

Members of the Board

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

**SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING
Thursday, January 9, 2020 at 1:30 p.m.
Port of San Francisco
Pier 1
San Francisco, CA**

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

AGENDA

1. CALL TO ORDER – BOARD CHAIR
2. PLEDGE OF ALLEGIANCE/ROLL CALL
3. REPORT OF BOARD CHAIR **Information**
4. REPORTS OF DIRECTORS **Information**
Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.
5. REPORTS OF STAFF **Information**
 - a. Executive Director’s Report on Agency Projects, Activities and Services
 - b. Monthly Review of Financial Statements
 - c. Legislative Update
6. CONSENT CALENDAR **Action**
 - a. Board Meeting Minutes – December 12, 2019
7. APPROVE CONTINUATION OF RICHMOND SUMMER WEEKEND SERVICE IN 2020 **Action**
8. APPROVE CONTINUATION OF ENHANCED HARBOR BAY AND SOUTH SAN FRANCISCO SERVICES **Action**
9. UPDATE ON TIDELINE MARINE GROUP’S PRIVATE CHARTER SERVICE FROM SOUTH SAN FRANCISCO TO HARBOR BAY **Information**
10. MISSION BAY FERRY LANDING PROJECT UPDATE **Information**

**Water Emergency Transportation Authority
January 9, 2020 Meeting of the Board of Directors**

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| 11. <u>TREASURE ISLAND FERRY SERVICE PROJECT UPDATE</u> | <i>Information</i> |
| 12. <u>UPDATE ON REGIONAL MEANS-BASED FARE DISCOUNT PILOT PROGRAM AND FARE COORDINATION AND INTEGRATION STUDY</u> | <i>Information</i> |
| 13. <u>PUBLIC COMMENTS FOR NON-AGENDA ITEMS</u> | <i>Information</i> |

ADJOURNMENT

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

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

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

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

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

M E M O R A N D U M

TO: WETA Board Members

FROM: Nina Rannells, Executive Director

DATE: January 9, 2020

RE: Executive Director's Report

CAPITAL PROJECT IMPLEMENTATION UPDATE

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 approved a contract award to Dakota Creek Industries for vessel construction.

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.

The first vessel, the MV *Pyxis*, entered service on March 1, 2019. The second vessel, the MV *Vela* entered service on August 28, 2019. The third vessel MV *Lyra* is nearing completion, sea trials are scheduled for March 2020 and delivery to the Bay Area will follow shortly thereafter.

Two New Commuter Class Vessels

This project will construct two mid-size high-speed passenger vessels with the versatility to support WETA's diverse system of routes and facilities constrained by vessel size and water depth. On March 1, 2018, the Board approved a contract award to Glosten for Construction Management Services to support vessel construction. On October 4, 2018, the Board approved a contract award to Mavrik Marine, Inc. for construction of an initial vessel and on December 10, 2019 approved construction of a second, optional, vessel.

Keel laying and construction of the first vessel commenced on December 18, 2018. Workmanship is very good and Mavrik is using established procedures to meet WETA's expectations for quality. Hull plating and welding is mostly finished and the superstructure is being sandblasted, coated and painted. Insulation, plumbing and wiring work is in process and propulsion components are being prepared for installation. All major equipment has been ordered and there are no concerning long lead items left to be purchased. Final delivery is scheduled for June 2020. Construction of the second vessel will begin in early spring 2020 with the vessel expected to be completed in summer 2021.

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, 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 in the first quarter of 2020. Gates F & G are complete and WETA service has been fully transitioned from existing Gate E to the new gates. The gangway and float for Gate E were removed in April and are in the process of being reinstalled at the terminal. 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. Staff is working on plans for a terminal opening in March 2020.

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, establishing roles and responsibilities for the joint development of this project. Staff has worked together with Port staff and their consultants on initial design and environmental testing activities. The environmental document, final design and permitting are complete.

In April 2019, the Port requested that WETA commit \$25 million of its future Regional Measure 3 funds to support terminal construction, estimated to cost approximately \$40 million, in order to fully fund project construction. WETA will need to consider authorizing moving forward to request a Letter of No Prejudice from the Metropolitan Transportation Commission for these funds in the coming months as the Port prepares to advance construction of this new terminal to meet the 2020 in-water work windows.

In October 2019, the Port released a Request for Proposals for a Construction Manager/General Contractor-at-risk contract structure. The Port anticipates awarding the initial pre-construction contract by February 2020. In addition, in support of the eventual service, staff is working to develop an application for state Transit and Intercity Rail Capital Program (TIRCP) funding to build a small all-electric ferry that could be operated as a shuttle to move people between the downtown ferry building and the new Mission Bay Ferry Landing.

The Board received a presentation on this project at the June 2019 meeting. Port staff will attend the January 2020 Board meeting to provide an update on the project construction activities and timeline.

Oakland Athletics Howard Terminal Stadium Proposal

WETA staff has met on a few occasions with the Oakland Athletics organization (Athletics) and the Howard Terminal stadium development team. WETA submitted a comment letter during the scoping phase for the anticipated Environmental Impact Report (EIR) identifying terminal capacity limitations at the existing Jack London Square terminal in Oakland for consideration during the EIR process. The Athletics are currently assuming that existing commute-period ferry service will satisfy the demand from San Francisco.

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 contracted with Marcy Wong Donn Logan Architects to complete the final design of the ferry terminal.

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 September 2018 the Board authorized a commitment of \$2 million to the project to close a funding gap and keep the project on schedule for construction. Alameda Point Partners (APP) has begun construction on the overall Site A project and a groundbreaking for construction of the new Seaplane Lagoon terminal took place on September 12. The terminal float is currently being installed at the terminal location by Power Engineering. WETA staff is working with APP and City staff to support the construction effort and to develop plans for new service. The WETA Board and Alameda City Council adopted an Operating Agreement in December 2019 that supports transfer of the terminal waterside assets to WETA upon completion and new service start-up in August 2020. Staff is working to develop a marketing and communications plan to support the new Seaplane service and related changes to the Alameda/Oakland estuary services.

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.

Redwood City is leading the 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 and has entered into an agreement with the San Mateo County Transportation Authority to develop and adopt the Feasibility Study and Business Plan. The feasibility study, which kicked off in February 2019 with a meeting that included a consultant team and staff from the City and Port of Redwood City along with WETA, is expected to be complete by June 2020. Concurrent with this activity, Redwood City, the Port of Redwood City and WETA staff are developing a project MOU for future Board consideration in early 2020 that defines agency roles and responsibilities for working together to advance the feasibility study and potential future terminal planning and development.

Berkeley Ferry Terminal

The proposed Berkeley service will provide an alternative transportation link between Berkeley and downtown San Francisco. In July 2019, the City of Berkeley (Berkeley) and WETA executed a MOU to proceed with the planning phase of this project, which will include a study to evaluate the feasibility of constructing a dual-use pier facility at or near the Berkeley Municipal Pier that would serve as both a ferry terminal and public access space. Upon completion, the findings of the study will be presented to the Board and City Council for consideration,

consistent with the terms of the MOU. The City of Berkeley has contracted with GHD to support the study which is expected to require 18 months to complete. WETA and Berkeley are involved in feasibility study activities, including evaluation of landside and waterside options for developing a terminal at the existing recreational pier site on the Berkeley waterfront.

Treasure Island Ferry Service

WETA has worked with City of San Francisco staff for 10+ years to support development of the Treasure Island ferry terminal and service in conjunction with the City of San Francisco's efforts to develop the island. 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 the developer - has committed to implementing new ferry service between Treasure Island and downtown San Francisco consistent with the 2011 Treasure Island Transportation Implementation Plan.

