

**Members of the Board**

Jody Breckenridge, Chair  
Jeffrey DelBono  
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Nicholas Josefowitz  
James Wunderman, Vice Chair

**SAN FRANCISCO BAY AREA  
WATER EMERGENCY TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS MEETING  
Thursday, April 4, 2019 at 1:30 p.m.  
Port of San Francisco  
Pier 1  
San Francisco, CA**

*The full agenda packet is available for download at [weta.sanfranciscobayferry.com](http://weta.sanfranciscobayferry.com)*

**AGENDA**

1. CALL TO ORDER – BOARD CHAIR
2. PLEDGE OF ALLEGIANCE/ROLL CALL
3. REPORT OF BOARD CHAIR **Information**
4. REPORTS OF DIRECTORS **Information**

Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.
5. REPORTS OF STAFF **Information**
  - a. Executive Director’s Report on Agency Projects, Activities and Services
  - b. Monthly Review of Financial Statements
  - c. Legislative Update
6. CONSENT CALENDAR **Action**
  - a. Board Meeting Minutes – March 7, 2019
  - b. Authorize Staff to Issue a Request for Proposals for State Legislative Representation Services
7. OVERVIEW OF DRAFT FY 2019/20 WORK PROGRAM **Information**
8. REVIEW AND PROVIDE INPUT TO HOVERCRAFT FEASIBILITY STUDY SCOPE **Action**
9. RECEIVE SMALL VESSEL EXPLORATORY STUDY FINAL REPORT AND AUTHORIZE STAFF TO PROCEED WITH NEXT STEPS IN DEVELOPING A SMALL VESSEL PROGRAM **Action**
10. TREASURE ISLAND PROJECT UPDATE **Information**

**Water Emergency Transportation Authority**  
**April 4, 2019 Meeting of the Board of Directors**

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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](mailto:contactus@watertransit.org); or by telephone: (415) 291-3377.

## MEMORANDUM

TO: WETA Board Members

FROM: Nina Rannells, Executive Director

DATE: April 4, 2019

RE: Executive Director's Report

### **CAPITAL PROJECT IMPLEMENTATION UPDATE**

#### **4 New Vessels – Central Bay**

This project has constructed 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 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. The MV *Carina* completed final USCG and dry-dock inspections and was placed into service in February 2019.

#### **3 New Vessels – North Bay**

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

The design and engineering work for the three new vessels is complete; all structural drawings have been approved. Main engine exhaust emissions testing was completed and Environmental Protection Agency (EPA) Tier 4 compliance for emissions was demonstrated at the factory. An agreement between WETA, MTU, Pacific Power Group and Dakota Creek for field testing of these first-ever MTU Tier 4 compliant engines has been finalized. MV *Pyxis* was launched on October 6. Systems testing and 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 United States Coast Guard (USCG) inspections and acceptance have been completed. Staff held a well-attended passenger welcome aboard the ferry in Vallejo during evening commute hours on February 28. MV *Pyxis* entered service on March 1.

Hull structure for the second vessel, the MV *Vela*, is complete. The superstructure is 95% 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 July 2019.

Work on the engine and jet room of the hull structure is underway for vessel three, the MV *Lyra*. Completion is expected in December 2019.

### **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.

Mavrik Marine is working closely with their design team, One2Three Naval Architects, to complete the superstructure design and issue parts for NC cutting. Nearly all Mavrik resources have been assigned to the WETA project in order to expedite construction. Workmanship is very good, using established procedures to meet our expectations for quality. The bottom plating is in place on the construction jig with longitudinal stiffening attached. The transverse cross deck structure is being fabricated and installed, which should be complete by the end March. All deck planking extrusion for the project has arrived and is on site. The current construction schedule shows Mavrik completing the vessel on time in March 2020 using appropriate resource-loading and allowing enough float to account for unforeseen problems.

### **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. As of January of this year, Gates F & G are now both complete and WETA service has been

fully transitioned from existing Gate E to the new gates. The construction fencing surrounding the south portion of the construction site has been removed and this area is now open to the public. The gangway and float for Gate E were removed earlier this month and transported to a local shipyard for rehabilitation. The remaining on-site construction work will now be focused on the north side of the Agriculture Building where the contractor is proceeding with 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 West 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. Work is now 100% complete.

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 work is complete, ramp and walkway work will be completed in April.

## **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 early September 2019. Staff will bring

forward a discussion item on this effort once plans for a temporary terminal and early service concepts are confirmed.

### **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 and pursue feasibility study funds to move the project toward implementation.

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 consistent with WETA's plans and 2018/19 work program. To this end, staff from WETA and the City have drafted an MOU to re-initiate a planning effort and assess the feasibility of the Berkeley ferry service in the context of the proposed dual-use pier concept. On March 12, 2019, the Berkeley City Council approved the MOU. This item will be brought forward for the full WETA Board consideration at a future 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 their planned transportation program, including ferry service - especially in the

early years - with an anticipated early 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 ferry service. WETA staff has met with SFCTA staff on two occasions in recent weeks 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. These include meeting WETA's landing agreement requirements, providing WETA with all appropriate vessel documentation, completion 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.

### **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 was formed and 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. A transportation consultant, ARUP, was engaged to perform the analysis and has produced a draft report. 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, 2019 WETA Board of Director's meeting. Staff will present recommended next steps along with the final report for the study at 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:

- WETA is participating in the development of the San Francisco Bay Area Port Recovery Plan which is the combined effort of seven Bay Area port authorities and WETA in coordination with port stakeholders at the local, state, and federal levels. The goal of the plan is to establish operational capability at Bay Area port authorities in response to a disaster and to set the conditions for port recovery. This plan is intended to provide a unifying structure to all major Bay Area ports through the use of a common set of processes and principles. The plan will be tested during one of the lead up exercises to the Fleet Week Defense Support of Civil Authorities (DSCA) exercise.

### **OPERATIONS REPORT**

#### **Summer Schedule Changes**

Seasonal summer service changes to the Alameda/Oakland, Vallejo, and Richmond ferry services will take effect on April 29, 2019. Intensive and collaborative efforts between WETA and Blue & Gold Fleet (Blue & Gold) staffs to develop a comprehensive summer schedule have been completed. The new bid is being created by Blue & Gold and a public notice is being prepared to inform our customers of the schedule changes. The summer schedules primarily increase the weekend service for Alameda/Oakland and Vallejo during the higher ridership, sunny, summer months. In addition, minor adjustments to the Vallejo weekday schedule have

been made as part of an effort to improve compliance with union labor rules and allow crewmembers to be given timely lunch breaks.

### **Giants Service**

The 2019-2020 San Francisco Giants baseball season began March 25.

The Vallejo service will continue to provide direct service to Oracle Park for holiday, weekend, and weekday daytime games. Return only service will be provided from Oracle Park to Vallejo for weekday night games. The Alameda/Oakland service will continue to provide direct service to and from Oracle Park for all weekday night, weekend, and holiday games. There is no direct service on weekday daytime games.

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

### **KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH**

On March 12, Kevin Connolly and Mike Gougherty attended the Berkeley City Council Meeting during which a MOU with WETA for the Berkeley ferry service project was approved.

On March 18, Nina Rannells attended the Clipper Executive Board meeting held in San Carlos.

On March 20, Lauren Gularte provided an overview of WETA's role in emergencies at the Regional Workshop on Critical Transportation hosted by the Bay Area Urban Area Security Initiative (UASI).

On March 20, Keith Stahnke and Tim Hanners met with German engine manufacturer MTU and Pacific Power Group representatives for EPA Tier 4 engine testing requirements on the Pyxis class vessels and developments for emission reduction in ferry engines.

On March 21, Thomas Hall participated in the quarterly Clipper Customer Education/Service and Distribution call.

On March 27, Thomas Hall met with staff from Soltrans to discuss interagency marketing opportunities in Vallejo.

On March 27, Keith Stahnke and Kevin Donnelly attended the San Francisco Bay Harbor Safety Committee Ferry Operations Work Group to discuss streamlining vessel communications on VHF channels 13 and 14.

On March 28, Keith Stahnke attended the USCG Sector San Francisco change of command ceremony. Captain Anthony J. Ceraolo, was relieved by Captain Marie B. Byrd.

On March 29, Kevin Connolly and Taylor Rutsch attended the Oakland A's Transportation Workshop for the proposed Howard Terminal Stadium site.

On April 2, Lauren Gularte attended the Business Outreach Committee's (BOC) Public Participation meeting with community and resource groups and small businesses to discuss information concerning the availability of disadvantaged and non-disadvantaged businesses, to receive input on the Disadvantaged Business Enterprises (DBE) Triennial goal-setting process, and to request comments and suggestions on BOC members' proposed DBE goals as a step in developing the agency's DBE overall triennial goal for Federal Fiscal Year (FFY) 2020-2022.

**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 February 2019

		Alameda/ Oakland	Harbor Bay *	Richmond	South San Francisco	Vallejo **	Systemwide	
Boardings	vs. last month	Total Passengers February 2019	79,102	26,932	11,730	10,810	66,996	195,570
		Total Passengers January 2019	90,321	30,272	10,167	12,084	74,785	217,629
		Percent change	-12.42%	-11.03%	15.37%	-10.54%	-10.42%	-10.14%
	vs. same month last year	Total Passengers February 2019	79,102	26,932	11,730	10,810	66,996	195,570
		Total Passengers February 2018	85,542	25,430		11,670	69,823	192,465
		Percent change	-7.53%	5.91%		-7.37%	-4.05%	1.61%
	vs. prior FY to date	Total Passengers Current FY To Date	906,700	230,941	21,897	93,256	703,206	1,956,000
		Total Passengers Last FY To Date	854,274	217,961		93,486	684,495	1,850,216
		Percent change	6.14%	5.96%		-0.25%	2.73%	5.72%
	Avg Weekday Ridership February 2019	3,281	1,347	587	541	2,903	8,658	
Ops Stats - February 2019	Passengers Per Hour	106	188	62	87	116	110	
	Revenue Hours	748	143	190	124	577	1,782	
	Revenue Miles	10,377	2,730	2,754	2,035	17,525	35,421	
	Farebox Recovery	50%	44%	24%	32%	49%	45%	
	Cost per Available Seat Mile	\$0.22	\$0.40	\$0.37	\$0.56	\$0.21	\$0.27	
	Average peak hour utilization, AM	64%	61%	41%	55%	79%	60%	
	Average peak hour utilization, PM	74%	63%	36%	57%	73%	61%	
Fuel - February 2019	Fuel Used (gallons)	58,215	15,497	12,133	11,535	135,436	232,816	
	Avg Cost per gallon	\$2.39	\$2.39	\$2.39	\$2.39	\$2.33	\$2.35	

**MEMORANDUM**

**TO: Board Members**

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

**SUBJECT: Monthly Review of FY 2018/19 Financial Statements for Eight Months  
Ending February 28, 2019**

**Recommendation**

There is no recommendation associated with this informational item.

**Summary**

This report provides the attached FY 2018/19 Financial Statements for eight months ending February 28, 2019.

**Operating Budget vs. Actual**

	Prior Actual	Current Budget	Current Actual
<b>Revenues - Year To Date:</b>			
Fare Revenues	\$13,237,595	\$15,214,834	\$14,291,359
Bridge Toll Revenues	11,430,210	14,098,868	12,152,189
Contra Costa Measure J	-	678,000	416,466
Other Revenues	3,335	485,333	6,750
<b>Total Operating Revenues</b>	<b>\$24,671,140</b>	<b>\$30,477,035</b>	<b>\$26,866,764</b>
<b>Expenses - Year To Date:</b>			
Planning & Administration	\$1,212,901	\$2,000,000	\$1,485,800
Ferry Services	23,458,239	28,477,035	25,380,964
<b>Total Operatings Expenses</b>	<b>\$24,671,140</b>	<b>\$30,477,035</b>	<b>\$26,866,764</b>
<b>System-Wide Farebox Recovery %</b>	<b>56%</b>	<b>53%</b>	<b>56%</b>

**Capital Actual and % of Total Budget**

	YTD Actual	% of FY 2018/19 Budget
<b>Revenues:</b>		
Federal Funds	\$9,863,659	
State Funds	47,058,063	
Bridge Toll Revenues	10,604,107	
Other Revenues	851,162	
<b>Total Capital Revenues</b>	<b>\$68,376,992</b>	<b>58.55%</b>
<b>Expenses:</b>		
<b>Total Capital Expenses</b>	<b>\$68,376,992</b>	<b>58.55%</b>

**Fiscal Impact**

There is no fiscal impact associated with this informational item.

