions. Hull construction will begin in late April and will be concurrent to superstructure fabrication; the hull construction jig is complete and ready to receive parts.

Central Bay Operations and Maintenance Facility

This project constructed 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 was led by Overaa/Power, a Joint Venture, and construction management was provided by 4Leaf, Inc. The project is largely complete. 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. An opening ceremony was held on December 13, 2018 at the the new facility. Staff continues to support completion of punch list items for the facility.

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 service expansion and 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 Jacobs Engineering.

Construction began in February 2017 and is scheduled to be fully completed by January 2020. On December 20, a major milestone occurred with the opening of Gate G for riders of the Alameda/Oakland service. Gate F opened for service in February and is currently serving Harbor Bay and Richmond riders. The remaining construction work will now be focused on the

north side of the Agriculture Building where the contractor is proceeding with refurbishment of Gate E and construction of a new plaza that will function as a passenger waiting and queuing area.

Richmond Ferry Terminal and Service

This project constructed a ferry terminal in Richmond to support new public transit ferry service between Richmond and San Francisco. Construction consisted of replacing an existing facility (float and gangway) and the expansion and upgrading of an existing surface parking lot. Manson Construction was the main contractor and construction management was 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.

On January 10, 2019, WETA launched new San Francisco Bay Ferry service from the new Richmond Ferry Terminal to San Francisco. WETA continues to market the service and share information with community groups in Richmond and the broader Western Contra Costa County area.

Terminal Dredging

At the August 2018 Board meeting a contract was awarded to the Dutra Group for South San Francisco Ferry Terminal dredging at the Oyster Point Marina. The BCDC permit for this project was delayed beyond the anticipated start date, causing work to extend beyond the normal dredge window. Work is now underway and is 90% complete but offshore disposal has been slowed by weather conditions.

At the September Board meeting a contract was awarded to R.E. Staite for dredging and float and gangway rehabilitation work at the Vallejo Ferry Terminal. Dredging and related gangway/float work was completed at the end of March.

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 (RM3) funding to support project construction, estimated to cost approximately \$40 million.

Temporary Service to Golden State Warriors Chase Center Events

WETA staff is currently working with a team consisting of the Golden State Warriors, the Port of San Francisco and Golden Gate Ferry to identify and explore options for a temporary terminal and service to Chase Center events prior to the opening of the Mission Bay Ferry Landing. The service would be to either China Basin (Oracle Park) or a new temporary facility at Pier 48. The team is currently exploring engineering and design solutions that would enable service to start with the opening of the new Chase Center Arena in late October 2019. Staff will bring forward a

discussion item on this effort once plans for a temporary terminal and early service concepts take shape.

Oakland Athletics Howard Terminal Stadium Proposal

WETA staff has met with the Oakland Athletics organization and the Howard Terminal stadium development team. Discussions thus far have been high level and have not been detailed to the point of developing service plans or evaluating infrastructure needs. However, WETA staff anticipates being an active participant in the project transportation discussions moving forward. WETA submitted a comment letter during the scoping phase for the anticipated Environmental Impact Report identifying terminal capacity limitations at the existing Jack London Square terminal in Oakland for consideration during the EIR process.

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. Alameda Point Partners (APP) has begun construction on the overall Site A project, including the Seaplane Lagoon terminal. The new float will be constructed by Bay Ship and Yacht, with oversight from Power Engineering. WETA staff is working with APP and City staff to support the construction effort and to plan for the anticipated service enhancement for Seaplane Lagoon and related restructuring of Alameda/Oakland service between the Alameda Main Street Terminal, Oakland Jack London Square and San Francisco.

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. The City has entered 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 12-14 months and kicked off on February 19 with a meeting that included a consultant team and staff from the City and Port of Redwood City along with WETA. 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. The Berkeley City Council is scheduled to take this subject up at its March 12, 2019 meeting.

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 (TIMMA), and Lennar Urban, the prospective developer – had committed to implementing new ferry service between Treasure Island and downtown San Francisco in the 2011 Treasure Island Transportation Implementation Plan, currently posted on the SFCTA web site. SFCTA recently announced that it is hoping to advance the opening of the new ferry service from 2023 to 2021.

WETA staff has worked with City of San Francisco staff over the years to support development of this project. Staff from SFCTA/TIMMA provided an update on the project and the transportation plan at the February 7 Board meeting. SFCTA staff indicated at that meeting that

the planned transportation program funds to be provided through a new Treasure Island toll program, parking fees, fare revenues and developer subsidy would not be sufficient to fully cover the cost of needed ferry vessels and operating subsidy – especially in the early years with an anticipated start date of 2021. As a result, they noted that they were looking for additional funding and that they had reached out to private operators about operating service. WETA staff has ramped up meetings with SFCTA to better understand the cost proposals provided by private operators. In addition, both agencies are exploring the possibility of pursuing grant funds for the purchase of a vessel for the service. Staff will provide an update of these discussions at the April 2019 meeting.

Tideline Marine Group Private Shuttle Pilot Status

In September 2018, the WETA Board approved Tideline Marine Group's request to conduct scheduled, small vessel, private charter landings with the vessel *Osprey* at the Harbor Bay Ferry Terminal for the exclusive use of Exelixis employees on a six month demonstration basis subject to meeting WETA's conditions and requirements. This includes meeting WETA's landing agreement requirements, providing WETA all appropriate vessel documentation, completion of a successful fit-up of the vessel *Osprey* at the Harbor Bay terminal, receipt of required approvals from the Harbor Bay Isle Associates and the City of Alameda, and execution of a landing agreement by all parties. These requirements have been met and Tideline began service operation on Wednesday, February 27.

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.

WETA recently submitted a letter of support for a City of Alameda proposal to restripe Main Street to allow for Class 2 bike lanes, narrowing vehicular lanes from four to three. The proposal is intended to improve bicycle access and overall safety for ferry commuters accessing the terminal.

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 four occasions to initiate study of small vessels as a complement to WETA's service. The Advisory Committee consists of Board members Josefowitz and Intintoli, and a transportation consultant, ARUP, has been engaged to perform the analysis. Staff has also convened and met with a Technical Advisory Committee (TAC) to solicit input on the project and held meetings with individual stakeholders. An item to discuss the small vessel study work was presented by the consultant at the January 10 WETA Board of Director's meeting. Staff has worked with the consultant to finalize the initial study in a technical memorandum. Staff is preparing a recommendation for the Board that outlines the next steps towards implementation for the April meeting.

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. The following emergency response related activities are currently underway:

- On December 5, the CBOMF hosted K9 training on board moored ferry vessels. Participating agencies included the USCG, BART Police, Alameda Police, Oakland Police and WETA's contract operator Blue & Gold Fleet.
- On December 6, the CBOMF hosted Chemical, Biological, Radiological, Nuclear, and Explosives (CBRNE) and Active Shooter training dockside aboard a WETA ferry. Participating agencies included the USCG, Department of Homeland Security, Federal Bureau of Investigation, Lawrence Livermore Lab and WETA's contract operator Blue & Gold Fleet.

- Blue & Gold's Environmental Health and Safety Supervisor, Grant Sellar, provided the following After Action Report (AAR) for the December 5 and 6 exercises:
 - These multi-agency training and response efforts are vital to the needs of all participating parties. The crews have always mentioned the need for greater familiarity with Law Enforcement Organizations (LEO) and LEOs always mention how great it is to gain the familiarity of each ferry and note the professionalism displayed by the crew.
 - Both exercises allowed maritime LEOs to practice their approach and means of entry to a vessel underway and at the pier. Conducting these exercises pier side helped all parties gain familiarity with proper techniques when LEO low freeboard vessels approach the high freeboard ferry.
 - Ferry crews noted that it was helpful to have additional training in crowd management.
 - The crews were able to learn the general operations of LEOs, what information LEOs would need when reporting an incident and how to assist in the realm of crowd management and incident assistance.
 - Since December, crews have gotten chest-pack radios distributed to help with the constant theme of communication breakdown during times of high stress and coordination.