Staff from SFCTA/TIMMA provided an update on the project and the transportation plan at the February and April 2019 Board meetings, indicating that they hoped to advance the start of ferry service to 2021. At these meetings, SFCTA staff indicated that they did not think that the planned transportation program funds to be provided through a new Treasure Island toll program, parking fees, fare revenues and developer subsidy would be sufficient to fully cover the cost of their planned transportation program, including ferry service - especially in the early years - with the 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 limited ferry service during the early years that would be funded by the developer. SFCTA previously indicated that it was working toward a toll measure for TIMMA Board consideration in summer 2019, but this work has been deferred to 2020. In the meantime, the developer began construction of the ferry terminal in September 2019. WETA staff has been coordinating review of the terminal under construction with the Treasure Island developer to ensure that WETA vessels will be able to land at this terminal. In addition, staff has been coordinating with SFCTA to develop an application for state TIRCP funds to build a small all-electric ferry that could be operated on this route. SFCTA staff will provide a project update at the January 2020 Board meeting.

SYSTEM PLANS/STUDIES

Hovercraft Feasibility Study

This study will broadly consider the feasibility of operating hovercraft on San Francisco Bay as part of the WETA water transit system. A Hovercraft Stakeholder Committee will be assembled, comprised of hovercraft industry representatives, advocates from Bay Area public policy groups, environmental organizations and maritime industry representatives to guide the study. Staff will also convene a Hovercraft Technical Advisory Committee to review and provide input on preliminary results of the study. On September 5, the Board of Directors authorized a contract award to AECOM and staff has subsequently executed a professional services agreement for the study. Staff met with AECOM in early October to kick-off the study, which is anticipated to require 12 months to complete. The initial task for the consultant team is to review WETA's 2011 Study and update areas such as technology, environmental performance and costs. Those results are expected in early 2020 and will be brought forward for Board review and discussion.

Fare Program Renewal Study

WETA's current fare program was adopted in 2014 to promote consistent fare structures and implement small fare changes on an annual basis to ensure that WETA fares kept pace with the cost of inflation. As WETA's current fare program ends this fiscal year, a new program will need

to be adopted to continue implementing annual fare changes in future fiscal years. WETA has contracted with Four Nines Technologies to provide consultant services to support development of a new multiyear fare program. In October, staff presented a set of preliminary goals and objectives for the renewal of WETA's fare program at the Board meeting. Staff anticipates presenting a proposed fare program to the Board in February alongside a request to initiate public outreach efforts with the goal of having a new fare program approved in April 2020 for July 1, 2020 implementation.

Short Range Transit Plan

The Metropolitan Transportation Commission (MTC) requires each transit operator receiving federal transit funding to prepare, adopt, and submit a Short Range Transit Plan (SRTP) outlining its public transit services and related operating and capital costs and projects over a ten-year projection period. These plans are used to verify compliance with various federal requirements and to validate system capital rehabilitation and replacement projects and needs submitted for funding through separate MTC and Federal Transit Administration grant processes. Pursuant to MTC requirements, staff has begun preparing an updated SRTP for FY 2019-20 to FY 2028-29. In November, an informational item of the SRTP update was provided to the Board. Staff anticipates presenting a draft of the updated SRTP to the Board in February 2020 with a request to authorize release of the plan for public input.

FASTER Bay Area Program Development

WETA's Executive Director and Planning & Development Manager are participating in a coordinated effort with the Bay Area's large transit operators to develop a program approach and projects for consideration for inclusion in the potential future FASTER Bay Area funding initiative. The Board was provided an overview of this initiative at the September meeting. Staff work to support development of the framework for the potential future measure and inclusion of WETA's program is ongoing.

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:

- Staff included some funds in the FY 2019/20 operating budget to work with Blue & Gold Fleet to conduct additional crew training on deployment of life saving equipment above and beyond United States Coast Guard (USCG) required training. This will ensure crews get hands-on training and experience in deploying the life-saving equipment (Inflatable Buoyant Apparatuses and slides) that are on all WETA vessels in a safe and controlled environment. This training is anticipated to be complete by early 2020.
- Staff is in the beginning stages of developing a curriculum or program to provide crew training for an active shooter scenario. Staff is currently working with the USCG to find lessons learned from across the country and over the next several months will be meeting with all Bay Area ferry operators to gather input and ensure training is consistent across the region.
- WETA, USCG, Port of San Francisco, San Francisco Department of Emergency Management and Port of Oakland staff are working on a concept to develop a plan to utilize marine resources, operating when the ferry service is not operating, to provide initial transportation services to first responders after a major event such as an earthquake. For example, during the late-night hours when ferries are not operating, the

tug-boats that are out on the bay may be able to provide transportation for first responders in the immediate first couple of hours until the ferry service can ramp up. While currently only a concept, if fully developed, this effort would be integrated into WETA's emergency plans, written into the Continuity of Operations Plans for Bay Area first responder agencies, and developed into a USCG plan similar to the Bay Area's Vessel Mutual Assistance Plan. This concept was discussed at the November Harbor Safety Committee meeting and assigned to both the Tug and Ferry Operator Working Groups of the Harbor Safety Committee.

OPERATIONS REPORT

Clipper 2

Staff is attending a series of discussion calls to review the concepts of Clipper 2 (C2), the upgraded CID Validator for Clipper users. These calls provide an opportunity for transit agency staff to work directly with Cubic's C2 design team to review the validator solution and its related components. The new C2 validator system is anticipated to go live in September of 2022.

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

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

On December 9, Nina Rannells attended a meeting in Richmond regarding interest in starting new water taxi service along the Richmond shoreline.

On December 13, Lauren Gularte attended the monthly regional Business Outreach Committee meeting.

On December 16, Nina Rannells attended the Clipper2 Board of Directors meeting in Oakland.

On December 17, Nina Rannells and Lauren Gularte met with Senator Beall and Assemblymember Wick's staff to provide them an update on WETA's plans, services and funding needs.

On December 18, Nina Rannells and Lauren Gularte met with Senator Hill to provide him with an update on WETA's plans, services and funding needs.

On December 19, Thomas Hall attended Visit Vallejo's monthly board meeting.

OTHER BUSINESS

Regional Measure 3

In June 2018 Bay Area voters approved Regional Measure 3 (RM3) which raises Bay Area bridge 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.

Since its passage, RM3 has been challenged by two lawsuits in the Superior Court of the City and County of San Francisco including the *Howard Jarvis Taxpayers Association, et al v. The Bay Area Toll Authority and the California State Legislature* and *Randall Whitney v. MTC*. These cases were dismissed by the Court on April 23, 2019 and June 11, 2019, respectively. A Notice of Appeal was filed by the Howard Jarvis Taxpayers Association on May 20, 2019 and in the Whitney case on July 11, 2019. These two appeal cases were consolidated on October 9, 2019. The appellants' consolidated opening brief was filed on October 29, 2019. The respondents' consolidated opposition brief was filed on December 19, 2019. The appellants' reply brief is scheduled for January 24, 2020. No date for hearing has been scheduled yet.

On January 1, 2019 BATA began collecting the first dollar of the approved toll increase. Toll revenues collected are being placed into an escrow account and will not be allocated to project sponsors until the lawsuits are settled. MTC staff has prepared general guidelines for RM3 program administration for the Commission to consider in December, including a process for considering a Letter of No Prejudice, which would allow a local sponsor to move forward to spend local funds on a project that could be reimbursed later with RM3 funds if and when they are available. Staff is communicating with MTC to prepare to secure toll measure funds when they are available to support WETA's projects.

Prop SF CPUC Filing

On October 11, WETA filed a response to an application by Prop SF, LLC to amend its certificate of public convenience and necessity (CPCN) to allow Prop SF to add unscheduled, prearranged vessel common carrier service between points in San Francisco, Marin, the Peninsula and the East Bay, establish rates therefore, and a zone of rate freedom ("ZORF") of 20% for both scheduled and unscheduled services. By way of background, in 2016, Prop SF obtained a CPCN from the California Public Utilities Commission (CPUC) to provide scheduled vessel common carrier service for service routes between San Francisco, Emeryville, Berkeley and Redwood City. At the same time, another operator, Tideline Marine Group (Tideline), obtained a CPCN to provide vessel common carrier authority for both scheduled (landings in San Francisco, Berkeley and Emeryville) and unscheduled, on-call "water taxi" service (landings in San Francisco, Marin County and the East Bay). WETA filed a response to the applications, stating its position that private operators can contribute to the development of a better water transportation system, but regulation is necessary to ensure that the private operators do not interfere with WETA's operations.