\*\*\*END\*\*\*

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**San Francisco Bay Area Water Emergency Transportation Authority**  
**FY 2018/19 Statement of Revenues and Expenses**  
**For Eight Months Ending 2/28/2019**

% of Year Elapsed 67%

	Feb-19 Actual	Year - To - Date			Total FY2018/19 Budget	% of Total Budget
		FY2017/18 Actual	FY2018/19 Budget	FY2018/19 Actual		
<b>OPERATING EXPENSES</b>						
<b>PLANNING &amp; GENERAL ADMIN:</b>						
Wages and Fringe Benefits	\$106,293	\$717,043	\$1,034,533	\$832,980	\$1,551,800	53.7%
Services	108,935	590,914	911,600	664,325	1,367,400	48.6%
Materials and Supplies	2,077	12,372	120,333	37,544	180,500	20.8%
Utilities	3,444	21,851	27,400	29,154	41,100	70.9%
Insurance	-	1,201	18,867	1,200	28,300	4.2%
Miscellaneous	9,156	144,736	208,533	162,322	312,800	51.9%
Leases and Rentals	32,108	247,355	259,133	254,382	388,700	65.4%
Admin Overhead Expense Transfer	(70,535)	(522,570)	(580,400)	(496,107)	(870,600)	57.0%
<b>Sub-Total Planning &amp; Gen Admin</b>	<b>\$191,478</b>	<b>\$1,212,901</b>	<b>\$2,000,000</b>	<b>\$1,485,800</b>	<b>\$3,000,000</b>	<b>49.5%</b>
<b>FERRY OPERATIONS:</b>						
<b>Harbor Bay FerryService (AHBF)</b>						
Purchased Transportation	\$184,064	\$1,291,911	\$1,520,000	\$1,734,802	\$2,280,000	76.1%
Fuel - Diesel & Urea	36,984	267,905	405,000	312,113	607,500	51.4%
Other Direct Operating Expenses	46,387	271,180	501,600	368,853	752,400	49.0%
Admin Overhead Expense Transfer	8,395	66,094	67,200	60,630	100,800	60.1%
<b>Total Harbor Bay Farebox Recovery - AHBF</b>	<b>\$275,829</b>	<b>\$1,897,091</b>	<b>\$2,493,800</b>	<b>\$2,476,398</b>	<b>\$3,740,700</b>	<b>66.2%</b>
	44%	53%	45%	45%	45%	
<b>Alameda/Oakland Ferry Service (AOFS)</b>						
Purchased Transportation	\$573,331	\$5,546,237	\$6,223,600	\$5,863,851	\$9,335,400	62.8%
Fuel - Diesel & Urea	138,938	986,550	1,342,600	1,188,685	2,013,900	59.0%
Other Direct Operating Expenses	156,164	807,520	1,692,800	1,258,530	2,539,200	49.6%
Admin Overhead Expense Transfer	30,524	226,385	255,667	218,072	383,500	56.9%
<b>Total Alameda/Oakland Farebox Recovery - AOFS</b>	<b>\$898,956</b>	<b>\$7,566,691</b>	<b>\$9,514,667</b>	<b>\$8,529,138</b>	<b>\$14,272,000</b>	<b>59.8%</b>
	50%	60%	56%	60%	56%	
<b>Vallejo FerryService (Vallejo)</b>						
Purchased Transportation	\$973,137	\$7,681,275	\$7,957,400	\$7,178,837	\$11,936,100	60.1%
Fuel - Diesel & Urea	315,724	2,715,461	3,832,000	3,230,235	5,748,000	56.2%
Other Direct Operating Expenses	154,880	1,189,719	1,323,600	1,019,874	1,985,400	51.4%
Admin Overhead Expense Transfer	25,368	264,879	209,667	182,106	314,500	57.9%
<b>Total Vallejo Farebox Recovery - Vallejo</b>	<b>\$1,469,108</b>	<b>\$11,851,334</b>	<b>\$13,322,667</b>	<b>\$11,611,052</b>	<b>\$19,984,000</b>	<b>58.1%</b>
	49%	59%	58%	63%	58%	
<b>South San Francisco FerryService (SSF)</b>						
Purchased Transportation	\$197,173	\$1,593,791	\$1,600,000	\$1,660,918	\$2,400,000	69.2%
Fuel - Diesel & Urea	27,527	253,172	384,800	235,417	577,200	40.8%
Other Direct Operating Expenses	28,643	260,391	332,333	291,246	498,500	58.4%
Admin Overhead Expense Transfer	4,259	35,768	29,000	30,969	43,500	71.2%
<b>Total South San Francisco Farebox Recovery - SSF</b>	<b>\$257,602</b>	<b>\$2,143,122</b>	<b>\$2,346,133</b>	<b>\$2,218,550</b>	<b>\$3,519,200</b>	<b>63.0%</b>
	32%	32%	36%	31%	36%	
<b>Richmond FerryService (Richmond)</b>						
Purchased Transportation	\$206,978	\$0	\$602,334	\$434,169	\$1,807,000	24.0%
Fuel - Diesel & Urea	28,998	-	\$108,600	49,828	325,800	15.3%
Other Direct Operating Expenses	18,617	-	\$82,534	57,499	247,600	23.2%
Admin Overhead Expense Transfer	1,989	-	\$6,300	4,330	18,900	22.9%
<b>Total Richmond Farebox Recovery - Richmond</b>	<b>\$256,582</b>	<b>\$0</b>	<b>\$799,768</b>	<b>\$545,826</b>	<b>\$2,399,300</b>	<b>22.7%</b>
	24%	0%	15%	24%	15%	
<b>Sub-Total Ferry Operations Farebox Recovery - Systemwide</b>	<b>\$3,158,077</b>	<b>\$23,458,239</b>	<b>\$28,477,035</b>	<b>\$25,380,964</b>	<b>\$43,915,200</b>	<b>57.8%</b>
	45%	56%	53%	56%	52%	
<b>Total Operating Expenses</b>	<b>\$3,349,556</b>	<b>\$24,671,140</b>	<b>\$30,477,035</b>	<b>\$26,866,764</b>	<b>\$46,915,200</b>	<b>57.3%</b>
<b>OPERATING REVENUES</b>						
Fare Revenue	\$1,430,971	\$13,237,595	15,214,834	14,291,359	\$23,004,900	62.1%
Regional - Bridge Toll	1,722,964	11,430,210	14,098,868	12,152,189	21,148,300	57.5%
Regional - Contra Costa Measure J	195,620	-	678,000	416,466	2,034,000	20.5%
Regional - Alameda Tax & Assessment	-	-	485,333	-	728,000	0.0%
Other Revenue	-	3,335	-	6,750	-	0.0%
<b>Total Operating Revenues</b>	<b>\$3,349,556</b>	<b>\$24,671,140</b>	<b>\$30,477,035</b>	<b>\$26,866,764</b>	<b>\$46,915,200</b>	<b>57.3%</b>

**San Francisco Bay Area Water Emergency Transportation Authority  
FY 2018/19 Statement of Revenues and Expenses  
For Eight Months Ending 2/28/2019**

Project Description	Feb-19 Total	Total Project Budget	Total Prior Expense	Total FY2018/19 Budget	Total FY2018/19 Expense	Total Future Year	% of Total Project Budget Spent
<b>CAPITAL EXPENSES:</b>							
<b><u>FACILITIES:</u></b>							
<b>Terminal Construction</b>							
Downtown Ferry Terminal Expansion - South Basin	1,461,020	\$97,965,000	\$46,780,727	\$34,556,273	25,640,952	\$16,628,000	74%
Richmond Ferry Terminal	63,478	21,000,000	11,134,262	9,865,738	9,636,703	-	99%
<b>Maintenance and Operations Facilities</b>							
Ron Cowan Central Bay Operations & Maintenance Facility	29,645	69,500,000	60,723,722	8,776,278	2,383,060	-	91%
<b>Terminal Improvement</b>							
Terminal Dredging - Vallejo and South San Francisco	1,105,215	5,165,000	106,999	5,058,001	3,266,954	-	65%
<b><u>FERRY VESSELS:</u></b>							
<b>Vessel Construction</b>							
445-Pax Replacement Vessel - M/V Vallejo	118,019	23,372,000	12,443,000	10,929,000	7,039,309	-	83%
445-Pax Expansion (Waterjet) Vessels - 2 vessels	1,057,186	46,745,000	15,557,743	20,187,257	7,739,855	11,000,000	50%
400-Pax Expansion (Propeller) Vessels - 2 vessels	12,395	33,400,000	26,533,692	6,866,308	4,685,051	-	93%
New Commuter Class High-Speed Vessel	1,229,673	15,300,000	93,374	9,106,626	5,737,331	6,100,000	38%
<b>Vessel Rehabilitation and Refurbishment</b>							
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	-	3,000,000	-	1,500,000	5,475	1,500,000	0%
Vessel Qtr-Life Refurbishment - M/V Scorpio	1,065	2,500,000	-	2,500,000	29,327	-	1%
Vessel Engine Overhaul - M/V Taurus	-	800,000	-	800,000	975	-	0%
Vessel Service Life Extension - M/V Solano	30,958	13,000,000	-	3,375,000	71,542	9,625,000	1%
<b><u>CAPITAL EQUIPMENT / OTHER:</u></b>							
CCTV Install and Network Intergration - East Bay Terminals	-	400,000	-	400,000	-	-	0%
Purchase Service Vehicles	70,675	500,000	27,088	472,912	113,993	-	28%
Purchase Selective Catalyst Reduction (SCR) System	-	200,000	-	200,000	-	-	0%
<b>Total Capital Expenses</b>	<b>\$5,179,330</b>	<b>\$337,964,000</b>	<b>\$176,330,514</b>	<b>\$116,780,486</b>	<b>\$68,376,992</b>	<b>\$44,853,000</b>	
<b>CAPITAL REVENUES:</b>							
Federal Funds	\$996,870	\$79,972,140	\$33,033,731	\$38,038,409	\$9,863,659	\$8,900,000	54%
State Funds	3,540,608	201,533,450	112,665,044	61,852,046	47,058,063	27,016,360	79%
Regional - Bridge Toll	641,638	53,235,010	29,605,664	14,912,706	10,604,107	8,716,640	76%
Regional - Alameda Sales Tax Measure B / BB	213	1,723,400	586,075	1,137,325	411,162	-	58%
Regional - Alameda TIF / LLAD	-	400,000	-	400,000	-	-	0%
Regional - San Francisco Sales Tax Prop K	-	1,100,000	440,000	440,000	440,000	220,000	80%
<b>Total Capital Revenues</b>	<b>\$5,179,330</b>	<b>\$337,964,000</b>	<b>\$176,330,514</b>	<b>\$116,780,486</b>	<b>\$68,376,992</b>	<b>\$44,853,000</b>	



**TO: WETA Board Members**

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

**SUBJECT: WETA Federal Legislative Board Report – April 2019**

This report covers the following topics:

1. Debate on Infrastructure Funding Formally Kicks Off
2. Ferries vs Highways Part II?
3. It's All About the Money

### **Debate on Infrastructure Funding Formally Kicks Off**

Discussion about a potential infrastructure bill has moved to a more formal setting with numerous Congressional committees holding hearings over the past several weeks to highlight our nation's infrastructure needs, debate infrastructure priorities and examine various options for paying for improvements to our roads, bridges and transit systems. Testimony from these hearings will instruct Committee leaders as they begin drafting legislation. The question is – what is the path forward and on what timeline?

While House Transportation and Infrastructure (T&I) Committee leadership intends to have a bill ready to be considered by the committee this summer, we are getting mixed signals from the Senate. Senate leaders seem to be skeptical that Congress will be able to muster the political will to pass a wide-ranging infrastructure bill which could include funding for roads, bridges, transit, rail, airports, water infrastructure, electric transmission, broadband, etc. As a result, we are hearing that relevant Senate committees are looking straight to reauthorization of the FAST Act, the surface transportation bill that expires in 2020. Reauthorization of the FAST Act would focus solely on highways, bridges and transit.