OPERATIONS REPORT

Monthly Operating Statistics - The Monthly Operating Statistics Report for January 2019 is provided as **Attachment A**.

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

On February 8, Nina Rannells attended the Transit Board Member Fare Policy Integration Seminar coordinated by MTC to explore the case for transit fare integration in the Bay Area.

On February 12, Kevin Connolly presented a status report of the WETA Small Vessel Exploratory Study to the Port of San Francisco Port Commission.

On February 14, Nina Rannells attended the North Bay Transportation Officials quarterly meeting in Vallejo to discuss transportation initiatives and share information.

On February 15, Thomas Hall participated in the quarterly meeting of regional transit public information officers hosted by SamTrans in San Carlos.

On February 19, Kevin Connolly and Chad Mason attended the kickoff meeting for the Redwood City Ferry Feasibility Study.

On February 25, Nina Rannells and Keith Stahnke met with San Francisco Sector Commander Anthony Ceraolo and other Coast Guard officials in Alameda to receive the Certificate of Inspection for the MV *Carina*.

On February 25, Nina Rannells participated in the Clipper Executive Board meeting in Oakland.

On February 27, Thomas Hall and Kevin Donnelly met with representatives from the Giants to coordinate outreach and operations ahead of the 2019 baseball season as well as the stadium name change.

On February 28, WETA held an open house event at the Vallejo terminal welcoming MV *Pyxis* to the fleet and offering Vallejo passengers and the public to view the vessel and talk with staff about the vessel and services.

OTHER BUSINESS

Regional Measure 3

Senate Bill 595 (Beall), authorized a new bridge toll measure - Regional Measure 3 - 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 (BATA) 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 followed by additional \$1 increases in January 2022 and January 2025. This measure has been challenged by two lawsuits that are currently pending in the Superior Court in the City and County of San Francisco.

On January 1, 2019 BATA began collecting the first dollar of the approved toll increase. Toll revenues collected will be placed into an escrow account and will not be allocated to project sponsors until the lawsuits are settled.

END

Attachment A

Monthly Operating Statistics Report January 2019

		Alameda/ Oakland	Harbor Bay *	Richmond **	South San Francisco	Vallejo ***	Systemwide	
Boardings	vs. last month	Total Passengers January 2019	90,321	30,272	10,167	12,084	74,785	217,629
		Total Passengers December 2018	88,935	22,637		8,559	71,560	191,691
		Percent change	1.56%	33.73%		41.18%	4.51%	13.53%
	vs. same month last year	Total Passengers January 2019	90,321	30,272	10,167	12,084	74,785	217,629
		Total Passengers January 2018	80,817	28,743		12,644	71,719	193,923
		Percent change	11.76%	5.32%		-4.43%	4.28%	12.22%
	vs. prior FY to date	Total Passengers Current FY To Date	827,598	203,999	10,167	82,446	636,210	1,760,420
		Total Passengers Last FY To Date	768,732	192,531		81,816	614,672	1,657,751
		Percent change	7.66%	5.96%		0.77%	3.50%	6.19%
	Avg Weekday Ridership January 2019	3,649	1,376	635	549	3,021	9,231	
Ops Stats - January 2019	Passengers Per Hour	109	159	71	83	124	114	
	Revenue Hours	825	190	144	146	604	1,909	
	Revenue Miles	11,563	3,639	2,009	2,415	18,441	38,067	
	Farebox Recovery	47%	36%	24%	25%	57%	46%	
	Cost per Available Seat Mile	\$0.25	\$0.30	\$0.55	\$0.51	\$0.29	\$0.31	
	Average peak hour utilization, AM	63%	60%	47%	45%	90%	61%	
	Average peak hour utilization, PM	72%	65%	43%	58%	82%	64%	
Fuel - January 2019	Fuel Used (gallons)	65,457	17,405	9,256	12,948	151,180	256,245	
	Avg Cost per gallon	\$2.20	\$2.20	\$2.24	\$2.20	\$2.19	\$2.20	

* Includes Harbor Bay-South San Francisco pilot. January ridership: 10 boardings.

** Richmond service operated for 16 days in January.

*** Includes backup bus boardings. January bus ridership totaled 2,112 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 Seven Months
Ending January 31, 2019**

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2018/19 Financial Statements for seven months ending January 31, 2019.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$11,965,136	\$13,267,316	\$12,860,387
Bridge Toll Revenues	10,191,159	12,336,509	10,429,225
Contra Costa Measure J	-	339,000	220,845
Other Revenues	3,335	424,667	6,750
Total Operating Revenues	\$22,159,630	\$26,367,492	\$23,517,208
Expenses - Year To Date:			
Planning & Administration	\$1,100,222	\$1,750,000	\$1,294,322
Ferry Services	21,059,407	24,617,492	22,222,886
Total Operatings Expenses	\$22,159,630	\$26,367,492	\$23,517,208
System-Wide Farebox Recovery %	57%	54%	58%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2018/19 Budget
Revenues:		
Federal Funds	\$8,866,789	
State Funds	43,517,455	
Bridge Toll Revenues	9,962,469	
Other Revenues	850,949	
Total Capital Revenues	\$63,197,662	54.12%
Expenses:		
Total Capital Expenses	\$63,197,662	54.12%

Fiscal Impact

There is no fiscal impact associated with this informational item.

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San Francisco Bay Area Water Emergency Transportation Authority
FY 2018/19 Statement of Revenues and Expenses
For Seven Months Ending 1/31/2019