Prop SF seeks to amend its 2016 CPCN to add authorization to provide prearranged, unscheduled vessel common carrier service, which it characterizes as similar to the authority granted to Tideline in 2016. WETA's response reiterated the position expressed in the previous proceeding that while small scale water taxi operations have limited potential to affect WETA's operations, the potential for disruption to WETA's operations grows as water taxi service increases in scale. WETA's response requests that the CPUC consider further environmental review and analysis of unscheduled, prearranged service as the scope and frequency of such service intensifies, and to consider further definition of, or parameters for, unscheduled, prearranged service by private operators as to avoid interference with WETA's operations. WETA's response also recaps WETA's statutory mandate to plan, operate and manage a comprehensive water transportation system in the San Francisco Bay and WETA's interest in a regulatory approach that is consistent with that mandate. Prop SF has replied to WETA's response asserting that no further CEQA review should be required at any point, that its proposed service will not affect WETA's operations and proposes a broad definition of unscheduled, prearranged service.

The PropSF CPUC filing has been reassigned to an administrative law judge and a CPUC commissioner. The CPUC will consider the filings and determine whether a hearing is necessary and, if so, on what issues. If a hearing is deemed necessary WETA will have the opportunity to file additional pleadings. The CPUC will likely take at least 45-60 days to decide. Staff will continue to monitor this proceeding and applications to operate similar service consistent with prior Board direction.

END

Attachment A

Monthly Operating Statistics Report November 2019

		Alameda/ Oakland	Harbor Bay *	Richmond	South San Francisco	Vallejo**	Systemwide
Vs. last month	Total Passengers November 2019	103,897	26,242	16,526	11,623	78,108	236,396
	Total Passengers October 2019	138,487	34,232	23,470	14,480	100,017	310,686
	Percent change	-24.98%	-23.34%	-29.59%	-19.73%	-21.91%	-23.91%
Vs. same month last year	Total Passengers November 2019	103,897	26,242	16,526	11,623	78,108	236,396
	Total Passengers November 2018	85,881	27,394		11,097	72,053	196,425
	Percent change	20.98%	-4.21%		4.74%	8.40%	20.35%
	Total Passengers Current FY To Date	678,195	152,906	102,415	64,369	501,386	1,499,271
Vs. prior FY to date	Total Passengers Last FY To Date	648,485	151,090		61,803	489,865	1,351,243
	Percent change	4.58%	1.20%		4.15%	2.35%	10.95%
	Avg Weekday Ridership November 2019	4,178	1,381	823	612	3,420	10,415
Ops Stats	Passengers Per Hour November 2019	181	163	91	135	117	142
	Revenue Hours November 2019	574	161	181	86	668	1,670
	Revenue Miles November 2019	7,265	2,761	2,604	1,560	18,300	32,490
	Farebox Recovery Year-To-Date	70%	48%	32%	38%	66%	64%
	Cost per Available Seat Mile - November 2019	\$0.35	\$0.39	\$0.54	\$0.84	\$0.20	\$0.34
	Average peak hour utilization, AM - November 2019	70%	60%	42%	66%	71%	62%
	Average peak hour utilization, PM - November 2019	74%	69%	44%	65%	76%	66%
Fuel	Fuel Used (gallons) - November 2019	65,428	17,672	15,449	13,159	164,609	276,318
	Avg Cost per gallon - November 2019	\$2.71	\$2.71	\$2.71	\$2.71	\$2.62	\$2.66

MEMORANDUM

TO: Board Members

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

SUBJECT: Monthly Review of FY 2019/20 Financial Statements for Five Months
Ending November 30, 2019

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2019/20 Financial Statements for five months ending November 30, 2019.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$9,819,119	\$10,216,668	\$10,958,752
Bridge Toll Revenues	6,746,290	9,225,958	6,778,640
Contra Costa Measure J	-	1,378,417	1,231,953
Other Revenues	6,300	304,750	21,312
Total Operating Revenues	\$16,571,710	\$21,125,792	\$18,990,657
Expenses - Year To Date:			
Planning & Administration	\$799,943	\$1,250,000	\$878,113
Ferry Services	15,771,767	19,875,792	18,112,545
Total Operatings Expenses	\$16,571,710	\$21,125,792	\$18,990,657
System-Wide Farebox Recovery %	62%	51%	61%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2019/20 Budget
Revenues:		
Federal Funds	\$9,829,635	
State Funds	10,162,565	
Bridge Toll Revenues	3,623,948	
Other Revenues	146,346	
Total Capital Revenues	\$23,762,494	31.76%
Expenses:		
Total Capital Expenses	\$23,762,494	31.76%

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

San Francisco Bay Area Water Emergency Transportation Authority
FY 2019/20 Statement of Revenues and Expenses
For Five Months Ending 11/30/2019