Whether or not Congress takes up an infrastructure bill won't affect our strategy for increasing funding for the Federal Highway Administration (FHWA) ferry formula program and the Federal Transit Administration (FTA) discretionary grant program. An infrastructure bill and reauthorization of the FAST Act both represent opportunities to increase funding for public ferries.

### **Ferries vs Highways Part II?**

During the aforementioned Congressional hearings, we heard a familiar refrain from members of Congress representing largely rural areas, namely that federal gas tax revenues should be used for highways and bridges but not transit. This is the same argument some of these same members of Congress made back in 2012 when Congress was taking up MAP-21, the surface transportation bill that preceded the FAST Act. At the time, Congress was debating whether to dedicate Federal Highway

Administration (FHWA) money to ferries. Senator Jim Inhofe from Oklahoma, who was the top Republican on the Senate Environment and Public Works (EPW) Committee at the time, argued that highway money should only be used for highways. Senator Patty Murray (D-WA) joined then Senate EPW Committee Chair Barbara Boxer (D-CA) to argue that ferries were an extension of the federal highway systems. The pro-ferry faction won that debate in 2012, and we will work with our Congressional champions to combat any efforts to strip ferries of federal funding in 2019.

### **It's All About the Money**

Any debate about transportation priorities is moot unless members of Congress can come together on a way to pay for additional infrastructure. Current funding is insufficient to maintain existing highway and transit infrastructure and support existing transportation programs; new funding will be needed in order to grow current programs and make new investments.

The traditional funding method for surface transportation has been the federal motor fuels excise tax (aka, the gas tax), which is deposited into the Highway Trust Fund (HTF). The Highway Trust Fund is the mechanism that was originally established in 1956 as the method for paying for construction of the Interstate Highway System. In order to cover the cost of our nation's transportation needs today, Congress could increase the gas tax though this is something that has not been done since 1993 given that most Democrats and Republicans believe that raising taxes would be tantamount to political suicide. Additional funding mechanisms that have been discussed include increased oil and gas drilling, a Vehicle Miles Traveled (VMT) fee or privatization and tolling. All of these options have political baggage.

Whether our efforts to increase funding for the Federal Highway Administration (FHWA) ferry formula program and the Federal Transit Administration (FTA) discretionary grant program are successful is directly tied to this debate about funding mechanisms. If Congress can find a way to introduce new money into the system, we will be well-positioned to grow these programs. If Congress, however, is unable to agree on a new funding mechanism, any increase in funding for ferries would have to come at the expense of funding for bus transportation or rail and that could be a non-starter.

Respectfully Submitted,

Peter Friedmann and Ray Bucheger

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

*(March 7, 2019)*

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority held a Public Hearing to consider comments on the Proposed Special Event Fare Change and then 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 1:08 p.m.

**2. ROLL CALL**

Chair Breckenridge, Vice Chair James Wunderman, Director Anthony Intintoli, and Director Nick Josefowitz were in attendance.

**3. PUBLIC HEARING TO CONSIDER COMMENTS ON THE PROPOSED SPECIAL EVENT FARE CHANGE**

Senior Planner/Project Manager Michael Gougherty opened the Public Hearing on the Proposed Special Event Fare Change at 1:09 p.m. He explained that to date only one email had been received in response to WETA's solicitation for public comments, and he noted that this comment was related to future service planned at Mission Bay. Because there was no one in the room who wanted to comment on the matter, Chair Breckenridge closed the public hearing at 1:10 p.m.

**4. REPORT OF BOARD CHAIR**

Chair Breckenridge said she has been exploring new maritime and military innovations in the transportation realm and that she has upcoming meetings to discuss potential partnerships and other opportunities related to an industrial manufacturing grant awarded to the state, and to green initiatives currently being explored by other ferry systems in the country.

**5. REPORTS OF DIRECTORS**

Directors had no reports to share.

**6. REPORTS OF STAFF**

Ms. Rannells shared her written report with Directors. She reported that she and WETA's Operations & Maintenance Manager Keith Stahnke had recently met with San Francisco Coast Guard Sector Captain Tony Ceraolo who had personally provided them with two Certificates of Inspection for new WETA vessels. It was noted that Captain Ceraolo would soon finish his rotation in San Francisco but that his current Deputy was expected to take his place.

Ms. Rannells also reported that WETA and Blue & Gold Fleet staff had held an informal, quiet christening event at WETA's North Bay Operations and Maintenance Facility to welcome the new North Bay vessel, the MV *Pyxis*, to the fleet. She said staff had hosted an event later that day that invited Vallejo passengers as they arrived back home from their commutes to board their new vessel, and explore it up close. Ms. Rannells said that the level of engagement and enthusiasm from existing riders and members of the community was terrific. She added that these participants were very excited and happy about the new vessel and their opportunity to check it out, including a visit to the vessel's pilot

house, before it was in full service. Ms. Rannells acknowledged WETA's Public Information & Marketing Manager, Thomas Hall, and WETA's newest employee, Operations Administrator Rachel Rodriguez, for their work on this event.

Ms. Rannells said she had recently met with California Assemblymember David Chiu to share updates with him about WETA's work. She said it had been a good meeting and that their discussion had been productive.

Ms. Rannells reminded Directors of the presentation they had received at the February meeting about Treasure Island ferry service development, and she said staff had since met with Tilly Chang, Executive Director of the San Francisco County Transportation Authority (SFCTA), along with other SFCTA staff about the project. Ms. Rannells said staff would be returning, along with project leaders, to present updates to the Board at the April meeting.

Ms. Rannells updated Directors on Tideline landings at the WETA Harbor Bay terminal for one of their client's private charter weekday vessel service between Alameda and South San Francisco. She said that everything required for the agreement the Directors had approved to support the private landings had been received by WETA, and that the Tideline charter service had started on February 27.

Vice Chair Wunderman asked about the status of WETA doing a study on potential hovercraft utilization for WETA service and Ms. Rannells said she had instructed staff to move forward with putting together a scope and plan for the suggested study, to include costs and details for Directors' consideration. She said the Board should expect to see the study scope and hear further details at the April meeting. Director Josefowitz reiterated his interest in studying hovercraft vessels as a potential replacement for current routes and service with an objective of making all current trips faster.

Ms. Rannells reported back on her recent meeting regarding fare integration for the various transportation agencies in the Bay Area. She said one of the biggest takeaways from that meeting was the appeal to all of integrating not only fares but service across agencies and counties. Director Josefowitz shared some details about recent efforts at BART that he has been involved in to integrate service across Bay Area agencies to make it easier and less confusing for people to get around when they have to use more than one mode of public transportation. He said this work that continues will offer WETA the opportunity to revisit its fares, especially with regard to when they are paid in concert with additional transportation fares because riders have to utilize multiple modes of transport to reach their destinations.

Chair Breckenridge thanked staff for including the details of the December emergency response activities in the March Executive Director's Report. She noted that WETA is the agency mandated to coordinate emergency and disaster related water transportation for evacuation and transport of first responders and when WETA needs to call on its partners to support those efforts, both staff and partners will need clarity on protocol. Chair Breckenridge said she would like visibility on the agreements and understandings that are supporting these expectations for WETA's partners.

Vice Chair Wunderman commended Ms. Rannells on her thorough report and said that the many projects detailed within it reflected the good and important work that WETA is doing to provide the Bay Area with robust ferry service.

### **PUBLIC COMMENT**

Long time Vallejo rider Ross Woody thanked Directors for the new vessels recently added to WETA's fleet. He said he was not pleased about having fewer tables on the new vessels than there were on the MV *Mare Island* or the MV *Vallejo*. He explained that the coat hooks needed to be moved and said there was an issue with cabin pressure that needed adjustment on the new vessels. He further noted

that there were no arm rests in between the seats which made the seats feel cramped. Mr. Woody said the padded benches on the new vessels were too soft, and that a canvas covering over one of the San Francisco terminals was torn. He said that the Vallejo terminal needed shelter for riders, and added that he had documented and emailed all of these concerns to Ms. Rannells.

### **PUBLIC COMMENT**

An anonymous meeting guest asked if there was any funding available for discretionary expansion.

Ms. Rannells explained that there was currently a call for Federal Transit Administration (FTA) discretionary funding applications for projects and that staff was looking at what WETA projects in development would be a good fit and meet the program requirements.

### **7. CONSENT CALENDAR**

Director Intintoli made a motion to approve the consent calendar:

- 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

Vice Chair Wunderman seconded the motion and the consent calendar carried unanimously.

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

### **8. APPROVE SPECIAL EVENT FARE CHANGE**

Senior Planner/Project Manager Mike Gougherty presented this item to approve the special event and ballpark fare changes proposed at the February Board meeting. Mr. Gougherty explained that the fare changes were required to comply with the special event fare policy established for WETA special event service by Directors in 2011. Mr. Gougherty reviewed the ways the proposed changes had been noticed to WETA's riders and the general public, including website posts, Bay Alert messages sent directly to riders, and flyers on the vessels. He said that one public comment had been received in response to the outreach, and it was related to ferry service at Mission Bay. Because of this, and because of the requirement that WETA fully recover its special event service operating costs, he recommended that Directors approve the special event fare changes.

Director Intintoli made a motion to approve the item:

Chair Breckenridge seconded the motion and the item passed unanimously.

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

### **9. RECESS INTO CLOSED SESSION**

- a. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION; CONFERENCE WITH LABOR NEGOTIATOR (DESIGNATED REPRESENTATIVE: CHAIR BRECKENRIDGE)**

Chair Breckenridge explained that no decisions had been made, and no actions taken, during a closed session meeting that had occurred earlier in the day. She said no further closed session for this item would take place.

### **10. OPEN SESSION**

Chair Breckenridge offered Directors a Resolution for adoption to increase the WETA Executive Director's annual gross salary to \$270,000, effective the first pay period of March 2019, and to approve

and authorize the Chair of the Board of Directors to execute Amendment No. 3 to the Employment Agreement between WETA and Nina Rannells in accordance with the resolution.

**PUBLIC COMMENT**

Jerry Bellows of MARAD said that Nina Rannells was well worth the salary increase proposed.

Director Intintoli seconded the motion and the Resolution was unanimously adopted.

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

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

Mr. Bellows said that WETA had been doing a super job getting the word out with marketing for the new Richmond service and with the recent media attention on the fleet and new facilities.

All business having been concluded, the meeting was adjourned at 1:49 p.m.

- Board Secretary

\*\*\*END\*\*\*

**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**  
**Lauren Duran Gularte, Program Manager/Analyst**

**SUBJECT: Authorize Staff to Issue a Request for Proposals for State Legislative Representation Services**

**Recommendation**

Authorize staff to issue a Request for Proposals (RFP) for professional services to represent and support WETA on state legislative matters beginning July 1, 2019.

**Background**

WETA has utilized the Law Offices of Broad & Gusman, LLP to provide state legislative support services since November 2004. This agreement was initially entered into as a result of a competitive procurement process completed in 2004, and was renewed through a second competitive process in 2010. This fixed fee contract, in the amount of \$70,000 annually, is due to expire June 30, 2019. In addition to this contract, in February 2014, the Board directed staff to solicit proposals for strategic consulting services to complement state and federal legislative support services in anticipation of a future regional funding effort. Through this competitive solicitation, the Board authorized an agreement with Perata Consulting Services, LLC in March 2014 for a one-year period, which was subsequently extended through June 30, 2019. While it was helpful to have the services of both firms in recent years as WETA worked to support the development of the RM3 program, staff recommends that a single contract for state legislative services is more in line with the agency's needs at this time. In keeping with Board direction to periodically competitively bid professional service contracts for ongoing services, staff recommends that the Board authorize staff to issue an RFP for state legislative representation services this spring.

**Discussion**

State legislative services to be secured under the proposed RFP process include assisting WETA to build and renew political contacts and relationships at the local, regional, and state levels to support WETA's mission to provide and expand ferry service in the region, to assist the agency with monitoring and advising the agency on State legislation and regulations affecting WETA, and to develop and implement a state focused legislative and advocacy strategy to ensure continued state financial and legislative support for the organization and its programs. The selected individual or firm will be expected to be located in Sacramento and to have knowledge, interest and experience in the areas of public transportation, emergency response and maritime operations, and should be familiar with state funding opportunities and regulatory agencies associated with these functions. The winning firm will act as WETA's agent in Sacramento, and will be expected to provide regular updates to staff and the Board of Directors on pertinent issues and opportunities. Staff recommends structuring this RFP to be a fixed monthly retainer fee for services provided, which is standard for the industry, for an initial period of three years with options to extend this agreement for up to 10 years.