% of Year Elapsed 58%

	Jan-19 Actual	Year - To - Date			Total FY2018/19 Budget	% of Total Budget
		FY2017/18 Actual	FY2018/19 Budget	FY2018/19 Actual		
OPERATING EXPENSES						
PLANNING & GENERAL ADMIN:						
Wages and Fringe Benefits	\$151,137	\$630,692	\$905,217	\$726,687	\$1,551,800	46.8%
Services	109,871	532,689	797,650	555,390	1,367,400	40.6%
Materials and Supplies	14,134	11,915	105,292	35,466	180,500	19.6%
Utilities	3,390	19,331	23,975	25,710	41,100	62.6%
Insurance	-	1,201	16,508	1,200	28,300	4.2%
Miscellaneous	69,140	140,990	182,467	153,166	312,800	49.0%
Leases and Rentals	32,972	215,874	226,742	222,274	388,700	57.2%
Admin Overhead Expense Transfer	(86,605)	(452,470)	(507,850)	(425,572)	(870,600)	48.9%
Sub-Total Planning & Gen Admin	\$294,039	\$1,100,222	\$1,750,000	\$1,294,322	\$3,000,000	43.1%
FERRY OPERATIONS:						
Harbor Bay FerryService (AHBF)						
Purchased Transportation	\$307,462	\$1,137,052	\$1,330,000	\$1,550,738	\$2,280,000	68.0%
Fuel - Diesel & Urea	38,303	234,502	354,375	275,129	607,500	45.3%
Other Direct Operating Expenses	49,025	228,906	438,900	322,466	752,400	42.9%
Admin Overhead Expense Transfer	10,396	57,209	58,800	52,235	100,800	51.8%
Total Harbor Bay	\$405,186	\$1,657,669	\$2,182,075	\$2,200,568	\$3,740,700	58.8%
Farebox Recovery - AHBF	36%	53%	45%	45%	45%	
Alameda/Oakland Ferry Service (AOFS)						
Purchased Transportation	\$798,847	\$5,025,216	\$5,445,650	\$5,290,521	\$9,335,400	56.7%
Fuel - Diesel & Urea	144,045	884,673	1,174,775	1,049,748	2,013,900	52.1%
Other Direct Operating Expenses	169,497	745,518	1,481,200	1,102,366	2,539,200	43.4%
Admin Overhead Expense Transfer	37,231	196,058	223,708	187,548	383,500	48.9%
Total Alameda/Oakland	\$1,149,620	\$6,851,465	\$8,325,333	\$7,630,182	\$14,272,000	53.5%
Farebox Recovery - AOFS	47%	60%	56%	61%	56%	
Vallejo FerryService (Vallejo)						
Purchased Transportation	\$933,988	\$6,919,859	\$6,962,725	\$6,205,700	\$11,936,100	52.0%
Fuel - Diesel & Urea	331,360	2,417,814	3,353,000	2,914,512	5,748,000	50.7%
Other Direct Operating Expenses	135,375	1,067,901	1,158,150	864,994	1,985,400	43.6%
Admin Overhead Expense Transfer	31,103	238,860	183,458	156,738	314,500	49.8%
Total Vallejo	\$1,431,826	\$10,644,434	\$11,657,333	\$10,141,944	\$19,984,000	50.8%
Farebox Recovery - Vallejo	57%	60%	58%	65%	58%	
South San Francisco FerryService (SSF)						
Purchased Transportation	\$251,704	\$1,428,114	\$1,400,000	\$1,463,745	\$2,400,000	61.0%
Fuel - Diesel & Urea	28,495	216,727	336,700	207,891	577,200	36.0%
Other Direct Operating Expenses	34,473	230,099	290,792	262,603	498,500	52.7%
Admin Overhead Expense Transfer	5,534	30,899	25,375	26,710	43,500	61.4%
Total South San Francisco	\$320,205	\$1,905,839	\$2,052,867	\$1,960,948	\$3,519,200	55.7%
Farebox Recovery - SSF	25%	32%	36%	31%	36%	
Richmond FerryService (Richmond)						
Purchased Transportation	\$227,191	\$0	\$301,167	\$227,191	\$1,807,000	12.6%
Fuel - Diesel & Urea	20,829	-	\$54,300	20,829	325,800	6.4%
Other Direct Operating Expenses	38,882	-	\$41,267	38,882	247,600	15.7%
Admin Overhead Expense Transfer	2,341	-	\$3,150	2,341	18,900	12.4%
Total Richmond	\$289,244	\$0	\$399,884	\$289,244	\$2,399,300	12.1%
Farebox Recovery - Richmond	24%	0%	15%	24%	15%	
Sub-Total Ferry Operations	\$3,596,081	\$21,059,407	\$24,617,492	\$22,222,886	\$43,915,200	50.6%
Farebox Recovery - Systemwide	46%	57%	54%	58%	52%	
Total Operating Expenses	\$3,890,120	\$22,159,630	\$26,367,492	\$23,517,208	\$46,915,200	50.1%
OPERATING REVENUES						
Fare Revenue	1,657,709	11,965,136	13,267,316	12,860,387	23,004,900	55.9%
Regional - Bridge Toll	2,011,566	10,191,159	12,336,509	10,429,225	21,148,300	49.3%
Regional - Contra Costa Measure J	220,845	-	339,000	220,845	2,034,000	10.9%
Regional - Alameda Tax & Assessment	-	-	424,667	-	728,000	0.0%
Other Revenue	-	3,335	-	6,750	-	0.0%
Total Operating Revenues	3,890,120	\$22,159,630	26,367,492	23,517,208	46,915,200	50.1%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2018/19 Statement of Revenues and Expenses
For Seven Months Ending 1/31/2019

Project Description	Jan-19 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	\$2,386,454	\$97,965,000	\$46,780,727	\$34,556,273	24,179,932	\$16,628,000	72%
Richmond Ferry Terminal	990,276	21,000,000	11,134,262	9,865,738	9,573,225	-	99%
Maintenance and Operations Facilities							
Ron Cowan Central Bay Operations & Maintenance Facility	68,952	69,500,000	60,723,722	8,776,278	2,353,414	-	91%
Terminal Improvement							
Terminal Dredging - Vallejo and South San Francisco ¹	2,436	5,165,000	106,999	5,058,001	2,161,739	-	44%
FERRY VESSELS:							
Vessel Construction							
445-Pax Replacement Vessel - M/V Vallejo	229,582	23,372,000	12,443,000	10,929,000	6,921,290	-	83%
445-Pax Expansion (Waterjet) Vessels - 2 vessels	1,149,695	46,745,000	15,557,743	20,187,257	6,682,669	11,000,000	48%
400-Pax Expansion (Propeller) Vessels - 2 vessels	766,927	33,400,000	26,533,692	6,866,308	4,672,656	-	93%
New Commuter Class High-Speed Vessel	41,299	15,300,000	93,374	9,106,626	4,507,658	6,100,000	30%
Vessel Rehabilitation and Refurbishment							
Vessel Mid-Life Refurbishment - M/V Peralta	-	5,117,000	2,929,906	2,187,094	2,026,465	-	97%
Vessel Engine Overhaul - M/V Intintoli and M/V Mare Island	525	3,000,000	-	1,500,000	5,475	1,500,000	0%
Vessel Qtr-Life Refurbishment - M/V Scorpio	1,295	2,500,000	-	2,500,000	28,262	-	1%
Vessel Engine Overhaul - M/V Taurus	714	800,000	-	800,000	975	-	0%
Vessel Service Life Extension - M/V Solano	1,913	13,000,000	-	3,375,000	40,584	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	43,319	-	14%
Purchase Selective Catalyst Reduction (SCR) System	-	200,000	-	200,000	-	-	0%
Total Capital Expenses	\$5,640,069	\$337,964,000	\$176,330,514	\$116,780,486	\$63,197,662	\$44,853,000	
CAPITAL REVENUES:							
Federal Funds	\$172,538	\$79,972,140	\$33,033,731	\$38,038,409	\$8,866,789	\$8,900,000	52%
State Funds	4,609,356	201,533,450	112,665,044	61,852,046	43,517,455	27,016,360	77%
Regional - Bridge Toll	417,916	53,235,010	29,605,664	14,912,706	9,962,469	8,716,640	74%
Regional - Alameda Sales Tax Measure B / BB	259	1,723,400	586,075	1,137,325	410,949	-	58%
Regional - Alameda TIF / LLAD	-	400,000	-	400,000	-	-	0%
Regional - San Francisco Sales Tax Prop K	440,000	1,100,000	440,000	440,000	440,000	220,000	80%
Total Capital Revenues	\$5,640,069	\$337,964,000	\$176,330,514	\$116,780,486	\$63,197,662	\$44,853,000	

¹ On 1/10/2019, Board approved Total Project Budget increase of \$65,000, from \$5,100,000 to \$5,165,000.