% of Year Elapsed 42%

	Year - To - Date				Total FY2019/20 Budget	% of Total Budget
	Nov-19 Actual	FY2018/19 Actual	FY2019/20 Budget	FY2019/20 Actual		
OPERATING EXPENSES						
<u>PLANNING & GENERAL ADMIN:</u>						
Wages and Fringe Benefits	\$139,444	\$490,966	\$628,708	\$613,989	\$1,508,900	40.7%
Services	72,139	351,606	737,042	478,621	1,768,900	27.1%
Materials and Supplies	245	13,934	26,000	3,182	62,400	5.1%
Utilities	3,646	18,301	21,458	18,605	51,500	36.1%
Insurance	-	1,200	11,917	1,046	28,600	3.7%
Miscellaneous	1,016	54,653	45,667	18,503	109,600	16.9%
Leases and Rentals	33,234	157,549	160,500	162,019	385,200	42.1%
Admin Overhead Expense Transfer	(79,809)	(288,266)	(381,292)	(417,852)	(915,100)	45.7%
Sub-Total Planning & Gen Admin	\$169,916	\$799,943	\$1,250,000	\$878,113	\$3,000,000	29.3%
<u>FERRY OPERATIONS:</u>						
<u>Harbor Bay FerryService (AHBF)</u>						
Purchased Transportation	\$168,782	\$985,945	\$1,054,125	\$912,184	\$2,529,900	36.1%
Fuel - Diesel & Urea	47,936	205,930	231,875	248,443	556,500	44.6%
Other Direct Operating Expenses	40,818	223,462	328,750	218,830	789,000	27.7%
Admin Overhead Expense Transfer	8,782	35,571	42,042	45,975	100,900	45.6%
Total Harbor Bay Farebox Recovery - AHBF	\$266,318 36%	\$1,450,908 50%	\$1,656,792 45%	\$1,425,432 48%	\$3,976,300 45%	35.8%
<u>Alameda/Oakland Ferry Service (AOFS)</u>						
Purchased Transportation	\$638,499	\$3,821,616	\$3,995,208	\$3,703,745	\$9,588,500	38.6%
Fuel - Diesel & Urea	177,312	789,157	899,250	917,259	2,158,200	42.5%
Other Direct Operating Expenses	153,817	776,490	1,150,042	788,826	2,760,100	28.6%
Admin Overhead Expense Transfer	35,775	127,992	170,667	187,253	409,600	45.7%
Total Alameda/Oakland Farebox Recovery - AOFS	\$1,005,403 60%	\$5,515,255 65%	\$6,215,167 57%	\$5,597,083 70%	\$14,916,400 57%	37.5%
<u>Vallejo FerryService (Vallejo)</u>						
Purchased Transportation	\$827,308	\$4,480,099	\$4,944,917	\$4,740,507	\$11,867,800	39.9%
Fuel - Diesel & Urea	432,472	2,250,563	2,638,583	2,351,178	6,332,600	37.1%
Other Direct Operating Expenses	167,515	613,067	1,023,500	742,392	2,456,400	30.2%
Admin Overhead Expense Transfer	26,991	106,896	128,833	141,284	309,200	45.7%
Total Vallejo Farebox Recovery - Vallejo	\$1,454,285 56%	\$7,450,626 68%	\$8,735,833 57%	\$7,975,361 66%	\$20,966,000 57%	38.0%
<u>South San Francisco FerryService (SSF)</u>						
Purchased Transportation	\$225,055	\$984,955	\$1,002,458	\$927,873	\$2,405,900	38.6%
Fuel - Diesel & Urea	36,019	156,437	186,375	182,261	447,300	40.7%
Other Direct Operating Expenses	30,059	195,780	206,542	163,360	495,700	33.0%
Admin Overhead Expense Transfer	3,833	17,807	18,208	20,075	43,700	45.9%
Total South San Francisco Farebox Recovery - SSF	\$294,966 31%	\$1,354,978 33%	\$1,413,583 35%	\$1,293,568 38%	\$3,392,600 35%	38.1%
<u>Richmond FerryService (Richmond)</u>						
Purchased Transportation	\$255,688	Richmond Ferry Service was launched in January 2019	\$1,420,333	\$1,393,826	\$3,408,800	40.9%
Fuel - Diesel & Urea	42,377		230,167	217,128	552,400	39.3%
Other Direct Operating Expenses	52,144		182,375	186,881	437,700	42.7%
Admin Overhead Expense Transfer	4,428		21,542	23,265	51,700	45.0%
Total Richmond Farebox Recovery - Richmond	\$354,637 26%	\$0 0%	\$1,854,417 26%	\$1,821,100 32%	\$4,450,600 26%	40.9%
Sub-Total Ferry Operations Farebox Recovery - Systemwide	\$3,375,609 50%	\$15,771,767 62%	\$19,875,792 51%	\$18,112,545 61%	\$47,701,900 51%	38.0%
Total Operating Expenses	\$3,545,525	\$16,571,710	\$21,125,792	\$18,990,657	\$50,701,900	37.5%
OPERATING REVENUES						
Fare Revenue	\$1,695,034	\$9,819,119	\$10,216,668	\$10,958,752	\$24,520,000	44.7%
Regional - Bridge Toll	1,585,283	6,746,290	9,225,958	6,778,640	22,142,300	30.6%
Regional - Contra Costa Measure J	262,571	-	1,378,417	1,231,953	3,308,200	37.2%
Regional - Alameda Tax & Assessment	-	-	303,333	-	728,000	0.0%
Other Revenue	2,637	6,300	1,417	21,312	3,400	0.0%
Total Operating Revenues	\$3,545,525	\$16,571,710	\$21,125,792	\$18,990,657	\$50,701,900	37.5%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2019/20 Statement of Revenues and Expenses
For Five Months Ending 11/30/2019

Project Description	Nov-19 Total	Total Project Budget	Total Prior Expense	Total FY2019/20 Budget	Total FY2019/20 Expense	Total Future Year	% of Total Project Budget Spent
CAPITAL EXPENSES:							
<u>FACILITIES:</u>							
Terminal Construction							
Downtown Ferry Terminal Expansion - South Basin	2,655,171	\$97,965,000	\$78,915,751	\$19,049,249	\$11,552,677	\$0	92%
Maintenance and Operations Facilities							
Ron Cowan Central Bay Operations & Maintenance Facility	3,584	69,500,000	63,197,399	6,302,601	141,578	-	91%
Terminal Improvement							
Install Mooring Piles - Harbor Bay Terminal	-	251,500	-	251,500	585	-	0%
Terminal Signage and Wayfinding - East Bay Terminals	-	135,000	-	135,000	-	-	0%
<u>FERRY VESSELS:</u>							
Vessel Construction							
445-Pax Expansion (Waterjet) Vessels - 2 vessels	1,425,678	46,745,000	28,771,355	17,973,645	7,971,667	-	79%
400-Pax Expansion (Propeller) Vessels - 2 vessels	-	33,400,000	32,943,928	456,072	-	-	99%
New Commuter Class High-Speed Vessel	1,630,724	15,300,000	7,421,609	7,878,391	2,940,751	-	68%
Vessel Replacement - M/V Bay Breeze	-	18,000,000	-	6,000,000	4,231	12,000,000	0%
Vessel Rehabilitation and Refurbishment							
Vessel Engine Overhaul - M/V Intintoli and M/V Mare Island	2,945	3,000,000	877,961	2,122,039	436,542	-	44%
Vessel Qtr-Life Refurbishment - M/V Scorpio	247,778	3,005,350	70,062	2,935,288	601,578	-	22%
Vessel Engine Overhaul - M/V Taurus	-	800,000	198,928	601,072	86,044	-	36%
Vessel Service Life Extension - M/V Solano	-	13,000,000	145,099	10,000,901	24,571	2,854,000	1%
Vessel Engine Overhaul - M/V Argo and M/V Carina	-	240,000	-	240,000	1,607	-	1%
Vessel Engine Overhaul - M/V Gemini	-	515,350	-	515,350	663	-	0%
Vessel Engine Overhaul - M/V Pyxis	-	170,000	-	170,000	-	-	0%
<u>CAPITAL EQUIPMENT / OTHER:</u>							
Purchase Service Vehicles	-	185,000	-	185,000	-	-	0%
Total Capital Expenses	\$5,965,880	\$302,212,200	\$212,542,090	\$74,816,110	\$23,762,494	\$14,854,000	
CAPITAL REVENUES:							
Federal Funds	\$1,321,779	\$67,437,543	\$22,485,494	\$33,068,849	\$9,829,635	\$11,883,200	48%
State Funds	3,500,221	184,186,792	151,568,893	31,375,649	10,162,565	1,242,250	88%
Regional - Bridge Toll	1,094,325	46,896,968	37,593,689	8,732,479	3,623,948	570,800	88%
Regional - Alameda Sales Tax Measure B / BB	49,555	2,204,397	14,014	1,032,633	121,160	1,157,750	6%
Regional - Alameda TIF / LLAD / HBBPA	-	386,500	-	386,500	585	-	0%
Regional - San Francisco Sales Tax Prop K	-	1,100,000	880,000	220,000	24,601	-	82%
Total Capital Revenues	\$5,965,880	\$302,212,200	\$212,542,090	\$74,816,110	\$23,762,494	\$14,854,000	

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – January 2020

This report covers the following topics:

1. Congress Averts \$1.2 Billion Cut to Transit Programs in FY2020
2. Action on Surface Transportation Legislation Expected in the New Year

Congress Averts \$1.2 Billion Cut to Transit Programs in FY2020

Prior to leaving town for the holidays, Congress passed – and the President signed into law – the FY20 Transportation Appropriations bill, which was included in a larger package with other appropriations bills that funded other parts of the federal government. The Transportation Appropriations bill included a year-long waiver of the so-called "Rostenkowski" rule (Sec. 9503(e)(4) of the Internal Revenue Code of 1986), which requires the Treasury secretary to withhold transit money from states and transit agencies if the amount of unfunded transit authorizations exceeds projected Highway Trust Fund receipts for the next four years. Such a waiver was needed to avert a \$1.2 billion cut to transit programs in FY2020 given that unfunded mass transit authorizations for the fiscal year would be \$27 billion but only \$26 billion was projected in revenues between 2021 and 2024.

Action on Surface Transportation Legislation Expected in the New Year

2020 could be a big year for transportation. The FAST Act, which provides funding for highways, bridges and transit programs, expires on September 30, 2020, and Congress will be working to pass legislation that provides new money for roads, bridges and transit before that date. While the Senate Environment and Public Works (EPW) Committee, which has jurisdiction over the Federal Highway Administration (FHWA) ferry formula program, took up and passed its portion of the surface transportation bill in July (while increasing funding for the FHWA program), the Senate Banking Committee, which has jurisdiction over the Federal Transit Administration (FTA) discretionary grant program, has yet to act. The same is true of the House Transportation and Infrastructure (T&I) Committee, which has jurisdiction over the FHWA and the FTA programs.