With Board approval of this item, staff will issue a RFP for state legislative services in April, with the goal of being in a position to recommend Board approval of a contract in June for the new fiscal year beginning July 1, 2019.

**Fiscal Impact**

There is no fiscal impact associated with this item. However, funds to support these services will be included in WETA's proposed FY 2019/20 budget.

\*\*\*END\*\*\*



**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**

**SUBJECT: Overview of Draft FY 2019/20 Work Program**

**Recommendation**

This is an informational item for discussion.

**Background**

Staff is in the process of developing the FY 2019/20 Operating and Capital Budget for WETA covering the period July 1, 2019 through June 30, 2020. This item is intended to provide the Board of Directors with a preview of the major work items and initiatives anticipated to be undertaken in the upcoming year in support of WETA's ongoing operation and Strategic Plan for inclusion in the budget document that will be brought forward for consideration at the May 9, 2019 Board of Directors meeting. This item is also intended to provide the Board of Directors with the opportunity to build on the March 7, 2019 workshop discussion regarding prioritization of WETA projects and initiatives.

**Discussion**

In addition to ongoing service oversight and management activities, facility monitoring and agency administration work, major work initiatives anticipated to be necessary in FY 2019/20 include:

**1. Downtown San Francisco Ferry Terminal Expansion Project**

Construction of this core infrastructure project for the WETA system will continue through FY 2019/20. Major project milestones were met in December 2018 and February 2019 with the opening of new Gates F and G, which are now the primary gates utilized for WETA services. Work continuing into FY 2019/20 includes reconstruction of Gate E and construction of the new plaza entryway to the gates. This work is anticipated to be substantially completed in January 2020. Staff will work to develop a grand opening of the facility with the Port of San Francisco and others. (Planning, Operations, Finance, Marketing and Public Information)

**2. Vessel Construction/Rehabilitation /Green Fleet Technology**

- New Vessel Construction – Staff will continue oversight of construction of the remaining two new 445 North Bay vessels and one new 300 passenger all-purpose vessel and will oversee commissioning of these three vessels in FY 2019/20. Staff will initiate work to replace the MV *Bay Breeze*, which is close to the end of its economic life. (Operations, Finance)
- Vessel Refurbishment – Staff will develop, advertise and oversee the MV *Solano* mid-life refurbishment, a significant vessel rehabilitation project that will extend

the useful life of the vessel. Staff will also develop and oversee the MV *Scorpio* quarter-life refurbishment and secure services and oversee work to complete required engine overhaul work on the vessels *Intintoli*, *Mare Island*, *Taurus*, *Gemini*, *Argo*, *Carina* and *Pyxis*. (Operations, Finance)

- Green the Fleet
  - Improved Diesel Engine Technology – Staff will actively investigate and pursue development of new vessel emission technology for existing and future vessels. This includes working with engine manufacturers and to certify new state-of-the art Tier 4 EPA engines in WETA vessels in service, for the benefit of the industry, and working with the California Air Resources Board (CARB), Bay Area Air Quality Management District (BAAQMD) and industry leaders to identify new diesel emission reduction opportunities. Staff will participate in discussions with CARB as they develop an amendment to their Commercial Harbor Craft Regulations related to ferry vessel emissions. (Operations)
  - New Propulsion Technology – Staff will work to develop an approach for introducing hybrid-electric or all electric vessels into WETA's fleet. This will include identifying candidate routes with speed and distance profiles that are a good match for successful application of current and developing green propulsion technologies. Staff will develop vessel concepts, identify an approach for implementation and work to identify funding to support moving forward with a demonstration project. (Operations, Finance)

### **3. Terminal Construction/New Services**

- Mission Bay Terminal Development
  - New Mission Bay Terminal - Staff will continue to participate in the planning and design efforts with Port of San Francisco for a new Mission Bay ferry terminal. Port staff estimates that they should be in a position to move forward with construction in October, provided full funding for the project. Staff will work with the Port to continue to search for funding opportunities and, if construction begins, staff will participate to support and oversee construction as the end-user and future owner of the waterside assets. (Planning, Operations, Finance)
  - Pier 48 Temporary Terminal – Staff will continue to work with the Port of San Francisco, Golden Gate Ferry and Warriors staffs toward creating a temporary terminal site at Pier 48 for use until the permanent terminal is constructed. This concept would involve utilizing WETA's spare float, with dock-side modifications, to create a temporary landing for use to serve games and events at the new Warriors arena due to open in September. Staff time, engineering, permitting approvals, construction, tow services and funding will all be required to make this concept a reality. This is on a fast-track and will require focused time and work efforts once a viable plan is developed. Should a temporary terminal be put in place, service planning and operation, marketing and public

information efforts will be required to support delivery of service to this site. (Planning, Operations, Marketing and Public Information, Finance)

- Seaplane Lagoon Terminal and Service Development – Staff will continue to work to support City of Alameda staff in overseeing the construction of the new Seaplane Lagoon Terminal. Additionally, staff will undertake service planning efforts associated with establishing new Seaplane Lagoon service, which includes a restructuring of the current Oakland/Alameda Main Street services to best accommodate existing and future passengers and maximize vessel operating efficiencies. This will require significant time and coordination on the part of planning, operations, marketing and public information staff and resources both prior to and after the anticipated February 2020 service opening date. (Planning, Operations, Marketing and Public Information, Finance)
- Terminal Improvements – Staff will work to replace Harbor Bay mooring piles as a necessary capital project in FY 2019/20. In addition, staff will embark on a process to assess the state of legacy terminals and develop a program for rehabilitation and improvements to ensure that terminals are in a state of good repair and provide sufficient access, weather protection and amenities. More specifically, there is a need to begin developing projects to: rehabilitate the Main Street Terminal in Alameda, including replacing the 50+ year old float; assess the Oakland Terminal for a future year rehabilitation; develop weather protection concepts for terminals; develop signage and wayfinding improvements for east bay terminals; and explore options and opportunities to modify the Vallejo terminal to minimize future dredging requirements. As a part of this work, staff will look to identify future funding opportunities to pay for the implementation of these types of system improvements. (Planning, Operations, Public Information, Finance)

#### **4. System Planning and Service Development**

- Five Year Fare Program – WETA's Five-Year Fare program of pre-established annual fare increases to ensure that fares keep pace with cost inflation will end with the upcoming planned increase on July 1, 2019. Assuming that the Board will want to continue this program, staff will need to begin program development in Summer or Fall 2019 in order to provide sufficient time for Board discussion and public input before establishing a new program moving forward. (Planning, Finance, Public Information)
- Small Vessel Program Development – Staff will work to further develop the small vessel concept plan and program including developing vessel design standards and specifications for a WETA small vessel fleet, completing a detailed analysis of market demand and the operating cost impact for Phase I services and development of a funding strategy for vessels and services. Further work could include exploring the possibility of alternative delivery methods for services, further defining potential Phase II Small Vessel Pilot Program services and related system policies, and identifying options and opportunities for overnight berthing of small vessels. (Planning, Operations, Finance)
- Hovercraft Study – Subject to further direction from the Board, staff will work to finalize a hovercraft study scope of work, secure a consultant team, create

- related advisory committees and embark on a study to update WETA's 2011 hovercraft study and assess the state of hovercraft technology today and its application to WETA's plans to develop a regional ferry system for the San Francisco Bay Area. (Planning, Operations)
- Future Service Development – Staff will continue to work with various city, port and other public agency staff and their partners to explore and develop new service opportunities.
    - Redwood City – Staff will continue its partnership and participation with Redwood City and the Port of Redwood City in the Feasibility Study and Business Plan for the construction of a Redwood City ferry terminal and the implementation of new service. (Planning, Operations)
    - Berkeley – Provided WETA Board approval of a Memorandum of Understanding (MOU) with the City of Berkeley, staff will work with City of Berkeley and its consultant to develop and assess the feasibility of constructing a dual-use pier facility that would serve as both a ferry terminal and public access space at the Municipal Fishing Pier in Berkeley as an approach to delivering this long-standing WETA project. (Planning, Operations)
    - Treasure Island – Staff will continue to work with SFCTA/TIMMA staff to develop a service concept for Treasure Island service and identify options and opportunities for securing/constructing a ferry to support system operation beginning as early as 2021. (Planning, Operations, Finance)
  - Oakland Athletics Howard Terminal Stadium Proposal - WETA staff will continue to follow plan development for the proposed new Oakland Athletics Howard Terminal Stadium. Staff will meet with the Oakland Athletics organization and the Howard Terminal stadium development team to discuss the integration of ferry services – including capital and infrastructure needs - into their transportation plans for the stadium site. (Planning, Operations)
  - Short Range Transportation Plan – Staff will update WETA's Short Range Transportation Plan, including a ten year operating and capital plan, consistent with MTC and Federal Transit Administration requirements. (Planning, Operations, Finance)
  - Regional Planning Activities – Staff will continue participation in a number of regional planning activities including, but not limited to, the development of the Clipper 2 system, MTC fare coordination conversations and efforts and the development of the region's Regional Transportation Plan – Plan Bay Area 2050. (Planning, Finance)
  - Solano County Water Transit Study – Staff will continue to participate in the Solano County Water Transit Plan and Financial Feasibility Study exploring potential ferry and water transit routes in Solano County. (Planning)

**5. Emergency Response Program/Training**

Staff will continue to participate in local, regional and state exercises, meetings and discussions. Staff will develop a training program for the year to include a number of in-house and external exercises and will continue to assess emergency response equipment needs to support WETA and Blue & Gold Fleet (Blue & Gold) response efforts. Notable work planned includes a tabletop workshop in August to exercise the San Francisco Bay Area Port Recovery Plan in preparation for a regional test of the plan as a part of the Fleet Week Defense Support of Civil Authorities exercise, an active shooter or advanced firefighter training with crews, a Yellow Command exercise in September to be coordinated by UASI that will focus on transportation, and IBA and inflatable slide deployment exercises with vessel crews. Staff will work to budget sufficient extra crew time in the FY 2019/20 budget and work with Blue & Gold to coordinate crew scheduling to enable crews to participate in these important training opportunities. (Emergency Response Program Manager, Operations, All Staff)

**6. Public Relations and Communications**

Staff will develop public events for several major project delivery milestones including new Seaplane Lagoon service and Alameda/Oakland service restructuring, the opening of the Downtown San Francisco Terminal Expansion Project and deploying new vessels into service. Additionally, FY 2019/20 plans include efforts to create several videos for WETA use across platforms and make website improvements including, but not limited to, creating a new trip planner, ADA review of the website, production of a mapping tool and development of a text-only version of the website for use in emergencies. Staff will plan up to six passenger appreciation events during the year, continue to produce quarterly newsletters for passengers, support the Bay Alerts information system for riders and research alternative platforms for delivering similar services. Staff will develop plans to re-organize and bolster customer service efforts to better serve our growing ridership. Staff will also plan to continue community goodwill programs such as the long-standing summer reading voucher program in coordination with local libraries, commuter support programs such as Try Transit and other potential community outreach programs. (Marketing and Public Information)

**7. Marketing WETA Services**

Staff will continue to market WETA ferry services, with a focus on South San Francisco service, which has peak period capacity, and new Richmond services during the first year of operation through advertising, media buys, social media and participation in events to support system and ridership development. (Marketing)

**8. Organizational Review**

Staff will work closely with the Board of Directors to develop plans for organizational development and growth to meet the ever-increasing agency work demands and to prepare for what the WETA organization will need to look like as RM3 funds or other future funds become available and WETA's work program and regional responsibilities increase. (Executive Director)

The above work program is a fair representation of what staff sees as the many priorities and work efforts that are necessary to keep WETA's existing system safe and operational and plan for the development of new facilities and services. It is an

ambitious work program for the current level of staff in the WETA workforce. Staff looks forward to discussion with the WETA Board of Directors as to their priorities for this work. Additionally, this work program does not factor in any new projects that could be funded if RM3 is made available at some point during the year, but includes system planning and development work that will ultimately support WETA's RM3 program. In the event that Regional Measure 3 funds are made available during FY 2019/20, staff would work with the Board to identify adjustments to the FY 2019/20 work program and budget for Board consideration at a follow-up meeting.