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – March 2019

This report covers the following topics:

1. Government Shutdown Ends – Attention Turns to FY2020
2. FTA Issues New Notice of Funding Opportunity for Ferry Grant Program
3. Public Ferry Coalition Makes Case for Additional Funding for Ferries

Government Shutdown Ends – Attention Turns to FY2020

President Trump signed an omnibus appropriations bill on February 15, ensuring that the entire federal government is fully funded through the end of the FY2019 federal fiscal year (September 30). This includes the Department of Transportation, which houses Federal Transit Administration (FTA) and the Department of Homeland Security, which houses the U.S. Coast Guard.

The White House Congress will now turn its attention to the FY2020 appropriations process. The President is expected to send his FY2020 budget request to Congress in March, which will kick off a series of agency-specific hearings on Capitol Hill. The Appropriations Committee could start passing individual FY2020 funding bills by June.

Note that Congress must also pass a budget resolution covering FY2020. There is a difference between a “budget resolution” and “appropriations”. Generally, Congress passes a non-binding budget resolution every year that sets a top-line number for all government spending. The amount of money the 12 appropriations subcommittees have to work with every year is tied to that budget agreement. The most recent budget agreement, which covered FY2018 and FY2019, provided for an additional \$20 billion for “infrastructure”, which resulted in higher than normal levels of funding for certain programs at DOT. For example, the BUILD grant program (formerly referred to as the TIGER grant program), was funded at a level of \$1.5 billion in FY2018 and \$900 million in FY2019, compared to \$500 million in previous years. If Congress doesn’t come together on a new budget deal for FY2020, “sequestration” will go back into effect, which is a fancy way of saying that all federal agencies could suffer deep budget cuts compared to the previous two years.

While this could affect overall DOT operations (i.e. implementation of certain programs and functions), funding levels for the Federal Transit Administration (FTA) discretionary grant program and the Federal Highway Administration (FHWA) ferry formula program will be unaffected, as both are funded through revenue derived from the most recent surface transportation bill, the FAST Act.

FTA Issues New Notice of Funding Opportunity for Ferry Grant Program

The Federal Transit Administration (FTA) issued a Notice of Funding Opportunity (NOFA) for \$30 million in FY2019 competitive grant funding for public ferry systems. We are working with WETA staff to identify a project that will be competitive and will work with the Congressional delegation to provide support for WETA's project request. Note that several members of Congress from the Bay Area sit on the House Transportation and Infrastructure (T&I) Committee, which oversees the FTA. This includes Representatives Jared Huffman, John Garamendi and Mark DeSaulnier. Applications are due to FTA on April 15, 2019.

Public Ferry Coalition Makes Case for Additional Funding for Ferries

In our discussions about possible infrastructure legislation with staff for House Transportation and Infrastructure (T&I) Committee Chairman Peter DeFazio, we were asked to identify capital needs for public ferry systems throughout the U.S. to justify our request for additional funding for the Federal Transit Administration (FTA) discretionary grant program and the Federal Highway Administration (FHWA) ferry formula program. To that end, we worked with other public ferry systems to develop a new position paper that demonstrates that the capital needs for some of the busiest public ferry systems around the nation are substantial. In follow-up meetings with committee staff and staff for the Bay Area Congressional delegation, we noted that while local and state funding is contributing money to many of these systems, there is a sizable gap that only the federal government can fill. For WETA, additional federal funding means additional ferry boats and terminals to increase capacity on existing routes and add new routes where the demand requires.

Respectfully Submitted,

Peter Friedmann and Ray Bucheger

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

(February 7, 2019)

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 1:32 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 proposed reordering the meeting agenda to move Item 12 - public comment on non-agenda matters - ahead of Item 10 calling for a closed session discussion. She explained that this would allow guests who want to comment at the meeting to be heard without having to wait throughout the duration of the closed session for Directors to return. It was agreed by all this should be done and the items were reordered as proposed.

Chair Breckenridge welcomed Directors, staff and guests to the meeting. She said she was very excited about the new Richmond service that WETA launched on January 10 and she noted that the Richmond launch event had been incredibly successful, with many community members in attendance to help celebrate. Chair Breckenridge extended the Board's thanks and appreciation to WETA staff and partners for making the event so successful.

Chair Breckenridge noted that WETA had been impacted by recent federal government events. She said that WETA had projects at risk due to the shutdown, and she emphasized the importance of making WETA's California ferry coalition partners aware of how the agency had been impacted in the event that a second shutdown seemed likely.

Chair Breckenridge said that while she was excited and feeling positive about the potential future funding for WETA's services that could come from Regional Measure 3 (RM3), she felt that WETA's programs and projects are at risk due to the pending litigation of the RM3 program. She suggested to Directors the need to meet to review WETA's near-term projects and initiatives in light of constrained finances and to review its larger program of plans and projects for RM3 funding. It was agreed that a Directors workshop-style meeting to review WETA's program and projects would be scheduled. Chair Breckenridge clarified that this would be an informational discussion.

4. REPORTS OF DIRECTORS

Vice Chair Wunderman said WETA had received a lot of very positive media coverage with the launching of the new Richmond service and he was very excited about the new route. He said he shared Chair Breckenridge's concerns about RM3 funding and WETA's funding for service and expansion in light of the litigation threatening the measure's validity. He said a workshop for Directors to drill down on project and plan funding was welcome.

Director Intintoli said he was also delighted with the response from the Bay Area to the new Richmond service. He said that it was difficult to project how many riders a new service will see initially and he was thrilled with the amazing ridership in Richmond already. Director Intintoli cautioned that a great deal of expectation and hope was swirling about in anticipation of new and expanded ferry service. As an example, he explained, he had read an article earlier in the day about Giants game ferry service from Redwood City. He also said that a workshop to discuss WETA's projects would be helpful and welcome.

Director DelBono said he agreed with other Directors about the Richmond service and launch event's success. He reiterated his interest in organizing a program for economically disadvantaged youth in Richmond to be able to ride the ferry and visit San Francisco, and Chair Breckenridge encouraged him to continue exploring ideas for that objective.

Director DelBono also noted that the Alameda City Council had voted the night before to reject an appeal blocking construction of a new hotel next the Harbor Bay Ferry Terminal that would provide additional parking spaces on a shared basis for ferry riders. He said that the hotel project would move forward but that there is now a proposal for it to be built back away from the shoreline which would likely impact the commitment for ferry rider parking space availability. Director DelBono said this change would need to be confirmed and discussed in light of the agreement with the developer that WETA would share the additional parking with the hotel for Harbor Bay ferry riders to use.

Director Josefowitz said he was also very happy about the new Richmond service launch.

5. REPORTS OF STAFF

Ms. Rannells shared her written report with Directors. She said that an estimated 800 people had attended the service launch event at the new Richmond terminal on January 10 and that there had been at least 73 media reports on the new service in all of the region's major online media outlets and newspapers. Ms. Rannells noted that the new Richmond ridership is averaging 636 passengers per day in less than one full month of service. She noted that more than 12,000 riders had utilized the new service and that the Richmond service was already carrying more riders than the South San Francisco service.

Chair Breckenridge noted that a survey of the Richmond service riders may reveal that there is a much broader region of people taking the ferry than initially projected. She said if that is the case, it would be helpful to be able to identify those areas and how many riders are driving in from other areas to take the WETA ferry.

Ms. Rannells thanked WETA's Public Information & Marketing Manager Thomas Hall for his efforts to get the word out and ensure that the Richmond launch event and service was a success.

Ms. Rannells said that WETA's newest fleet addition, the MV *Carina*, was due to be put into service in mid-February and that the MV *Pyxis*, the first of three of the new class of high speed North Bay vessels, was expected to begin passenger runs by early March. She noted that staff was planning a small christening event for the new MV *Pyxis* and an open house event for Vallejo riders to preview the new vessel at the end of February.