Given that the Senate Banking Committee and the House T&I Committee are both expected to take up their portions of the surface transportation bill during the first half of 2020, we will be continuing to advocate for an increase in funding for the FTA grant program from the current \$30 million annually to a level of \$90 million annually and will be continuing to advocate for additional funding for the FHWA program.

Our advocacy will continue on a number of levels:

1. We will continue advocating directly to Speaker Nancy Pelosi and T&I Committee Chairman Peter DeFazio (D-OR), who together are driving the reauthorization process in the House;
2. We will continue advocating directly to the Senate Banking Committee and members of that committee that represent states with a strong ferry presence;
3. We will continue coordinating with Golden Gate Ferry to ensure that members of the Bay Area Congressional delegation are receiving the same message from both organizations;
4. We will continue asking members of the Bay Area Congressional delegation to reinforce with Speaker Pelosi and Chairman DeFazio – and Banking Committee leadership – the importance of providing additional funding for the FHWA and FTA ferry programs; and
5. We will continue coordinating with other members of the Public Ferry Coalition to ensure that the T&I and Banking Committees are hearing from members of Congress from around the country. Members of the Public Ferry Coalition include Alaska Marine Highway, Cape May-Lewes Ferry, Casco Bay Lines, Frye Island Ferry Service, Isle Au Haut Boat Services, Maine DOT/Maine State Ferry Service, North Carolina DOT Ferry Division and Washington State DOT/Washington State Ferries.

As discussed in the previous report, funding will be an issue in 2020. While we expect the House T&I and Senate Banking Committees to act in the first half of the year, there is less certainty around the ability of Congress to come together on a way to pay for the programs contained within the surface transportation legislation. Without a “pay-for”, Congress will be unable to send a final bill to the President.

Respectfully Submitted,

Peter Friedmann and Ray Bucheger



NOSSAMAN LLP

Memorandum

TO: WETA Board of Directors
FROM: Nossaman LLP - Jennifer Capitolo & Nate Solov
DATE: December 30, 2019
RE: January 2020 - Legislative Update

2020 Legislative Session Begins January 6

The Legislature reconvenes on January 6 for the 2020 legislative session which finishes on August 31, 2020. Legislation can be introduced beginning on January 6 and the Governor will announce his budget proposal that week. Nossaman will monitor all legislation and budget proposals to find opportunities for WETA and defend against anything that negatively impacts the Agency.

2020 WETA Legislative Priorities

Nossaman is setting up meetings for WETA with its Assembly and Senate delegation members to update them on WETA, RM3, and potential budget funding requests in 2020. WETA had productive meetings with Senator Beall, Senator Hill and Assemblymember Wicks in December and will continue to schedule meetings in January.

Previewing 2020 Legislative Session

On behalf of WETA, Nossaman is meeting with key legislative staff and interest group stakeholders to ensure WETA's projects are included in potential legislation authorizing the FASTER ballot funding initiative. WETA created a two-page, 15-year funding need document based upon WETA's Strategic Plan initiatives that Nossaman has been using to educate stakeholders about the funding needs for more frequent service, more terminals, and vessels with reduced emissions.

State Funding Opportunities

Nossaman is assisting WETA staff in identifying and applying for state funding to support projects that are eligible and competitive. Two opportunities have been identified to date as described below.

Caltrans: Sustainable Communities Transportation Planning Grant

Title of Project: Transit Planning for Zero Emission Ferry Vessels

Submitted: October 17, 2019

Amount Requested: \$309,855 with a local match of \$40,145 for a total project cost of \$350,000.

Expected Awards: Spring 2020.

CalSTA: Transit and Intercity Rail Capital Program (TIRCP)

Nossaman is working with WETA to develop, draft and submit an application for the CalSTA TIRCP program. Nossaman is working with WETA staff on an application for \$18.2 million for battery-electric ferries and related infrastructure to support expanded service to Treasure Island and Mission Bay.

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

(December 12, 2019)

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

1. CALL TO ORDER – BOARD CHAIR

Chair Jody Breckenridge called the meeting to order at 1:32 p.m.

2. PLEDGE OF ALLEGIANCE/ROLL CALL

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

3. REPORT OF BOARD CHAIR

Chair Breckenridge said that since the last meeting she had visited the City of Martinez waterfront and had discussed plans for land use and development in the area with Martinez representatives.

4. REPORTS OF DIRECTORS

Vice Chair Wunderman said he had been very interested to read recently about the state of Washington's plans to purchase new hybrid ferries and convert its major vessels to hybrid technology. He said WETA should watch these developments closely and evaluate the process and outcome. Vice Chair Wunderman added that each vessel that WETA purchases has a lifetime of at least a generation, and he emphasized public expectations were that WETA will be moving to a ferry fleet with greener technology as well. Vice Chair Wunderman said that public agencies have a responsibility to provide leadership and do whatever is possible to help mitigate the crisis of global warming. He said WETA should be at the forefront of these efforts.

With Board consensus, Chair Breckenridge reordered the meeting agenda to allow Martinez Mayor Rob Schroder, who needed to leave the meeting early, the opportunity to speak to the Board about a non-agendized matter immediately following the Reports of Directors instead of at the end of the meeting.

5. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

City of Martinez Mayor Rob Schroder thanked Chair Breckenridge for her visit to the waterfront and he urged Directors to form a working group devoted to further exploring the feasibility of bringing WETA ferry service to Martinez. Mayor Schroder noted that downtown Martinez was the county seat of Contra Costa and that the new downtown county administration building currently under construction was expected to be completed in the next 8 months. Mayor Schroder said that Martinez spent more than \$800,000 to dredge the marina in 2017, and additional funds were being sought to assure Americans With Disabilities Act (ADA) accessibility and possibly create a subsidy for future public ferry service. Mayor Schroder said plans were moving forward, with support from the Contra Costa Transportation Authority and the City of Antioch, for a pilot commuter ferry program between Antioch and Martinez. He said Martinez had recently submitted its Marina Trust Lands Use Plan, which included potential ferry service, to the State Lands Commission. Mayor Schroder said Martinez has committed \$500,000 over the next two years to develop a waterfront marina master plan which would allow Martinez to examine

more fully waterfront options including public ferry service. Mayor Schroder reiterated his request that Directors form a working group to further explore the possibility of bringing WETA ferry service to Martinez.

Chair Breckenridge asked that staff consider this request and, if recommended, agendaize a discussion on forming the working group requested by Mayor Schroder for a future meeting.

6. REPORTS OF STAFF

Executive Director Nina Rannells provided her written report to Directors and welcomed questions. She noted that WETA's Engineering & Maintenance Administrator Tim Hanners, WETA's Operations & Maintenance Manager Keith Stahnke, and she had attended the annual International *WorkBoat* Show in New Orleans December 4 through 6. Ms. Rannells said she had presented an overview of WETA's system and vessel program at the show and that WETA had received a Significant Boats of 2019 Award for its new *Pyxis* class vessels. Ms. Rannells noted that the new WETA vessels were the first in the country to test new EPA Tier 4 engines.

Chair Breckenridge asked whether green technologies and the power challenges presently facing California (the State) had been discussed at either the California Transit Association (CTA) Fall Conference or the Harbor Safety Committing Meeting that staff had attended in November.

Ms. Rannells explained that she had been working with CTA over the last year to create a ferry-specific membership, which was adopted by the CTA Board at the November meeting, so that CTA could better serve WETA in its state and federal transportation advocacy work. Ms. Rannells further noted that she had attended meetings at the CTA conference in which green technology related to buses, a primary focus for the CTA, had been discussed. She explained that these discussions brought to light the power resource challenges and costs, far exceeding those for diesel fuel, experienced by early adopters of all-electric battery technology on buses, and said that this will likely translate to ferries as well.