**Fiscal Impact**

There is no fiscal impact associated with this informational item.

\*\*\*END\*\*\*

**MEMORANDUM**

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**TO: Board Members**

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

**SUBJECT: Review and Provide Input to Hovercraft Feasibility Study Scope**

**Recommendation**

Review and provide input to the proposed scope of work for an update of WETA's 2011 Hovercraft Feasibility Study.

**Background**

At the January 2019 Board meeting, the Board received a letter from Bay Area Council President Jim Wunderman requesting a study of hovercraft as a possible alternate technology for delivering new ferry service in San Francisco Bay. In February, staff prepared an item for Board discussion. As a part of this discussion, the Board indicated general support for the concept, and Chair Breckenridge indicated that the WETA Board could discuss this at an upcoming Board workshop in the context of WETA's larger work program. The March Board workshop presented a range of expansion projects along with other efforts such as a hovercraft study for discussion and prioritization for the upcoming fiscal year. It was agreed that staff would develop a scope of work for a potential hovercraft study and return to the Board at the April meeting for direction.

**Discussion**

The attached draft scope of work is intended to update and build on the 2011 WETA study of hovercraft technology as a first portion of work. In addition, it suggests studying up to three corridors in detail to provide a real-world test of a hovercraft concept. The study would be performed by a qualified consultant team with expertise in the areas of maritime engineering, hovercraft technology, transportation planning and environmental analysis. In addition to updating costs and the technology assessment, the study will examine the environmental implications of hovercraft operations in San Francisco Bay, particularly on sensitive shoreline habitats.

The scope suggests that a committee of stakeholders be assembled to meet at key points during the course of the study. This group would be made up of representatives from policy advocacy organizations, the maritime industry, environmental groups and public agency officials.

Once the scope of work is finalized, staff will seek Board authorization to release a Request for Proposals for a qualified consultant. Once a consultant is selected, staff estimates that the effort will take between 9-12 months to complete, and the cost for the consultant portion could range between \$200,000 and \$400,000.

**Fiscal Impact**

There is no fiscal impact associated with the Board actions recommended in this report.

\*\*\*END\*\*\*

## **Attachment A**

### **WETA Hovercraft Feasibility Study, 2019**

#### **Task 0.1 Assemble Hovercraft Stakeholder Committee**

Prior to beginning the study analysis, WETA staff will assemble a committee of hovercraft stakeholders drawn from a range of interest areas. The purpose of the committee is to participate in the study and provide feedback as it progresses. The Committee will ideally meet on four occasions during key milestones in the effort. Board members can choose to participate on the Committee or receive regular updates at WETA Board meetings as the study progresses. Some of the committee members WETA will invite to participate include: hovercraft industry representatives, advocates from Bay Area public policy groups, environmental organizations and maritime industry representatives.

#### **Task 0.2 Assemble Hovercraft Technical Advisory Committee**

A committee of technical experts will be assembled to provide input on regulatory and permitting issues as the study progresses. The Technical Committee will meet on a regular basis and evaluate the consultant analysis and provide input regarding findings and conclusions. Some of the committee members WETA will invite to participate include representatives from other ferry operators, US Coast Guard, Federal Aviation Administration, Bay Conservation and Development Commission, Army Corps of Engineers, the Port of San Francisco and other local city officials.

#### **Task 1.0 Summary of 2011 Hovercraft Feasibility Study**

The consultant will summarize the research and findings from the 2011 WETA study of hovercraft.

#### **Task 2.0 Review of other studies, assessments and projects completed since 2011**

The consultant will perform a search of studies and hovercraft projects undertaken since the completion of the 2011 WETA hovercraft study. The review will produce a summary of efforts in North America and elsewhere that can be applied in San Francisco Bay.

#### **Task 3.0 Update technology assessment from 2011 Study**

The consultant will document the current state-of-the-art of hovercraft technology, paying specific attention to potential application in the San Francisco Bay environment. The task will include research into vessel types, capacities and propulsion alternatives. The analysis will also examine potential environmental impacts and benefits of hovercraft technology in low-draft, sensitive environments such as tidal wetlands. Finally, this task will also examine terminal and maintenance facility requirements, given the anticipated vessel technology.



**Task 4.0 Update capital and operating costs from 2011 Study**

The consultant will develop capital and operating costs for hovercraft technology and provide comparisons to generic costs for conventional WETA catamaran vessels. The cost estimates will be for both vessels and facilities, including potential maintenance facilities. Operating costs will assume WETA's existing cost structure regarding labor, maintenance, overhead and other variables to allow for a direct comparison between vessel technologies.

**Task 5.0 Update operational considerations & environmental performance from 2011 Study**

The consultant will examine and update the 2011 study's discussion of operational considerations for the operation of hovercraft in San Francisco Bay. The analysis will pay specific attention to WETA's expectations of passenger comfort and ride quality. In addition, this task will analyze the environmental performance of hovercraft vessels in terms of both emissions and their potential impact on sensitive shoreline areas of San Francisco Bay.

**Task 6.0 Potential Hovercraft Corridor Assessments**

Select up to three potential service corridors for more detailed study as a ferry service using hovercraft technology. This analysis will be performed at a high level and will only identify the major steps required for project implementation and a rough order-of-magnitude estimate of costs to bring a project from inception to completion. Estimates of ridership and revenues will also be developed, although ridership will be estimated at a high level given similar services and will not utilize a ridership forecasting model. A concept-level assessment of terminal site conditions will also be performed, with potential sites identified in coordination with local officials or property owners at the sites under study. For corridors that have the potential for both conventional catamaran or hovercraft service, a comparison analysis will be developed showing development costs and operational consideration for both technologies.

**Task 7.0 Final Report, Recommendation to WETA Board of Directors**

The consultant will develop a final report along with recommendations that will be presented to the WETA Board of Directors. The consultant will provide an evaluation of the study results and its consistency with WETA's Strategic Plan. Prior to presenting the report to the Board, the findings will be released to the public for comment and input.

**MEMORANDUM**

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**TO: Board Members**

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

**SUBJECT: Receive Small Vessel Exploratory Study Final Report and Authorize Staff to Proceed with Next Steps in Developing a Small Vessel Program**

**Recommendation**

Receive the attached Small Vessel Exploratory Study Final Report and authorize staff to proceed with next steps in developing a small vessel program.

**Background**

At the March 2018 meeting, the Board directed staff to conduct a study to explore the opportunity to integrate small vessels into WETA's services. The study work was developed by a team from ARUP with the skills and knowledge necessary to provide a concept-level analysis of small vessel services and operational needs and to develop associated capital and operating cost estimates.

WETA Board Chair Breckenridge appointed Board members Josefowitz and Intintoli to serve as a board-level Advisory Committee for this study effort. The Advisory Committee met on four occasions between May and December 2018 and worked with the staff and consultant team to develop a draft plan and preliminary recommendations that was brought to the full Board of Directors for discussion at the January 2019 meeting.

As described and presented at the January 10, 2019 meeting, the small vessel exploratory study identifies specific routes that are best suited for small vessel services and potential "pilot" routes where small boats could be used to test market potential for ferry service. The exploratory study envisions a fleet of up to eight small vessels in operation at full buildout. For purposes of the study, the consultant assumed that a small vessel is approximately 30 feet in length and capable of carrying up to 75 passengers. Similarly-sized vessels are currently in operation at the Port of Long Beach, where they are operated by a contract operator for Long Beach Transit. The vessels are assumed to be compatible with WETA's existing facilities, using a high freeboard that is therefore optimal for ADA accessibility. Such a vessel could also potentially operate at low freeboard marinas and docks with a temporary ramp structure to ensure accessibility is maintained. A key assumption in the study is that small vessels can be delivered in half the time it would take for larger vessels, approximately fifteen months for delivery. Actual vessel size and specifications would be developed as a part of any further analysis of the small vessel operating concept.

As part of the study, the consultant developed a series of small vessel implementation principles and service design guidelines to help focus the planning effort and guide future development of a small vessel fleet. Among the implementation principles proposed are that small vessels would be compatible with existing WETA facilities, adhere to WETA's ride quality standards, and be operated in a manner consistent with public transit service ensuring affordable fares, accountability, and integration with the regional transit network. Additionally,

the consultant proposed service design guidelines to define potential small vessel applications that are consistent with these implementation principles. Potential applications include operating small vessels to enhance existing services during periods of lower demand and providing local service consisting of short haul, high frequency routes.

Based on these implementation principles and service design guidelines, specific services that were identified through the study for an initial small vessel program include: connecting service to a new Mission Bay terminal from the San Francisco Ferry Building, service between a new Treasure Island terminal and the Ferry Building, and supplemental service during periods of reduced demand at central bay terminals such as Oakland, Alameda, Harbor Bay, South San Francisco, Richmond and San Francisco. In addition, the study recommends pursuing new or “pilot” projects with small vessels, as a way to test new markets or new service periods.

At a cost of approximately \$3 million per vessel for a conventional diesel vessel, the study estimates the proposed fleet of eight small vessels costing up to \$24 million. A small vessel berthing facility is projected to cost \$5 million and would ultimately be necessary for overnight storage of a new fleet of vessels. Operating expenses could total up to \$14 million annually at full buildout for the identified program.

### **Discussion**

The attached Small Vessel Exploratory Study Final Report presents a conceptual plan for developing a productive small vessel fleet for a near-term horizon of five years, as well as a concept for utilizing small vessels to launch pilot services in the future, as described above and discussed at the January 10, 2019, WETA Board of Director’s Meeting.

### **Next Steps**

Specific areas identified for further study and analysis prior to the WETA Board potentially taking separate, future actions to move forward to implement a small vessel program include developing vessel design standards and specifications for a WETA small vessel fleet, completing a detailed analysis of market demand and operating cost impact for Phase I services, and development of a funding strategy for vessels and services. These concepts are described in more detail below.

- 1. Develop performance standards and design specifications for small vessels compatible with WETA facilities that can meet the service demands for future Treasure Island, Mission Bay and Central Bay service.**

There are several options for small vessels based on size, speed, passenger capacity and propulsion system. WETA staff will work to develop more detailed performance standards which would support development of design specifications that can be packaged in a conventional procurement document for a shipyard to be able to construct small vessels.

The operational profile of the identified early small vessel services – Treasure Island and Mission Bay – may be compatible with hybrid-electric or, ultimately, all electric vessel technology. Further research into vessel design and operational criteria, including landside charging infrastructure would need to be completed to determine the near-term viability of utilizing alternative propulsion technology for these services.

**2. Develop more detailed analyses of market and operational conditions for future small vessel services recommended as a part of the initial service program in the study.**

The Small Vessel Exploratory Study was conducted at the concept level and did not estimate ridership, fares or potential service profiles for the services in question. This important next step will provide a more detailed estimate of the costs and benefits of implementing small vessel services and will provide options for fares and services that are necessary when starting any new service.

**3. Develop a funding strategy for capital and operating funds to support small vessel services.**

Given the uncertain nature of future Regional Measure 3 funding, it will be incumbent upon WETA to explore alternative funding options to support implementation of a small vessel program. This could come in the form of multiple funding sources and could be different for each service identified based upon the service and funding partners involved. For example, a solution for Treasure Island may not be available for Mission Bay. Both staff and Board members will need to consider funding options and explore programs outside of Regional Measure 3 if the small vessel program is to advance on an expedited time table.

Additionally, through discussions with the Advisory Committee and Board of Directors, other concepts identified for further consideration as a part of a second phase of follow-up work would include exploring the possibility of alternative delivery methods for services, further defining potential Phase II Small Vessel Pilot Program services and related system policies, and identifying options and opportunities for overnight berthing of small vessels as further described below.

**4. Explore the possibility of alternative delivery models, especially the concept of seeking an operator that will provide their own vessels.**

While the study assumed that small vessels would be developed consistent with WETA's current model of owning vessels and facilities while contracting with a private operator, there is a possibility that an alternative model can be pursued. One such model would turn to the private sector to provide the full program of vessels and services. This service delivery model differs from WETA's existing services, but could be pursued in the future related to new small vessel service, especially with the receipt of future flexible RM3 funds. WETA staff will research the potential cost and management benefits of this and other alternative delivery models.