Ms. Rannells reported that WETA had opened a new gate on The Embarcadero waterfront in San Francisco as part of its Downtown San Francisco Ferry Terminal Expansion (FTX) project. She said that Gate G had opened on December 20 and was in full operation, and that Gate F was planned to open on February 14. Ms. Rannells explained that these new gate openings mark a major milestone for the FTX project, and she said that Gate E can now be completely closed down for full refurbishment.

Ms. Rannells commended Project Manager Michael Gougherty for doing a wonderful job managing all of the intricacies of this vital project for the Bay Area region. She said the grand opening of the full, completed new facility will be scheduled for January 2020 when the project was scheduled to be completed.

Ms. Rannells noted that WETA staff had been working with the Port of San Francisco and the Golden State Warriors on a possible temporary terminal at Pier 48 to support ferry services to special events at the Chase Center prior to the opening of a permanent Mission Bay ferry terminal.

Ms. Rannells said that the Federal Transit Administration (FTA) was completely closed during the government shutdown and that the United States Coast Guard (USCG) was partially shut down. She explained that during the shutdown, WETA grant applications and capital cost expense reimbursements filed with FTA were not processed. Ms. Rannells said that WETA was able to use cash reserves to close the gap while FTA federal funds were held up, but that this would create a financial issue if there was a prolonged shutdown. She said she was very grateful for the time and resources provided by the USCG during the shutdown to keep the inspection and approval processes for WETA's new vessels under construction moving forward despite their limited staffing.

Ms. Rannells reminded Directors of their approval in September 2018 to enter into an agreement that would allow Tideline to run a private ferry charter service for employer Exelixis to shuttle its employees from South San Francisco to work in the morning at the Harbor Bay Terminal in Alameda, and then back to South San Francisco at the end of the day. She noted that the Harbor Bay Isle Associates had approved the plan and that the Alameda City Council was scheduled to vote on the matter on February 19. Ms. Rannells said WETA had received the required USCG vessel inspection certificate for the *Osprey* from Tideline and had worked with Tideline to complete a final vessel fit-up to the WETA terminal. She noted that Tideline had recently purchased a 149 passenger vessel – the *Peregrine* – and she said this new vessel was not the vessel approved for the WETA terminal landing. Chair Breckenridge asked how the new pilot service from South San Francisco to Harbor Bay was going. Ms. Rannells explained that very few people were using the new pilot service on that route, but that 40-50 riders were already consistently riding the morning vessel between Harbor Bay and South San Francisco that was added in combination with the pilot program.

Director Josefowitz expressed concern about WETA resources being utilized to support interest in a Berkeley terminal and future ferry service. He said the Bay Area needs transit to be built where people live and work and the Berkeley marina - where the City is exploring adding public transit ferry service - has no housing and no employers. He emphasized that it doesn't make sense to put transit at the marina currently because there are so few people living and working at that location. Chair Breckenridge said there was a major university just up the street from the Berkeley marina which was a great source of young people who travel to San Francisco for work and important internships that are part of their study program. She emphasized the challenges of the Interstate Highway 80 corridor in the East Bay, with traffic congestion and delays, and noted that a ferry in Berkeley could help alleviate some of that and provide much needed transit to the people in the City of Berkeley and surrounding areas.

It was agreed that building public transit service next to housing and employers was ideal, and it was noted that it was not always possible to build terminals directly adjacent to those populations. Directors discussed the less than ideal historical shoreline development in the Bay Area and noted that the future affords many opportunities for high quality development on the waterfront that can include housing, employment, and public services, including transportation. It was agreed that WETA can play a role in that process with careful consideration and study of its expansion plans and by working closely with its regional partners. Directors acknowledged that WETA public ferry service in the city of Berkeley had been on the horizon for consideration for some time as part of WETA's twenty year Strategic Plan.

Chair Breckenridge said she would like an update in the March Executive Director's Report on any takeaways and lessons learned during recent training and emergency response exercises at the Central Bay facility.

Chair Breckenridge asked about feedback received from the California Air Resource Board (CARB) during the emissions testing of WETA's vessel engines. Ms. Rannells said CARB had been positive, that the work continued, and that CARB would likely drive Environmental Protection Agency standards as a result.

Ms. Rannells said that she and Chair Breckenridge had met with federal Transportation & Infrastructure Committee Chairman DeFazio on their last trip to Washington. Chair Breckenridge noted that Chairman DeFazio was well aware of the ferry coalition and the myriad challenges faced by public ferry service providers. Ms. Rannells said she was working with Ray Bucheger, WETA's Federal Legislative Representative at Lindsay Hart, LLP, to identify and communicate WETA project needs for a ferry coalition infrastructure bill.

Directors agreed that identifying and pursuing funding for green vessel initiatives, particularly for the Treasure Island service, makes a lot of sense. Director DelBono asked that staff work with WETA's State Legislative firm Broad & Gusman, to see what funding opportunities may be available with the collection of the new gasoline tax assessment.

PUBLIC COMMENT

An anonymous meeting guest asked the Board the purpose of WETA's small vessel study work. Chair Breckenridge explained that the study was connected to WETA's Strategic Plan, and investigated the potential pros and cons of employing vessels smaller than WETA's current two classes of vessels in its emergency response mandate and its service offerings to better meet the entire region's needs.

6. CONSENT CALENDAR

Director DelBono made a motion to approve the single item in the consent calendar:

- a. Board Meeting Minutes – January 10, 2019

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

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

7. STATUS OF TREASURE ISLAND TRANSPORTATION PROGRAM

Planning & Development Manager Kevin Connolly recognized Frank Furger, a consultant working with the Treasure Island Mobility Management (TIMMA) team on project development. He then introduced Eric Cordoba, Deputy Director for Capital Projects at the San Francisco County Transportation Authority (SFCTA) and TIMMA. Mr. Cordoba shared an update on the planning status and assumptions for development and future public transit service on Treasure Island.

Mr. Cordoba explained that TIMMA was responsible for establishing rates, revenue, and hours for any toll program to access or depart Treasure Island, as well as an affordability program to assure access for all. He said the TIMMA Board, which includes members of the public, is tasked with addressing a universal transit tax program. He said that the year 2021 is the current planning target to have the first new homes built and occupied, and to be able to offer those residents initial 30 minute interval peak ferry service. Mr. Cordoba explained that full funding for public transportation of all sorts for the Island was not expected by 2021 so the service would initially be limited to every 30 minutes during peak times only. He added that Muni and AC Transit service was also expected to begin in 2021 and increase over time as the Island's population grows.

Mr. Cordoba explained that the project was expected to build out about 500 residential units each year, with a final total of about 2,500 units by 2026. He said the project is revenue constrained in the early years, with primary revenue sources being transit fares, developer subsidy, tolls and parking on the Island. Mr. Cordoba said the developers were contributing funds to purchase some transit vehicles and to build the \$30 million ferry terminal. He said smaller ferry vessels make best sense for the Island's service, since it is just a 10 minute ride over to San Francisco. Mr. Cordoba said hybrid electric vessels would be ideal, and would likely be the travel mode of choice for the future residents.

Mr. Cordoba thanked WETA staff for their efforts thus far in working with TIMMA on developing the project. He said terminal construction was expected to begin this summer with a completion date of 2021 and a cost of about \$30 million. Mr. Cordoba said the developer plans to use the ferry to sell the residential units and wants the service to begin as soon as possible. He said it would be important to lay all of the required groundwork to support this objective with the Port of San Francisco and all other partners.