It was noted that, in exploring all-electric or hybrid-electric technology possibilities for the WETA fleet, a fundamental consideration will be access to sufficient power on the San Francisco waterfront to recharge vessel batteries. Chair Breckenridge said the military was presently tackling the challenges of shoreside access to power within the State. She said staff would return to the Board in the near future with an informational item for discussion to include these and other details of what will be required to move WETA to a greener fleet.

PUBLIC COMMENT

Jerry Bellows of MARAD said he had the opportunity to board the Red & White Fleet's plug-in hybrid electric passenger vessel, the *Enhydra* ferry, and tour the engine room. He said the vessel's configuration was similar to what he imagined WETA's hybrid vessels might eventually look like.

7. CONSENT CALENDAR

Director DelBono made a motion to approve the consent calendar:

- a. Board Meeting Minutes – November 7, 2019

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

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

**8. RECEIVE THE INDEPENDENT AUDITORS' REPORTS FOR THE FISCAL YEAR
ENDING JUNE 30, 2019**

Finance and Administration Manager Lynne Yu presented this item to receive the independent auditors' reports for the fiscal year ending June 30, 2019. Ms. Yu introduced David Albee, Partner at the audit firm Maze & Associates, who provided an overview of the audit reports. He noted that there were no issues or material weaknesses identified during the course of the audit.

Director Intintoli made a motion to approve the item.

Vice Chair Wunderman seconded the motion and the item passed.

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

**9. APPROVE SEAPLANE LAGOON FERRY TERMINAL OPERATING AGREEMENT AND
LICENSE AGREEMENT WITH THE CITY OF ALAMEDA AND THE BILL OF SALE WITH
ALAMEDA POINT PARTNERS**

Planning & Development Manager Kevin Connolly presented this item to approve the Seaplane Lagoon Ferry Terminal Operating Agreement and License Agreement with the City of Alameda and the Bill of Sale with Alameda Point Partners. Mr. Connolly noted a correction to the Item explaining that the Bill of Sale would be between Alameda Point Partners and WETA not between the City of Alameda and WETA. Mr. Connolly acknowledged the work done to bring new ferry service to Alameda Point over the last five years by a number of partners from the City of Alameda including Director of Base Reuse & Community Development Debbie Potter, Base Reuse Manager Michelle Giles, Assistant City Attorney Lisa Maxwell, Jennifer Ott, Mayor Marilyn Ezzy Ashcraft, City Manager Eric Levitt, Councilmembers Malia Vella and Jim Oddie, Vice Mayor John Knox White, and Director of Planning, Building, and Transportation Andrew Thomas.

In response to a question from Chair Breckenridge, Mr. Connolly said the Seaplane Lagoon Ferry service area had been studied for eel grass and the site had been mitigated for in-water hazardous materials.

PUBLIC COMMENTS

City of Alameda Director of Base Reuse & Community Development Debbie Potter said that these Agreements were a very big deal for the City of Alameda and its residents, and she noted that the planned ferry service was driving investment in the former naval base redevelopment. She thanked Ms. Rannells and the Board for their leadership throughout the process of bringing the new service to Alameda. Ms. Potter said that Alameda staff had been working on a paid parking solution for all three Alameda ferry terminal sites and on getting an AC Transit bus to stop at the new Seaplane Lagoon terminal when it opens for service in August 2020.

Mr. Bellows asked if the new Seaplane Lagoon service area would require dredging.

Mr. Connolly said that because of the deep water surrounding the planned pier site, dredging was not expected to be required. Ms. Rannells noted that should those conditions change, dredging will be WETA's responsibility under the agreement.

Director DelBono made a motion to approve the item.

Director Intintoli seconded the motion and the item passed.

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

10. ALAMEDA/OAKLAND – SEAPLANE LAGOON SERVICE CHANGES OUTREACH

Public Information and Marketing Manager Thomas Hall presented this informational item on public outreach regarding the Alameda/Oakland and Seaplane Lagoon service and changes. He provided an overview of the early ridership outreach on the Alameda and Oakland service routes with surveys, and staff plans to ramp up that engagement by employing various methods to include onboard information ambassadors, paid mass media advertising, pop-up engagement workshops on WETA vessels, social media posts, a dedicated online microsite, and WETA's BayAlerts notification system.

In response to questions from Directors, Mr. Hall said outreach plans would also include community meetings in Oakland's Brooklyn Basin to target the area's residents and developers.

Vice Chair Wunderman suggested that staff talk with Richard Robbins of Wareham Development because he is a wonderful resource for networking in Oakland and Emeryville and a region maverick.

PUBLIC COMMENT

Bay, Ship & Yacht Co. Director of Business Development Richard Maguire asked how many people drive from Oakland over to Alameda to catch the ferry.

Mr. Connolly said very few.

11. APPROVE CONTRACT AMENDMENTS WITH MAVRIK MARINE INC. AND GLOSTEN FOR CONSTRUCTION OF A SECOND NEW COMMUTER CLASS (OPTION) VESSEL

Mr. Stahnke presented this item recommending the Board approve contract amendments with Mavrik Marine Inc. and Glosten for construction of a second new commuter class (option) vessel.

Director Intintoli made a motion to approve the item.

Vice Chair Wunderman seconded the motion and the item passed.

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

12. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

No further public comments were shared.

Chair Breckenridge thanked guests for attending the meeting and wished everyone a wonderful and safe holiday season.

With all business concluded Chair Breckenridge adjourned the meeting at 2:34 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Planning & Development Manager
Taylor Rutsch, Transportation Planner

SUBJECT: Approve Continuation of Richmond Summer Weekend Service in 2020

Recommendation

Approve continuation of the Richmond ferry service summer weekend service in 2020, contingent upon funding from the Contra Costa County Transportation Authority (CCTA) to support the operating subsidy requirement.

Background

WETA operated a pilot summer weekend ferry service between the new Richmond Terminal and the San Francisco Ferry Building from August through October 2019, in order to test out the demand for summer weekend service from this new ferry terminal. This service was operated in partnership with the City of Richmond and CCTA and funded with passenger fares and operating subsidy from Contra Costa County Measure J funds.

The summer Richmond weekend service offered three departures to San Francisco in the morning and three late afternoon/early evening return trips. It also featured two reverse-direction trips, which provided San Francisco residents the opportunity to visit the Craneway Pavilion, the Rosie the Riveter/World War II Home Front National Historical Park or other destinations in Richmond.

Discussion

The estimated operating cost to provide the summer weekend service was \$261,000 for the abbreviated summer period. Estimated service revenues were \$84,600 resulting in a farebox recovery of approximately 32%. Overall, ridership on the weekend summer Richmond trips was healthy, averaging 536 daily boardings. While WETA does not have weekend ridership performance standards akin to weekday and commute-period standards, ridership levels were proportionately greater than those in Vallejo and Oakland/Alameda when compared to weekday ridership. This is partly a function of providing similar service levels of service in Richmond between weekdays and weekends versus differing levels of service on the other routes. The table below shows the weekend and weekday average boardings for Richmond, Alameda/Oakland and Vallejo services for the period August-October 2019.

Table 1: Average Daily Boardings – Weekend and Weekday

Service	Weekend Avg. Daily Boardings	Weekday Avg. Daily Boardings
Richmond	536	849
Alameda/Oakland	1,838	4,793
Vallejo	932	4,063

As indicated in Table 1, Richmond attracted an average of 536 riders on a weekend day, which is roughly 60 percent of a normal weekday day during the same period. The level of service for weekends and weekdays were roughly comparable in Richmond. For both Alameda/Oakland and Vallejo, there is more weekday service than weekend trips. As a result, they both have roughly 20-30 percent of the ridership levels on weekends when compared to weekday averages.