**5. Develop and define Small Vessel Pilot Program and related service policies to serve as a guide for working with potential partner agencies in developing service proposals for Board consideration.**

One key recommendation in the Small Vessel Exploratory Study is to develop a Phase II Pilot Program, which would allow WETA to explore new and potential markets for a limited time. This would allow WETA to "test" the viability of a proposed service without sinking the significant capital cost required for terminal facilities and vessels. This concept program would have to be further defined with clear expectations defined for both WETA and potential partner agencies. While one pilot program specifically identified in the study is a San Francisco waterfront service, other options, such as integration of small vessels into a south bay service vision that includes hovercraft is another potential opportunity identified by WETA Board

members in January that could be considered or included as a part of a separate service study.

**6. Begin preparations for a small vessel berthing facility located somewhere in the Central Bay, preferably Alameda or San Francisco.**

There is currently not enough capacity at WETA's existing maintenance facilities to accommodate eight small vessels. As a result, the study work identifies the need for a small vessel berthing facility for the proposed 8-vessel fleet. Given that any such facility, if new, would take 3-5 years to develop based on right-of-way acquisition, permitting and design requirements work to scope out locations for such a facility would need to begin early on in the program development. Other options could include leasing slips at nearby marinas or facilities or, as identified in item 4, requiring the contract operator to provide vessel mooring (and maintenance).

**Fiscal Impact**

There is no fiscal impact with receiving the Small Vessel Exploratory Study Report. Follow-up work identified as next steps will require focused staff time and resources as well as marine engineering and planning consulting support over the next year. With Board approval of the next steps identified above, staff would include funds for this work in the FY 2019/20 Operating Budget.

\*\*\*END\*\*\*

**ATTACHMENT A**  
Water Emergency Transportation  
Authority  
**Small Vessel Exploratory Study**  
Final Report

Final | March 22, 2019

This report takes into account the particular instructions and requirements of our client.

It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

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Job number 261684

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**ARUP**

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# 1 Introduction

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The Water Emergency Transportation Authority (WETA) provides regional ferry service in the San Francisco Bay Area, with a focus on commute-oriented service to the downtown San Francisco Ferry Terminal. As a transit operator, WETA continuously explores opportunities to provide more efficient service to its current riders as well as investigating markets that may be good candidates for future ferry service. Understanding the potential for utilizing small vessels to deliver a wider variety of services more efficiently and potentially open new markets is the focus of this Small Vessel Exploratory Study.

WETA's 2016 Strategic Plan acknowledges the recent emergence of small vessel operators providing private charter or small public ferry services and the potential that WETA could partner with these operators or operate its own fleet of small vessels in the future. Strategic Plan Objective A.vi states:

*Outreach to private operators of ferry service and other transportation innovators to explore opportunities for collaboration in providing service to underserved or non-competitive markets.*

Not all potential new market locations are easily served by existing WETA vessels, and market demand for ferry service may not be high enough to warrant service with a standard WETA vessel. In addition, WETA desires to explore specific opportunities where small vessels may be feasible, including:

- Areas of low demand. There are cities where the demand may not yet be sufficient to warrant the capital and operating costs that go along with standard WETA mass transit and vessel facilities. A smaller vessel has the potential to match these low demand origins with a vessel and facilities that are less expensive.
- Periods of low demand. There are periods throughout the day when demand is lower than during peak commute period. Lower demand mid-day, late night, early morning or weekends may prove a good match for the use of smaller vessels if operationally feasible.
- Areas inaccessible by standard WETA vessels. Dredging is a barrier to ferry service in shallow areas given the draft of standard WETA vessels. It may be possible to introduce small vessel service to hard-to-access shallow areas as a means of providing direct ferry service or connecting service to larger WETA terminals.
- Short-term capacity relief. Especially in today's operating environment, WETA's service can often experience leave-behinds (passengers left at the terminal when the vessels carrying capacity is reached), particularly during peak periods or high-demand times of the year. Small vessels, serving as "backup" is another potential use for small vessels.
- Interim service. It can take anywhere from 5-7 years for a major new ferry terminal project to make its way through permitting, environmental and construction process. It may be possible that during this planning period WETA can offer service at existing small vessel facilities with small vessels in an effort to build the market while permanent facilities are being developed.



In this context of exploration, the study's purpose is to:

1. Understand if small vessels operating as WETA branded service – with the same operating practices as other WETA services – are feasible;
2. Determine which of the areas suggested for exploration, are the best fit for creating a small vessel fleet, and;
3. Develop a Small Vessel Conceptual Service Plan.

The analysis, findings, and recommendations of this study and the Small Vessel Conceptual Service Plan are described in this report.

## 2 Exploring Small Vessel Possibilities

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### 2.1 Small Vessel Definition

The U.S Coast Guard defines a small vessel as any “*small passenger vessel that is less than 100 gross tons, carrying more than 6 passengers including at least one of which is a passenger for hire, but less than 150 passengers or less than 49 passengers overnight*”<sup>1</sup>. From this definition the study worked to identify a vessel size that best represents the study's purpose and goals.

WETA's average vessel size is about 270 passengers and will increase over the next few years as larger vessels replace smaller vessels and existing vessels are retrofitted to increase capacity. To focus on the benefits of small vessels, the study's Advisory Committee eliminated 149 passenger vessels from consideration, as WETA has already phased that size out from its fleet. A review of eight currently operating small vessel services led to consideration of the Long Beach Transit water transit service as a peer service for the study. The service operates the AquaLink II, a 25-knot catamaran, with a capacity of 74 passengers and a crew of two. This vessel has operated successfully in Long Beach for seven years. This vessel was deemed to be an acceptable proxy size for purposes of the study. Aside from its passenger capacity, the AquaLink II is approximately 65 feet long and 24 feet wide and uses two 610 horsepower engines operating at 2300 revolutions per minute. The route it operates on is about five miles long.

### 2.2 Small Vessel Assumptions

The Advisory Committee determined that a 75-passenger vessel was an appropriate size to assume for the purposes of the study. The 75-passenger size balances passenger comfort, crew requirements, capacity and proven performance for the analysis.

Once the vessel size was determined, other study assumptions were finalized, including:

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<sup>1</sup> U.S. Coast Guard Sector New York Prevention Department Vessel Inspection, Small Passenger Vessel Guide

1. Vessels operate on a fixed schedule
2. Vessels are owned by WETA<sup>2</sup>
3. Vessels are designed to attain required emission standards
4. Vessels and facilities are compliant with Americans with Disabilities Act (ADA) requirements
5. Vessels operate as public transit, using WETA's existing facilities and contract operators
6. New service must have market accessibility (landside connections)
7. New service must incorporate universal design elements

Working with WETA Staff and the Advisory Committee the study defined assumptions for what is not considered as part of the small vessel analysis:

1. Unscheduled service (i.e. water taxis)
2. Excursion service
3. Service requiring new or separate dock facilities

Market accessibility considers the ability for small vessels to serve existing markets in a certain niche (for example, early morning or midday) and open up promising but untested markets with pilot projects. Most of these emerging markets will be focused on terminals with dense development adjacent to a potential terminal.

Universal design considers not just disabled access requirements, but also ferry and transportation terminal best practices, including good passenger flow, intuitive paths of travel, good wayfinding and signage and well-design connections to other transit services. This creates a positive, recognizable passenger experience for both first time or regular customers.

Lastly, the study assumed the capital cost for a new small vessel is approximately \$3 million dollars.

The study assumptions create a common baseline from which alternatives can be comparatively analyzed and assessed. Actual vessel size and specifications and refined costs would be developed as a part of any further analysis of the small vessel operating concept.

## 2.3 Small Vessel Benefits

Small vessels have lower capital cost compared to vessels in WETA's current fleet and can be delivered sooner due to their reduced fabrication footprint.<sup>3</sup> As a result, small vessel service can

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<sup>2</sup> Future work could consider alternate models using non-WETA owned vessels

<sup>3</sup> The study verified that small vessel delivery can be faster than conventional vessels, based on a review of other small vessel orders in North America. The study assumes 15 months as reasonable estimate from placement of order to delivery. A prototype vessel built by Vigor (formerly Kvichak Marine Industries ) and based on an Incat Crowther licensed design currently costs approximately \$3 million. Several shipyards in the US can fabricate this vessel type using existing and proven designs, including yards in Puget Sound, on the Gulf Coast, and in New England.

theoretically begin on an accelerated schedule compared to new service using current WETA vessels. However, this is dependent on the condition of the landside facilities on the route.

When considering market characteristics, small vessels could allow for ferry service to waterfront areas inaccessible to larger WETA vessels, if a ferry service can be provided in a financially sustainable fashion (where passenger demand balances with vessel size and capital costs can be justified). In addition, in emerging or new markets, where demand is promising but untested, small vessels could provide a low-cost opportunity to initiate service at less risk than a full-sized vessel.

On existing routes, smaller, less costly vessels could allow for a better match of service with demand, particularly during off-peak periods, when demand is significantly lower. This allows for “policy-headways” to be provided at lower cost than larger vessels. In theory, this should provide better service to passengers at similar or lower costs to WETA.

A final benefit of small vessels could be their use as smaller-sized spare vessels that can substitute effectively for larger vessels in the midday but at a lower capital cost than required large-sized spares. With a smaller crew size, the small vessels can be operationally available and crewed at all times (i.e., hot-spare) allowing quick dispatching to replace disabled vessels.

## 2.4 Small Vessel Costs

The average WETA operating cost-per-hour for a typical 270 passenger vessel is approximately \$81 per mile. This is equivalent to an hourly cost of approximately 30 cents per seat per mile (seat mile)<sup>4</sup>.

The typical operating cost of a small vessel assumes:

- 2- person crew
- Standard maintenance and fuel costs based on horsepower ratings
- Vessel fixed costs (i.e., annual inspections, certifications, etc.)
- WETA overhead

The hourly cost for a small vessel is estimated to be approximately \$36 per mile, which equates to approximately 48 cents per seat mile.

The hourly cost per mile to operate a smaller vessel is approximately 45% of the cost to operate the average WETA vessel, however the smaller vessel can only carry approximately 28% of what the average WETA vessel can carry. As a result, the hourly operating cost per seat mile for the small vessel is 60% higher. Despite the higher per seat operating cost for the small vessel, it

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(The study noted that some vessels are available for-hire currently, although identifying the condition and appropriateness of the vessel was beyond the scope of the study).

<sup>4</sup> Cost per seat mile is the cost to operate the vessel one mile divided by the number of seats. As an example, if a vessel has 75 seats, and the cost to operate the vessel is \$36 a mile, then the cost per seat mile is  $\$36/75 = 48\text{¢}$  per mile; if the trip is 10 miles long, the cost per seat per trip is \$4.80. The difference in the fare charged less the empty seats is equal to the profit (or loss).

may be more beneficial to use small vessels to serve markets that cannot be efficiently served by larger vessels or where demand is limited.

For markets where passenger demand is less than 150 passengers per peak hour, it is more cost effective to operate the small vessels. If peak hour demand is more than 150 passengers per hour, then operating larger vessels is generally more cost effective.

Where demand is less than 150 passengers per hour and there is a policy mandate to have attractive service frequencies (15-20 minutes per hour), then small vessels may be a better overall option as passengers benefit from better service and WETA has potentially lower cost and higher revenues.

One example of this circumstance is the midday Alameda/Oakland to San Francisco service. The current ferry service carries between 35 to 100 passengers per trip between 10am and 2pm, operating four trips on an irregular schedule. The midday service totals 4.5 vessel hours with an “average” operating cost of \$6,500. There are approximately 250 passengers generating \$1,500 in fare revenue (leaving a required subsidy of about \$5,000). Substituting this service with two small vessels for the four midday trips would increase service to eight trips and reduce operating costs by about 10 percent while doubling service. Ridership would also likely increase because of increased service. As ridership increases to the 150 passengers per hour threshold, the subsidy would drop substantially.

The Alameda/Oakland midday service is one example of how implementing small vessels to match lower off-peak demand can reduce operating cost and increase ridership. The Small Vessel Conceptual Service Plan looks to apply this approach to other existing routes or potential new ferry services under consideration in the Bay Area.

### 3 Building the Small Vessel Plan

The process for determining if a market or route is a viable candidate for small vessel service requires considering several elements. The elements considered are:

1. Does the route meet the WETA Strategic Plan Mission and Vision Statements?
2. Does the route meet the study's Implementation Principles?
3. Does the route meet the study's Service Design Guidelines?
4. What are the performance metrics to monitor routes once implemented?