Director Intintoli asked Mr. Cordoba to confirm that the developer would still be purchasing the vessels for the new ferry service and paying to build the terminal to support the service, as originally planned. Mr. Cordoba said that the transit vehicles the developer will be buying were not ferries. He added that he wasn't sure about the possible miscommunication but that purchase of the ferry vessels was not in the development agreement for the project as far as he was aware. He noted that he joined the project about three years ago. Director Intintoli asked if the developers were not purchasing the vessels, who would be doing so. He reiterated that his understanding was that the developer would be building the terminal and paying for the vessels for the new Treasure Island ferry service.

Director DeBono asked if TIMMA had been in discussions with private vessel operators about operating the service in lieu of WETA doing so, and Mr. Cordoba said that preliminary discussions with private operators had occurred. Director Josefowitz asked whether he had correctly seen something about ferry operator evaluations in Mr. Cordoba's presentation and asked what this meant. Mr. Cordoba said that it would all come down to finances and that they need to strike a deal that works for them in the early year when funds will be limited. He indicated that he thought that they could work out an agreement with WETA and that they are interested in small boats in the early years similar to those identified in WETA's small vessel study, but acknowledged that they may need larger vessels in the later years. Director Josefowitz asked Mr. Cordoba to clarify TIMMA's alternative to utilizing WETA, and asked if this meant contracting with a private operator or having MUNI run boats. Mr. Cordoba acknowledged these as potential options. Chair Breckenridge, in a point of clarification, noted that while the City could choose to enter into an agreement with a private operator to provide the service, anything beyond this raises a question of WETA's legal authority and whether or not another public entity can operate the service. She said that the Board was surprised to learn today that the Treasure Island vessels now would not be paid for by the developer as originally presented to Directors in a public presentation two years ago. She added that the target date for the start of service has also moved, and lead time to begin service in 2021 is very tight if vessels to support this service will need to be built.

Vice Chair Wunderman said that if any development in the Bay Area is planned to happen at the shoreline, WETA should be part of those initial discussions to help mitigate confusion and lack of understanding of water transit planning. Chair Breckenridge said that would be an ideal situation. She further noted that given all the different ways planning happens in the Bay Area, being involved in all of those discussions throughout the nine counties was a monumental task, especially given the tiny size of the WETA staff. It was agreed that WETA has some leverage on water transit in the Bay Area, and that WETA staff can bring great value to such discussions. Vice Chairman Wunderman suggested that the City has a large budget and that if the original plans were for the developer or City to pay for the cost of vessels that they should make good on this promise. Alternatively, Vice Chair Wunderman suggested that WETA could pursue funding in Sacramento for a green vessel to begin Treasure Island ferry service

right away. He added that the amount of money needed for smaller, greener, hybrid vessels was relatively small, and could be pursued at the State level.

Director Josefowitz thanked Mr. Cordoba for the timely update. He said that looking around the Bay Area at possible service expansion opportunities he perceives Treasure Island as an ideal fit for WETA service. Director Josefowitz said WETA has a great track record with working collaboratively with jurisdictions and partners to creatively figure out funding and logistic challenges. Director Josefowitz said he looked forward to seeing a report at the next meeting detailing the progress that staff has made with TIMMA and other partners to solve this puzzle. Director Josefowitz added that it was also important for WETA to identify ways in which it can be more competitive and offer greater value to its partners and the public. He added that he would like to see details on the cost to operate WETA service versus private operators so Directors have a better understanding of the difference.

Director DelBono emphasized that WETA currently has a skeleton staff. He said there are great opportunities to invest in WETA's fleet and facilities and that it was important also to invest in the agency's staff to support all that was consistently expected of it. He said he wanted to make clear that he was presently opposed to private ferry companies providing public ferry service for many reasons.

Director Intintoli said he was very disappointed that Directors were now learning that the Treasure Island developer is *not* going to provide funds for vessels for the Island's ferry service. He said he wanted to be very clear that WETA does not currently have funds to purchase new vessels for Treasure Island service. It was noted that Directors were surprised and concerned about the change in the anticipated vessel funding because they care passionately about the project and want it to succeed.

WETA legal counsel Madeline Chun of Hanson Bridgett LLP noted that WETA was the responsible entity for public ferry service in the San Francisco Bay Area, and that the agency makes the determination about who will provide such service. Chair Breckenridge said Directors will need to assess the development timeline and work backward to determine how best to move forward. She said partners will need to come to agreement on these details as soon as possible if service is going to begin in 2021, and agree to accept some risk collectively to creatively develop a solution to deliver service. Director DelBono said he wants to see WETA's state representatives working on getting funding for these vessels as soon as possible.

It was agreed that the Treasure Island project would be agendaized for a discussion at the next meeting, and Mr. Cordoba said he would return then for that discussion. He added that the Island's toll policy was expected to be finalized later this summer. Chair Breckenridge said it will be important to see a list of state funding opportunities to support this project. Vice Chair Wunderman said he has trips planned to Sacramento on his calendar already, and he is happy to meet with anyone while there to support the project and WETA efforts generally. He said sometimes, WETA needs to make its own opportunities in Sacramento when traditional funding programs are not immediately available.

Chair Breckenridge thanked Mr. Cordoba for his presentation and partnership and said she looked forward to seeing him again at a future meeting to further discuss this project.

PUBLIC COMMENT

Chief Executive Officer of PropSF James Jaber said he is taking his time to establish his business on the Bay and he wants to be a team player. He said he has been working with the airports on emergency response drills using PropSF vessels, and that PropSF has signed a Memorandum of Understanding with the unions for PropSF employees. Mr. Jaber said the company employs 23 people now, and that he is proud to pay 100% of the deductible for their choice of healthcare insurance that includes dental and vision coverage. He added that all of his employees receive an annual cost of living wage increase. Mr.

Jaber said the PropSF model is relevant to provide Treasure Island service, and that a different option for ferry service will benefit tax and toll payers in the Bay Area.

PUBLIC COMMENT

An anonymous meeting guest asked if WETA already sold its two retired vessels and if not, suggested they be utilized for Treasure Island service.

Ms. Rannells explained that CARB required the retirement of the two vessels because they both have Tier Zero engines. The possibility of purchasing used vessels was discussed and Ms. Rannells said staff had found scant options available. She noted that staff continues to explore that possibility.

PUBLIC COMMENT

An anonymous meeting guest asked if the Treasure Island ferry terminal would support both small private operator vessels as well as WETA's larger vessels. Mr. Cordoba said the terminal will support small and large vessels.

8. AUTHORIZE PUBLIC OUTREACH FOR SPECIAL EVENT FARE CHANGE

Senior Planner/Project Manager Michael Gougherty presented this item to authorize staff to seek public comment on fares for WETA's special ballpark ferry service from Alameda/Oakland and Vallejo. He explained that WETA's regular ferry service fares were driven by its Board adopted Five Year Fare Plan which established the rates. He explained that the special ballpark service required all costs to be covered by the special event service fares. Mr. Gougherty reviewed the details supporting the suggested fare increases, and noted that ballpark fares have remained unchanged since 2015. He said that because the Giants scheduled their night games to begin later this season, 7:15 p.m. instead of 6:45 p.m., captains and crews will need to be added in new shifts to operate the special service vessels instead of utilizing crews already in service with overtime added on their commuter service shifts. Mr. Gougherty explained that this increases the costs to operate the ballpark service vessels.