The pilot weekend service lasted just 12 weeks, which is not a sufficient sample to draw firm conclusions. Nevertheless, the patterns experienced in ridership during the pilot period were reflected in both the Alameda/Oakland and Vallejo services. Weekend ferry service ridership is generally dependent on weather conditions and special events occurring in San Francisco. For Richmond, there was the added attraction of a new service which typically draws significant ridership in the initial days because the public is excited to try a new service. For the Richmond service, ridership spiked above 800 daily boardings on three occasions: opening weekend, Labor Day weekend and Fleet Week. On the other side, ridership dipped below 200 daily boardings in late October when the Bay Area was experiencing high winds and smoke from forest fires. These ridership patterns also occurred in Vallejo and Alameda/Oakland.

Given the promising start, staff is optimistic that a full season – April through October – of weekend service would continue to attract riders in 2020. With a large parking lot and good access from Interstate 580, the Richmond Terminal has the ability to attract riders from Richmond and the surrounding parts of West Contra Costa County.

WETA staff has been involved in an ongoing dialogue with staff from CCTA and the regional working group, the West Contra Costa Transportation Advisory Committee (WCCTAC) regarding the service. It is staff's understanding that CCTA and WCCTAC will consider funding continuation of Richmond summer weekend service in 2020 in January and February, respectively. Summer 2020 service is estimated to cost \$552,000 and is assumed to be funded with fare revenues and an operating subsidy from Contra Costa Measure J funds.

Fiscal Impact

Weekend service for the summer season in 2020 is estimated to cost \$552,000. WETA will work with CCTA to secure operating subsidy to support a full or partial season of services.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2020-01

APPROVE CONTINUATION OF RICHMOND SUMMER WEEKEND SERVICE IN 2020

WHEREAS, in May 2019 the WETA Board of Directors approved the use of Measure J funds to fund the operation of a pilot summer weekend ferry service between the new Richmond Terminal and the San Francisco Ferry Building from August through October 2019; and

WHEREAS, the Contra Costa Transportation Authority (CCTA) Board of Directors approved use of Measure J funds to support the pilot program as a part of their FY 2019/20 Measure J allocation for service on June 19, 2019; and

WHEREAS, WETA operated the pilot summer weekend ferry service between the new Richmond Terminal and the San Francisco Ferry Building from August through October 2019; and

WHEREAS, average weekend ridership was 536 passengers, representing a reasonable level of ridership for the services provided; and

WHEREAS, WETA recommends operating a full summer season of weekend service – April through October- between Richmond and downtown San Francisco in 2020; and

WHEREAS, WETA staff will work with CCTA to secure operating subsidy to support a full or partial season of services in summer 2020; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves the continuation of the Richmond ferry summer weekend service; and be it further

RESOLVED, WETA staff will work with CCTA to secure an operating subsidy agreement to support a full or partial season of services, subject to CCTA funding; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute the agreement and take any other related actions to support this work.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on January 9, 2020.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2020-01

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Planning & Development Manager
Taylor Rutsch, Transportation Planner

SUBJECT: Approve Continuation of Enhanced Harbor Bay and South San Francisco Services

Recommendation

Approve continuation of Harbor Bay and South San Francisco service enhancements introduced in January 2019 as a pilot project.

Background

In December 2018, the WETA Board approved a one-year pilot program to enhance Harbor Bay and South San Francisco services (**Attachment A**). The program introduced limited reverse-commute direction service between South San Francisco and Harbor Bay as well as an additional peak morning trip from Harbor Bay to the Ferry Building. The low-cost service enhancement was accomplished by redeploying an existing morning crew serving South San Francisco to Harbor Bay – on its way to downtown San Francisco - and taking advantage of non-revenue (“deadhead”) trips in the evening.

The pilot program was for a 12-month period from January through December 2019. This memo provides an assessment of the service effectiveness and a recommendation to continue operation of this enhanced service schedule.

Discussion

The basis for introducing the pilot was twofold: first, to alleviate capacity pressures on morning Harbor Bay trips by providing a new late morning trip, and; second, to explore the possibility of a new market for ferry service from South San Francisco to Harbor Bay, where some biotech companies have recently located.

The pilot service featured a new 9:00 a.m. departure from Harbor Bay to the Ferry Building to address capacity pressures and in response to a request from customers for a later morning trip for parents and others with earlier morning commitments that prohibited them from using the Harbor Bay ferry. In 2018, Harbor Bay struggled with capacity shortages during the morning peak period. The 7:30 a.m. departure averaged 93 percent occupancy and the 8:30 a.m. departure averaged 89 percent for the calendar year. The return of the larger-capacity MV *Peralta* in early 2019 helped to address capacity shortfalls but the new 9:00 a.m. departure played an important role in offering another option for commuters. In 2018, the 7:30 a.m. trip averaged 209 passengers and the 8:30 a.m. trip averaged 200 passengers. In 2019 after the introduction of the 9:00 a.m. trip, the 7:30 a.m. trip increased to 218 but the 8:30 a.m. trip dropped to 188 while the 9:00 a.m. trip averaged 57 passengers. Overall, average daily ridership on the Harbor Bay service increased from 1,204 in 2018 to 1,321 in 2019, a 10 percent increase.

For South San Francisco-Harbor Bay commuters, the pilot involved providing a single departure in each peak period: 8:30 a.m. and 6:30 p.m. While this schedule is not ideal, it was viewed as acceptable as a pilot program to explore the strength of the market. The service averages about 4 passengers per day, who all travel on the AM departure. The evening departure is generally empty. It is staff's understanding that the morning passengers return to South San Francisco on the private service offered by Tideline for Exelixis employees. A shuttle funded by Exelixis meets the 8:50 a.m. arrival at the Harbor Bay Terminal each morning.

Staff recommends continuation of the linked service enhancements. The additional Harbor Bay departure is currently providing a valuable option and ensuring that morning trips in the peak period are not exceeding capacity limits. While the current level of ridership on the South San Francisco service is low and would not warrant continuation on its own, vessels are making these trips anyway due to the interlining of crews and vessels between Harbor Bay and South San Francisco so the cost to provide the service is minimal.

Fiscal Impact

The pilot program cost an additional \$30,000 to operate for a full year. To achieve breakeven fare revenue, the combined service enhancement needed to average at least 21 passengers per day. The service averaged 57 passengers per day over the course of the 12 months. Staff anticipates that, if continued, the incremental cost to provide the enhanced service schedule will continue to be covered by increased fares from the new passengers utilizing these services.

END

ATTACHMENT A

AGENDA ITEM 9
MEETING: December 13, 2018

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Pilot Program to Enhance Harbor Bay and South San Francisco Services

Recommendation

Approve a two-part pilot program to enhance Harbor Bay and South San Francisco ferry service utilizing existing vessels and crews. The proposed new pilot program includes:

- 1) Addition of a 9 a.m. weekday departure from Harbor Bay to San Francisco; and
- 2) Creation of a new reverse-commute service from South San Francisco to Harbor Bay by offering a single morning and single evening departure to test the market for expanded ferry service into Harbor Bay. This service would utilize the existing fare structure for the Alameda/Oakland -South San Francisco service during the pilot period.

The pilot program would operate for 12 months beginning in January 2019.

Background

WETA ferry services are close to operating at the upper limit of our vessel fleet and operating subsidy capacity. This is unfortunate given the fact that WETA is experiencing record ridership and there is ample justification for increased service frequency in impacted markets such as Vallejo, Oakland/Alameda and Harbor Bay. With new RM3 operating and capital revenues now on hold due to pending lawsuits, our only opportunity to expand services in the near-term is through securing new operating funds or identifying opportunities to refine and optimize schedules to operate more revenue trips utilizing existing vessels and crews.

Discussion

In reviewing scheduling changes associated with the launch of new Richmond service in January 2019, staff has identified an opportunity to make two service changes by making use of non-revenue (“deadhead”) trips and repositioning existing vessels and crews. Staff recommends that the Board of Directors approve a pilot program to move forward to implement these service changes for a one-year test period. If approved, staff would provide the Board with periodic reports about the pilot service operation and utilization. The two service changes proposed are described below.