#### 3.1 WETA System Expansion Policy

Any new small vessel service also needs to comply with WETA's overall system expansion policy guidelines. The policy statements are summarized in Table 1. The policy statements have not been modified to reflect the characteristics unique to small vessel service.

**Table 1: WETA System Expansion Evaluation Measures**

Principle	Description
Service Design	<ul style="list-style-type: none"> <li>• New service begins at origin terminals offering commute-period service to nearby cities. For commute-only origin terminals, a minimum level of service would be defined as two peak-direction trips in both AM and PM commute periods.</li> </ul>
Service Metrics	<ul style="list-style-type: none"> <li>• Passengers per revenue hour (commute-only): 75% of vessel capacity (56 passengers)</li> <li>• Passengers per revenue hour (all-day): 100 passengers</li> <li>• Farebox recovery: 40%</li> <li>• Peak hour average occupancy: 75%</li> <li>• <i>No "leave-behinds"</i></li> </ul>
Vessels	<ul style="list-style-type: none"> <li>• Ensure good ride quality and avoid seas leading to seasickness.</li> <li>• High reliability of good ride quality with very few canceled trips due to sea-state conditions.</li> </ul>
Terminal/Infrastructure	<ul style="list-style-type: none"> <li>• Must be consistent with WETA's current interchangeable infrastructure.</li> </ul>
Subsidy	<ul style="list-style-type: none"> <li>• New ferry projects must demonstrate that there is a stable, dedicated source for an operating subsidy for a minimum period of ten years.</li> </ul>
Labor Standards	<ul style="list-style-type: none"> <li>• WETA standard labor provisions and pay scales apply to small vessel operations</li> </ul>

## 3.2 Small Vessel Implementation Principles

Specific to the Plan, the study developed a set of Implementation Principles to guide potential small vessel implementation within the WETA context. WETA's practice is to own its vessels and contract for service. Under this model, WETA assumes the risks of fare revenue and the overall budget, but operational tasks are within the private operator's responsibility.

WETA currently has one operator for its fleet. Small vessels may be folded into that contract or other service delivery options could be considered subject to further study and potential discussion and approval of the WETA Board.

The Implementation Principles identify a set of criteria for assessing the viability of potential small boat services that is consistent with current WETA policy and are shown in Table 2.

**Table 2: Implementation Principles**

Principle	Description
Facility Compatibility	<ul style="list-style-type: none"> <li>Reduce potential infrastructure costs and ensure ADA accessibility</li> <li>Deploy as component of WETA's Emergency Operations Plan</li> </ul>
Grow fleet incrementally	<ul style="list-style-type: none"> <li>Develop procurement and funding schedule</li> <li>Identify berthing space locations</li> </ul>
Faster vessel delivery	<ul style="list-style-type: none"> <li>Initial delivery of three (3) vessels for Phase I service</li> </ul>
Maintain ride quality standards	<ul style="list-style-type: none"> <li>Maintain ride quality for customers, particularly those on longer distance routes</li> <li>Ensure service reliability due to wave conditions and inclement weather (including high winds)</li> </ul>
Public transit model	<ul style="list-style-type: none"> <li>Maintain seamless integration for public access and interaction</li> <li>Consistency with regional fare and transit network</li> <li>Promote accountability as a public agency</li> </ul>
Cost Effective	<ul style="list-style-type: none"> <li>Certain services are more cost effective when served with small vessels rather than existing WETA vessels</li> <li>Capital project implementation is faster, less expensive</li> </ul>
Hot Spares	<ul style="list-style-type: none"> <li>Provide on-demand back up as needed</li> </ul>

## 3.3 Small Vessel Service Design Guidelines

Consistent with the Implementation Principles, the study developed Service Design Guidelines that characterized the types of services that would generally be considered viable for small vessels. These guidelines were developed in consideration of existing WETA service strategies, to enhance existing services and expand to new markets, as set forth in WETA's Strategic Plan.

Three service design guidelines were initially identified and following review with WETA Staff and the Advisory Committee, two were carried forward. The two service design guidelines, directed by the implementation principles, focus on using small vessels to build around the current ferry network to provide improved service to customers. The service design guidelines ensure that small vessel routes can be seamlessly integrated within the existing WETA network.

**Table 3: Small Vessel Service Design Guidelines**

Guideline	Description
Enhance Existing Service	<ul style="list-style-type: none"> <li>• Extend existing service hours for early morning or late evening periods of lower demand</li> <li>• Replace larger vessels on trips during the mid-day</li> <li>• Fill schedule gaps</li> <li>• Provide weekend service on routes with lower weekend demand</li> </ul>
Provide Local Service	<ul style="list-style-type: none"> <li>• Short haul trips that provide high levels of frequency</li> <li>• Provide high ride quality trips meeting WETA standards</li> <li>• Feeder service for regional routes</li> <li>• Enables substitution for larger vessels to be used on higher demand routes or to supplement during peak periods</li> </ul>
<i>Service Design Guideline Considered but Discarded</i>	
Peak-of-the Peak Supplement	<ul style="list-style-type: none"> <li>• Strategic insertion of a small vessel run on an existing service during the peak-of-the-peak period</li> </ul>

### 3.4 Performance Metrics

Once a small vessel route is implemented, WETA will monitor the route's performance against a set of metrics. These performance metrics are on par with those WETA currently uses to measure performance of its existing fleet. The metrics will be subject to further development, and could include:

- Service hour occupancy
- Passengers per revenue hour
- Passengers per seat mile
- Farebox recovery
- Leave behinds

## 4 Route Building & Refinement

The study focused on a preliminary list of potential routes to be considered as potential small vessel services. The potential routes covered a variety of markets, including new and existing, and of varying distances. Table 4 shows the potential routes, organized by distance.

**Table 4: Potential Small Vessel Routes by Distance**

Distance	Route
Short (1-5 miles)	San Francisco – Mission Bay San Francisco – Treasure Island Oakland Estuary San Francisco Waterfront
Medium (6-14 miles)	Benicia – Vallejo San Francisco – Central Bay
Long (+15 miles)	San Francisco – Redwood City San Francisco – Vallejo San Francisco – Antioch/Martinez

The study screened these potential routes based on the Implementation Principles set forth for small vessel services to assess their potential viability. Table 5 summarizes the results of those that were considered but rejected.

**Table 5: Routes Screened with the Implementation Principles**

Routes	Design Guidelines		
	Facility Compatibility	Ride Quality	Cost Effective
Benicia – Vallejo	-	+	-
Oakland Estuary	-	+	-
SF – Redwood City	-	-	-
SF – Vallejo	+	-	-
SF – Antioch/Martinez	-	-	-
San Francisco Waterfront	-	+	-

- Does not meet implementation principles

+ Meets implementation principles



The remaining routes satisfied the implementation principles to move forward in the conceptual plan process. Those routes were then screened against the service design guidelines. The results are shown in Table 6.

**Table 6: Routes Screened with the Service Design Guidelines**

Routes	Design Guidelines	
	Enhance Existing Services	Provide Local Service
SF – Mission Bay	+	+
SF – Treasure Island	-	+
SF – Central Bay	+	+

+ Meets design guidelines

- Does not meet design guidelines

The study did not require that routes meet both service design guidelines to be considered for implementation. The result of the screening exercise suggested that small vessels have a role in the overall WETA mission, but that the role is limited and specific, with limitations on broad deployment. Against the Implementation Principles, these considerations included:

- **Ride Quality:** Acceptable ride quality cannot be assured on longer distance routes due to the probability of an unacceptable number of canceled trips due to sea state conditions. (SF-Vallejo, SF – Redwood City, SF – Antioch/Martinez were all dropped from consideration.
- **Grow fleet incrementally:** On unproven or high risk short routes, such as the San Francisco waterfront services, operating service at optimal levels to maintain service reliability and service speed would likely be at costs significantly greater than other options. These routes could be considered further in select pilot projects.
- **Cost Effective:** Select short routes and most medium length routes are well suited to small vessel implementation, as they currently lack consistent midday services due to the higher cost of larger vessels. In these cases, either high ridership and lack of good alternatives or significant cost savings coupled with better passenger service warrant small vessel deployment. However, in some cases, short routes are uncompetitive, such as the Oakland Estuary feeder route and the Benicia-Vallejo route. Neither service offered a clear cost competitive advantage relative to existing transportation options.

The study found that at an hourly demand of approximately 150 passengers per peak hour small vessels save money compared to operating larger vessels. This would generally be on any route, regardless of route distance or time of day. An exception to using cost efficiency as an implementation principle may be on the future Treasure Island route – which has a projected peak hour demand greater than 150; however, in the midday the forecast ridership is less than 100 per hour. Small vessel service may be a better option to deploy on this route despite the greater peak hour costs because it can offer higher frequency service compared to WETA’s larger vessels throughout the day. From a customer perspective, a choice between a service with 15-minute frequencies on small vessels compared to 30-minute frequencies on a larger boat would likely be with the higher frequency. In this instance, potentially higher operating costs would be balanced against providing higher frequency service.

## 5 Small Vessel Conceptual Service Plan

The Small Vessel Conceptual Service Plan is a strategy that:

- Identifies small vessel market opportunities and service niches meeting study-developed Implementation Principles and Service Design Guidelines
- Crafts routes and services from the initial screening results
- Builds a conceptual plan around a two-phase development process

The near-to-midterm opportunities focus on capturing small vessel efficiencies and service improvements on:

- Central Bay early morning, midday and late evening small vessel substitutions, allowing more service deployed with higher seat occupancies.
- “Local Services” where small vessels are correctly sized to meet demand and still provide high levels of service and short distance routes and local waterfront services.
- Select deployment on weekends where small vessels can provide services on weekday routes and at higher seat occupancies.
- Provision for “hot spares” to supplement larger vessels due to overcrowding or substitute for larger vessels due to maintenance or other vessel issues.

Phase I implementation plan delivers service for three markets initially:

- Supplementing SF – Central Bay off-peak services
- Extending service to Mission Bay
- Implementing new service to Treasure Island

Phase II introduces a fourth element – pilot projects – as an opportunity for WETA to continually test new markets, services, or routes. The pilot projects will commence once there are sufficient number of vessels to deploy and program parameters have been developed.

### 5.1 Phase I Service Plan

The Phase I service plan is comprised of three elements:

1. Supplementing SF – Central Bay service during early morning, midday and late evening service times

2. Extending service to Mission Bay
3. Implementing new service to Treasure Island

For Central Bay service, small vessels can be substituted for larger vessels on the Alameda/Oakland to San Francisco ferry service. Two small vessels provide 30-minute service frequencies between the Ferry Building and Alameda/Oakland during the 5am to 6am service hour, between 10am and 2pm and then after 8pm.

The Ferry Building to Mission Bay service requires one small vessel and provides 30-minute service, with an effective peak service of 15-minute service using large vessels that currently terminate at the Ferry Building and are slotted into the Mission Bay Schedule.

New Treasure Island service would use two small vessels on a 20-minute frequency all day between the San Francisco Ferry Building and Treasure Island. Table 7 shows the details of Phase I.

**Table 7: Phase I Service Plan**

Phase	Route	Service Frequency (min)	Vessels Required	Annual Operating Expense
I	SF – Central Bay	30	2	Marginal increase
I	SF – Mission Bay	30	1	\$3 million
I	SF – Treasure Island	20	2	\$8.5 million

## 5.2 Phase II Service Plan

The Phase II service plan adds three additional small vessels to be available for pilot projects or use as “hot spares”, or as circumstances warrant. Table 8 shows the Phase II service plan.

**Table 8: Phase II Service Plan**

Phase	Route	Service Frequency (min)	Vessels Required	Annual Operating Expense
I	SF – Central Bay	30	2	Marginal increase
I	SF – Mission Bay	30	1	\$3 million
I	SF – Treasure Island	15	2	\$8.5 million
II	Pilot Projects	N/A	3	\$2 million

## 5.3 Draft Fleet Plan

The combined Phase I & II service plans are combined into the draft fleet plan shown in Table 9.