Mr. Gougherty said that with the Board's authorization, staff will begin the outreach process to solicit comments on the proposed new fares by notifying the general public and WETA riders through onboard flyers, email, and information posted on the WETA and San Francisco Bay Ferry website. He said that after thirty days of public comment collection, a public hearing will be held in March to receive input on the recommendations, and staff will present a final recommendation to the Board for approval. In late March or April 2019, he noted, the special event fare changes for the 2019 Giants ballpark season will be implemented pending Board approval.

Chair Breckenridge asked whether the fleet is impacted negatively by dedicating vessels to these special event service runs. Mr. Connolly said the service was analyzed by staff with Blue & Gold Fleet input, and it was confirmed the service could be offered this year. He said that there were definitely plans for further analysis and consideration and added that Directors could expect to hear more about that before the 2020 Giants season.

Director DelBono made a motion to approve the item.

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

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

9. REQUEST FOR WETA TO CONDUCT A FEASIBILITY STUDY OF HOVERCRAFT SERVICE

Ms. Rannells presented this item with the accompanying hovercraft Feasibility Study that WETA undertook and produced in April of 2011. She noted that the findings of the study that looked at utilization of hovercraft feasibility for service in Hercules, Antioch and Martinez, concluded that it did not

make sense at the time to pursue these three communities for WETA hovercraft ferry service introduction. Ms. Rannells said the study's findings had resulted in a subsequent White Paper that directed staff attention to Richmond - another Contra Costa County city - as a better option to pursue, with the result being the new WETA Richmond ferry service that was launched last month.

Ms. Rannells referred Directors to the Item's *Attachment B* - the Vice Chair's January 7 letter to the Board requesting that WETA undertake a hovercraft technology study – and said it well detailed the possibilities to consider for an updated study. Vice Chairman Wunderman said he and Ms. Rannells had ridden a hovercraft in the United Kingdom. He said that the experience had been quieter than expected and the ride had been enjoyable, adding that the hovercraft was really fast and the ride was comfortable. Vice Chair Wunderman said the recent renewed interest in the technology warranted an updated study and he felt that WETA should be the agency to do that study given the possibilities it could afford to provide service in geographically challenging shoreline communities in the Bay Area.

Chair Breckenridge said the Navy operates the only hovercrafts in the United States because the one place in Alaska they were operating stopped using them due to unreliability. She said that operation's hovercraft was sold several years after the operation shut down in 2012. Chair Breckenridge said that given the difficulty in reaching some areas of the Bay Area due to shallow water, an alternative solution is needed and this might be a creative one. She noted that a hub and spoke type system with hovercraft transporting a smaller number of people to connect to a larger vessel terminal to reach San Francisco might make sense, and she added that this could be a future part of the small vessel study work. Chair Breckenridge reminded Directors that a ride on a hovercraft is very different for passengers than on a traditional ferry because they are strapped into their seats for safety on the hovercraft and cannot move about as they please as they are able to do on traditional ferry vessels.

Director Josefowitz said he was very enthusiastic about the possibilities hovercraft might offer the San Francisco Bay Area. He said using both types of vessels likely makes best sense but added that this is something to be investigated in the proposed study. He noted that of particular concern for him about the use of hovercrafts was their utilization for the public in inclement weather and on choppy water. Director Josefowitz said he would like consideration of use on current service routes as well as new routes in the study, because reducing the duration of passengers' trips was obviously beneficial.

Director Intintoli asked about the cost of undertaking the proposed study and said he had read an article earlier in the day from a local news outlet that claimed WETA was definitely doing the study and that the agency had received a \$500,000 grant to do so. Ms. Rannells said that was not true and that the 2011 study would be updated to reflect current technology and its applications for WETA service. Ms. Rannells said the technical aspects of the study would need an update, along with an extensive rework of route development. She added that this sort of work will take some time and that for this sort of extensive regional study, Directors could expect a rough cost estimate of around \$400,000.

Director Intintoli said that if RM3 funding becomes available, this study would be an obvious priority but that right now, given the numerous demands on WETA's available funding with requests from communities that already have WETA service, spending money on this doesn't make sense. Vice Chair Wunderman suggested that rather than coming up with a full scope of areas that hovercrafts might be able to serve in the Bay Area, he would instead like WETA to use only a couple of areas that can be proven for hovercraft utilization.

PUBLIC COMMENT

Felix Sargent, Chief Executive Officer of Oakland based HOVR, said he is working to begin private charter hovercraft service on San Francisco Bay with obligation fulfillment to the environment and employees. Mr. Sargent added that HOVR would like to assist WETA with its hovercraft study.

Chair Breckenridge thanked Mr. Sargent for his comments. She emphasized the importance of setting the date for the Board workshop so Directors can discuss WETA's priorities for its available, confirmed funding and other pressing matters such as this study. It was agreed that staff would include the hovercraft study in the workshop discussion.

10. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

Director of Strategic Partnerships for 9/11 Day, Ryan Walls, said the organization was founded in 2002 by family members of 9/11 victims. He referred Directors to a February 7 letter sent to the Board by the organization requesting ferry charter service to transport volunteers who will be working at an upcoming event that may take place on the *U.S.S. Hornet* vessel in Alameda. He explained that the transport was needed to move 300-400 volunteers every few hours on the day of the event. Mr. Walls thanked Directors for their time and said he was excited to further explore a potential partnership with WETA.

Chair Breckenridge thanked Mr. Walls for his comments.

11. CLOSED SESSION

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Directors recessed into closed session at 3:47 p.m.

12. REPORT OF ACTIVITY IN CLOSED SESSION

Directors returned to the meeting at 4:54 p.m. with no action to report.

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

- Board Secretary

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Submission of an Allocation Request to the California Department of Transportation for FY 2018/19 Low Carbon Transit Operations Program Grant Funds

Recommendation

Approve the following actions necessary to secure FY 2018/19 Low Carbon Transit Operations Program (LCTOP) funds to support WETA capital projects:

1. Approve submission of the FY 2018/19 LCTOP allocation request for funds, totaling \$421,957, to support construction of a replacement vessel for the *M/V Bay Breeze*; and
2. Authorize the Executive Director and Finance & Administration Manager to submit and execute all required documents of the LCTOP program with the California Department of Transportation (Caltrans), including the related Certifications and Assurances, Authorized Agent forms, and agreements on behalf of WETA.

Background

The Low Carbon Transit Operations Program (LCTOP) is one of several programs funded by auction proceeds from the California Air Resource Board's (CARB) Cap-and-Trade Program. Proceeds are deposited into the Greenhouse Gas Reduction Fund (GGRF) and LCTOP has received a 5% continuous appropriation of the annual auction proceeds since FY 2015/16. Funding is assigned annually to public transit operators in the State based on the existing State Transit Assistance revenue based formula.

The LCTOP provides operating and capital assistance to transit agencies to reduce greenhouse gas (GHG) emissions and improve mobility, prioritizing transit service in disadvantaged communities. Per Senate Bill (SB) 824, funds available are intended to support projects that provide new or expanded bus, rail or waterborne transit services or expanded intermodal transit facilities.

The LCTOP is administered by the California Department of Transportation (Caltrans) in coordination with CARB and the State Controller's Office (SCO). Caltrans is responsible for ensuring that the statutory requirements of the program are met in terms of project eligibility, greenhouse reduction, disadvantaged community benefit, and other requirements of the law.

Discussion

Caltrans has published the FY 2018/19 LCTOP Guidelines and the SCO has released the funding appropriations to each operator. Staff has reviewed the program criteria and proposes to use the FY 2018/19 WETA appropriation, totaling \$421,957, to support the construction of a

replacement vessel for the MV *Bay Breeze* at the end of its useful life - a project scheduled to begin in FY 2019/20. Applying the LCTOP funding to support a new vessel with Tier 4 engines meets the LCTOP program requirements by reducing greenhouse gas emissions. Future year LCTOP funds may also be applied to this project as program guidelines permit recipients to accrue up to four years of annual LCTOP appropriations to a single significant project.