**Table 9: Draft Fleet Plan**

Phase	Route	Number of Assigned Vessels	Annual Operating Expense	Capital Cost
I	SF – Central Bay SF – Mission Bay SF – Treasure Island	5	\$11.5M	\$15M
II	Pilot Projects	3	\$2M	\$9M
Infrastructure Support	Small Vessel Berthing Facility			\$5M
Total All Phases & Infrastructure Support		8	\$13.5M	\$29M

The preliminary operating cost estimate for the full program is approximately \$13.5 million, not including fare revenue. The capital cost is estimated to be \$29 million, including vessels and modular terminal facilities that enhance or enable the pilot projects.

## 6 Conclusion

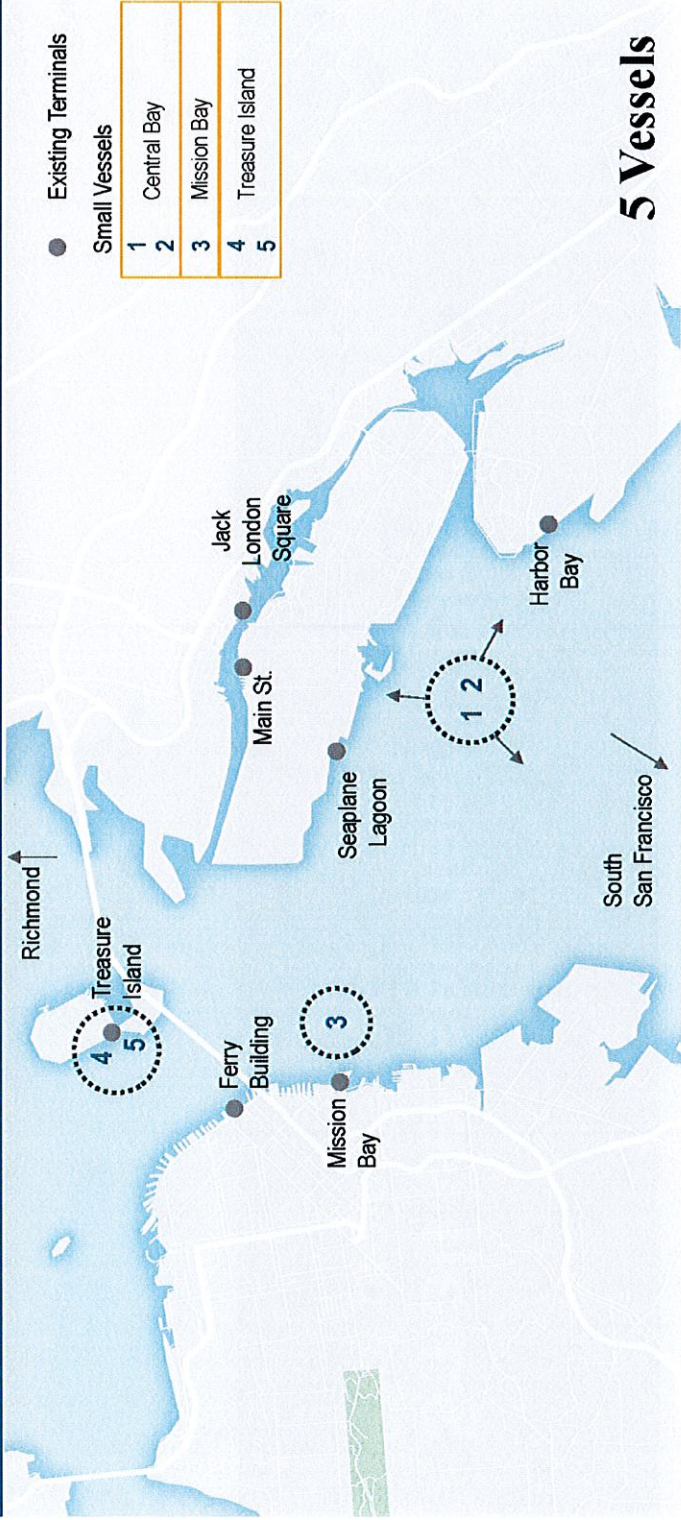
The Small Vessel Concept Plan provides a framework for developing a new small vessel fleet and service. The routes and markets identified as potential candidates for the small vessels are a first phase toward developing more detailed information and analysis on where small vessels can be successfully deployed within the WETA network. Next steps in this work would include developing more detailed analysis of market and operational conditions for future small vessel services identified in the study, developing small vessel performance standards and design specifications and developing a funding plan for the program of projects.

## Appendix A

### Service Plan Maps

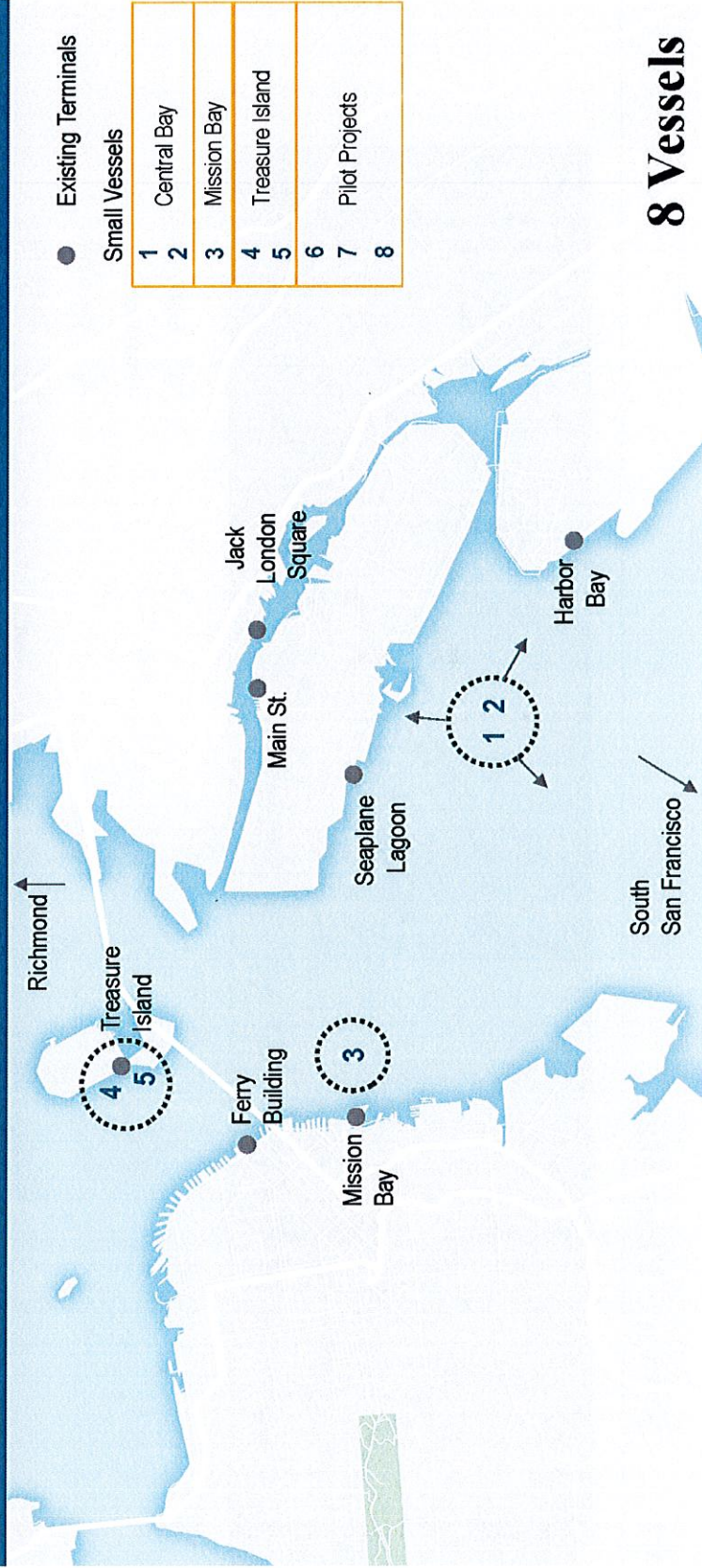
## A1 Service Plan Maps

**Small vessel fleet – Phase I**  
**Central Bay: Early morning, midday, late night, weekend**  
**Mission Bay: 30 minute service**  
**Treasure Island: 15 minute service**



# Small vessel fleet – Phase II

## Pilot projects



**MEMORANDUM**

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**TO: Board Members**

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

**SUBJECT: Treasure Island Project Update**

**Recommendation**

There is no recommendation with this information item.

**Background**

WETA and its predecessor WTA began collaborating with the Treasure Island Development Authority (TIDA) and the San Francisco Mayor's Office of Economic and Workplace Development on the Treasure Island project in 2003, shortly after Treasure Island Community Development (TICD) was selected as the master developer for the island. The first transportation study was developed in 2005, which proposed significant levels of ferry service operated by WETA. A second study was released in 2009, again assuming WETA-operated ferry service. These studies would form the basis for the project draft Environmental Impact Report (EIR), released in 2010. The final EIR includes requirements that the developer would construct a ferry terminal on the west side of the island and provide an annual subsidy to help pay for transit service on and off the island. Also in 2009, WETA worked closely with TIDA and SFMTA to secure grant funds and hire a design consultant to prepare a concept design for the TI ferry terminal on behalf of the City. In 2011, the *Treasure Island Transportation Implementation Plan* (TITIP) was developed consistent with the requirements of the EIR. That plan proposed a financial structure that assumed revenues from tolls and parking fees on the island would help pay for transit services such as buses to the east bay, on-island shuttles and WETA ferry service to San Francisco. A preliminary Memorandum of Understanding (MOU) concept was drafted by TIDA staff defining the terms and conditions for the development and operation of new Treasure Island ferry service in February 2011. This served as the basis for conversations between TIDA and WETA staff regarding the delivery of this future service.

After the release of the 2011 TITIP, the San Francisco Board of Supervisors approved a resolution designating the San Francisco County Transportation Authority (SFCTA) as the Treasure Island Mobility Management Agency (TIMMA), the agency mandated by state legislation to implement the TITIP. Since the SFCTA has assumed its role as TIMMA, WETA has continued to meet with TIMMA staff and participate in ongoing transportation studies, fare and pricing studies and financial planning efforts. In addition, WETA participated in the design effort for the new terminal on Treasure Island, led by the developer's marine engineers. In 2015, a new MOU structure was proposed by WETA that is consistent with WETA's standard MOU format in an effort to come to a mutual understanding with TIMMA concerning terms and conditions for operating the Treasure Island ferry service. Recently, TIMMA and its board has explored the possibility of using private operators for ferry service and introducing ferry service early, prior to the required date that will be triggered by development. WETA continues to meet with and collaborate with the TIMMA staff as it continues to plan for transportation on Treasure Island.



**Discussion**

At the February 2019 Board meeting, TIMMA staff presented an update on the Treasure Island development project and efforts to improve transportation for current and future Treasure Island residents. Some of the highlights of that discussion:

- TIMMA is targeting 2021 to begin limited initial ferry service to Treasure Island
- The Treasure Island developer is responsible for funding and constructing a new ferry terminal and is targeting completion for Fall 2021
- TIMMA, not the developer, is responsible for funding ferry operations and vessel costs through fees generated by tolls and parking revenues, as stated in the 2011 TITIP
- TIMMA is working on a tolling plan for approval this coming summer, and is concerned that it will not be sufficient to cover the full program of planned transportation improvements, including ferry operating costs and vessel purchase or lease costs until 2025-2026
- TIMMA and the developer are considering private operators to operate limited initial ferry service beginning in 2021
- TIMMA would like to partner with WETA to pursue grants for vessel procurement and ferry operating funds

Since the February Board meeting, staff members from TIMMA and WETA have met on two occasions to discuss potential options for early introduction of ferry service to Treasure Island. WETA and TIMMA staff have worked to analyze and compare operating costs for WETA and private providers and preliminarily concluded that WETA costs are on par with TIMMA's understanding of the potential private operator costs. WETA staff has identified a small vessel procurement timeline to help ensure that TIMMA is aware of the lead-time necessary to meet a service target start date of fall 2021.

The next step in this discussion is to develop a MOU that identifies roles and responsibilities along with a strategy for bringing WETA service to Treasure Island as early as Fall 2021. A key companion effort to Treasure Island ferry service is WETA's small vessel program as small vessels have been identified by both WETA and TIMMA as the appropriate application for initial Treasure Island ferry service.

WETA and TIMMA staff will provide a verbal update of the Treasure Island discussions at the April board meeting.

\*\*\*END\*\*\*