As a condition for the receipt of annual LCTOP appropriations, which Caltrans manages on a use-it-or-lose-it basis, project sponsors must submit an annual Allocation Request to Caltrans that identifies the proposed qualifying project that it intends to fund with its share of LCTOP funds. As a part of this application, project sponsors must agree to comply with all conditions and requirements set forth in the Certification and Assurances, provided as **Attachment A**, as well as the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.

Fiscal Impact

Approval of this item will authorize the use of \$421,957 in FY 2018/19 LCTOP funds to support the planned upcoming project to construct a replacement vessel for the MV *Bay Breeze* beginning in FY 2019/20.

END

Attachment A



FY 2018-2019 LCTOP Certifications and Assurances

Lead Agency: San Francisco Bay Area Water Emergency Transportation Authority

Project Title: Replacement Vessel for the M/V Bay Breeze

Prepared by: Lynne Yu

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

A. General

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.
8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).



FY 2018-2019 LCTOP Certifications and Assurances

9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

C. Reporting

1. The Lead Agency must submit the following LCTOP reports:
 - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
 - b. A Final Report within six months of project completion.
 - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
 - d. Project Outcome Reporting as defined by CARB Funding Guidelines.
2. Other Reporting Requirements: CARB is developing Funding Guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with CARB's Funding Guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
 - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
 - b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with



FY 2018-2019 LCTOP Certifications and Assurances

Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs subject to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

E. Record Retention

1. The Lead Agency agrees and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP) and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the Lead Agency's contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and



**FY 2018-2019 LCTOP
Certifications and Assurances**

other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties

shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.

3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

Caltrans may perform an audit and/or request detailed project information of the project sponsor’s LCTOP funded projects at Caltrans’ discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

Nina Rannells

(Print Authorized Agent)

Executive Director

(Title)

(Signature)

(Date)

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2019-03

AUTHORIZE SUBMISSION OF AN ALLOCATION REQUEST TO THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR FY 2018/19 LOW CARBON TRANSIT OPERATIONS PROGRAM GRANT FUNDS FOR THE REPLACEMENT OF THE M/V BAY BREEZE PROJECT TOTALING \$421,957

WHEREAS, the San Francisco Bay Area Water Emergency Transportation Authority (WETA) is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the California Department of Transportation (Caltrans) as the administrative agency for the LCTOP; and

WHEREAS, Caltrans has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, WETA wishes to delegate authorization to execute these documents and any amendments thereto to Nina Rannells, Executive Director, and Lynne Yu, Finance & Administration Manager; and

WHEREAS, WETA has an upcoming project to replace the MV *Bay Breeze*, which qualifies for the use of LCTOP funds, and wishes to apply its FY 2018/19 share of LCTOP funds to support; now, therefore, be it

RESOLVED by the Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority that WETA, as the fund recipient, agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects; and, be it further

RESOLVED that Nina Rannells, Executive Director and Lynne Yu, Finance & Administration Manager, are authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation; and be it further

RESOLVED by the Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority that it hereby authorizes the submittal of the following project nomination and allocation request to Caltrans in FY 2018/19 LCTOP funds:

Project Name: *Replacement Vessel for the MV Bay Breeze*
Amount of LCTOP funds requested: \$421,957
Short description of project: *Construct a replacement vessel for the MV Bay Breeze*
Disadvantaged Communities: *Richmond, CA*
Other AB 1550 Requirements: *N/A*
Contributing Sponsors (if applicable): *N/A*

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 March 7, 2019.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2019-03

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Special Event Fare Change

Recommendation

Approve the proposed special event fare change for Alameda/Oakland and Vallejo ballpark services.

Background

WETA currently operates two special event services featuring direct ferry service between AT&T Park and the cities of Alameda/Oakland and Vallejo during most San Francisco Giants home games. Fares for these special event services are evaluated and adjusted outside of the FY 2015-2020 WETA Fare Program for regular services, pursuant to the WETA Fare Policy objective that special event services recover their full incremental operating costs through farebox or other special revenues.

WETA established the current ballpark fare structure and rates in 2015. Fares for the ballpark services have remained unchanged since then as annual reviews have concluded that revenues generated by these services have been sufficient to cover operating expenses. Current fares for the Alameda/Oakland and Vallejo ballpark services are as shown in Table 1 below:

Table 1: Current WETA Ballpark Fares

Service	Adult	Youth	Senior/Disabled
Alameda/Oakland	\$7.50	\$5.60 (5-18)	\$5.60
Vallejo	\$14.20	\$10.60 (5-18)	\$10.60

On February 7, staff presented a report to the Board summarizing the financial performance of the Alameda/Oakland and Vallejo ballpark services for the 2018 baseball season. The report confirmed that each ballpark service was able to recover its full incremental operating costs from last season, but indicated that fares would need to be raised in order to fully recover costs for the 2019 season. In order to initiate the fare change process, staff requested that the Board authorize staff to conduct outreach to riders to solicit comments on the proposed change to special event fares shown in Table 2 below:

Table 2: Proposed 2019 Special Event Fares

Service	Adult	Youth	Senior/Disabled
Alameda/Oakland	\$9.60 \$7.50	\$7.20 \$5.60	\$7.20 \$5.60
Vallejo	\$15.90 \$14.20	\$11.80 \$10.60	\$11.80 \$10.60

Discussion

On February 7, the Board authorized staff to conduct outreach with riders on the proposed special event fare changes. On February 8, a summary of the proposed fare changes was posted to the WETA website and noticed to riders for public comment, consistent with the outreach process for previous fare changes. As of the release of this staff report, one comment was submitted to WETA concerning potential future commuter service to China Basin.

Upon a review of public comment, staff recommends that the Board approve the proposed special event fare changes proposed for the 2019 Alameda/Oakland and Vallejo ballpark services. The new fares will ensure that WETA is able to continue offering the same level of service as provided in previous seasons while ensuring that each service continues to recover its full incremental operating costs.

Fiscal Impact

Ballpark services are estimated to cost \$724,000 to operate in 2019. The proposed special event fares for 2019 are estimated to generate revenue to fully cover this cost.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2019-04

APPROVE SPECIAL EVENT FARE CHANGE

WHEREAS, on February 7, 2019, WETA proposed a special event fare change for the Alameda/Oakland and Vallejo ballpark services and solicited public input on the proposed change during a public comment period; and

WHEREAS, the proposed fare change was shared with the public through postings on the WETA website, vessels, and social media outlets; and

WHEREAS, WETA received one written comment from the general public regarding the fare change during the public comment period and conducted a formal public hearing on March 7, 2019 in order to consider the comments received; and

WHEREAS, the Board of Directors has considered the staff recommendation and the public comments received; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves the following special event fare change effective for the 2019 calendar year:

2019 Alameda/Oakland and Vallejo Ballpark Fares

Service	Adult	Youth	Senior/Disabled
Alameda/Oakland	\$9.60 \$7.50	\$7.20 \$5.60	\$7.20 \$5.60
Vallejo	\$15.90 \$14.20	\$11.80 \$10.60	\$11.80 \$10.60

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 March 7, 2019.

- YEA:
- NAY:
- ABSTAIN:
- ABSENT:

/s/ Board Secretary
2019-04
END