New 9:00 a.m. Trip from Harbor Bay to San Francisco

Commute ridership from Harbor Bay to San Francisco has grown 10 percent over the last two years and 47 percent since 2013. The Harbor Bay Terminal is constrained due to limited depth so Hydrus-class 400 passenger vessels are too large to serve the terminal. Instead,

Harbor Bay has been served by the 250-passenger MV *Bay Breeze* over the past year, resulting in peak AM trip occupancies of 89 and 93 percent for the month of October 2018. The 8:30 a.m. trip has been the fastest-growing departure in Harbor Bay service. It was averaging 71 percent occupancy in April 2018 and has steadily increased to 93 percent in October. This follows a trend throughout the system where late-peak departures – between 8:30 and 9:30 a.m. – are experiencing strong growth.

The proposed pilot program would introduce a 9 a.m. Harbor Bay departure to San Francisco. This new trip would be operated utilizing a South San Francisco crew on a Gemini-class vessel. This trip should accomplish two service goals: first, it can alleviate pressure on the 8:30 a.m. trip, which often experiences leave-behinds. Second, a 9:00 a.m. trip should attract new riders by offering a convenient trip for parents of elementary school-aged kids. As we have heard from riders previously advocating for a later morning trip, local schools have an 8:20 a.m. bell time, which does not provide sufficient time for many working parents to make it to the ferry for the 8:30 a.m. trip. Adding a 9:00 a.m. trip would provide an opportunity for more working parents and late morning commuters to utilize the Harbor Bay ferry service.

With a larger vessel now in Harbor Bay service (the 331-passenger MV *Peralta*) and three evening departures between 4:35 p.m. and 6:00 p.m., an increase in morning riders should not overload the evening schedule. However, staff will monitor the impact of the new morning trip and provide the Board with updates on the progress of the 9 a.m. trip as part of the pilot program.

New Reverse-Commute Service From SSF to Harbor Bay

By making use of non-revenue trips and repositioning vessels, staff has developed a limited schedule reverse-commute service between South San Francisco and Harbor Bay. This service would be aimed at commuters who work in one of the businesses in the Harbor Bay Business Park or nearby employment centers such as the Oakland Airport but live in South San Francisco or the northern peninsula. The pilot program would offer a morning trip from South San Francisco to Harbor Bay at 8:30 a.m. A return trip back to South San Francisco would be at 6:30 p.m. Additional trips are not possible at this time due to a lack of available vessels. However, the pilot program can determine the level of demand for travel between these points.

Staff proposes that this new South San Francisco-Alameda Harbor Bay service use the existing fare structure for the Alameda/Oakland -South San Francisco service during the pilot period. Utilizing the existing South San Francisco fare will make the plan simple and easily implementable across WETA's fare media (Clipper, Hop-thru, paper tickets).

Fiscal Impact

Staff estimates that the pilot program would add an additional \$30,000 in expense which may well be offset with additional fare revenue collected on the new trips.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2020-02

**APPROVE CONTINUATION OF ENHANCED HARBOR BAY
AND SOUTH SAN FRANCISCO SERVICES**

WHEREAS, in December 2018 the WETA Board of Directors approved a one-year pilot program to enhance Harbor Bay and South San Francisco services; and

WHEREAS, the program introduced limited reverse-commute direction service between South San Francisco and Harbor Bay as well as an additional peak morning trip from Harbor Bay to the Ferry Building; and

WHEREAS, WETA operated the pilot program from January through December 2019; and

WHEREAS, the additional morning Harbor Bay trip has helped to alleviate capacity pressures on morning Harbor Bay service and has provided the opportunity for passengers to access a later trip into San Francisco; and

WHEREAS, the additional reverse-commute trips between South San Francisco and employers in Harbor Bay has garnered limited ridership but helps to complement private service to Harbor Bay and is provided with vessels making this trip anyway due to the interlining of crews and vessels between Harbor Bay and South San Francisco; and

WHEREAS, WETA staff has found that the enhanced services have generated sufficient new ridership revenue to cover the incremental operating cost of the services; and

WHEREAS, WETA staff recommends continuation of the enhanced Harbor Bay and South San Francisco services; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves the continuation of the enhanced Harbor Bay and South San Francisco services.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on January 9, 2020.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2020-02

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Update on Tideline Marine Group's Private Charter Service from South San Francisco to Harbor Bay

Recommendation

There is no recommendation associated with this informational item.

Background/Discussion

WETA staff was approached by Tideline Marine Group (Tideline) in 2018 with a request for permission to provide private charter small vessel landings at WETA's Harbor Bay Ferry Terminal in order to shuttle employees of a private firm (Exelixis) in the reverse-commute direction from South San Francisco to their new work place at Harbor Bay. The request was for an initial six-month demonstration period with the potential to make this a long-term arrangement. At the September 6, 2018 meeting the WETA Board of Directors approved Tideline's request to conduct these scheduled reverse-commute private charter landings with the vessel *Osprey* at the Harbor Bay Ferry Terminal on a six-month demonstration basis subject to meeting WETA's conditions and requirements. The demonstration period began on February 25, 2019 and was scheduled to expire on August 25, 2019.

At the August 1, 2019 WETA Board of Directors meeting, the Board considered a request from Tideline to extend its license term for one year in order to continue the private charter service for Exelixis employees. Directors discussed concerns about labor harmony on the Tideline service and asked if Tideline or the private employer had considered approaching other Harbor Bay employers to see if they had South Bay employees who might be interested in riding the service in an effort to boost ridership and provide sufficient funds to meet living wage and benefit objectives. Directors emphasized that it is important that ferry workers serving Bay Area businesses are paid a fair living wage.

At the conclusion of the discussion, the Board approved a six-month extension to the landing agreement – through February 2020 - and requested that Tideline provide them with an update on their labor discussions at the January 2020 WETA Board meeting, noting that this would be an important factor in any future landing agreement extensions. A representative from Tideline will attend the meeting to discuss this item and the status of their work.

In preparing this update, staff received a new request from Tideline to expand its landing agreement to include a second employer and bi-directional trips to and from Harbor Bay (**Attachment A**). This request expands the landing rights in a way inconsistent with WETA's private landing policy and would have potential adverse impacts on parking at Harbor Bay and ridership on WETA's South San Francisco service.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

ATTACHMENT A



Dec 20th, 2019

WETA
Pier 9
The Embarcadero #111
San Francisco, CA.
94111

Subject: Tideline Marine Group Extension and Additional rider request

Dear WETA,

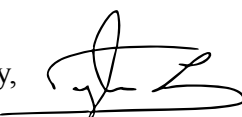
As you know, Tideline Marine Group Inc., (“Tideline”) currently provides private charter service to Exelixis Inc. employees between Oyster Point in San Mateo to Harbor Bay in Alameda at the discretion and oversight of WETA.

Per the request of the board at the last meeting of August 1st 2019, Tideline has secured an additional company to participate in the existing service, Genentech. The addition of this service current aligns with existing service schedule however Genentech riders are looking to utilized both legs the runs, currently Exelixis employees ride one 1 leg of a service. As is the case with Exelixis, our agreement with Genentech is strictly between Tideline and Genentech and not with any individual passenger or passenger group.

We are very excited about his opportunity to offer this service to a second member of the Bay Area business community and we respectfully request approval to amend our current agreement to include Genentech to our service for 1 year.

We value this relationship, the work of WETA staff and appreciate your consideration

Please let me know if you have any questions.

Sincerely, 

Capt. Taylor G. Lewis
CEO
Tideline Marine Group, Inc.
taylor.lewis@tidelinemarinegroup.com
415.488.7722

MEMORANDUM

TO: Board Members

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

SUBJECT: Mission Bay Ferry Landing Project Update

Recommendation

There is no recommendation associated with this informational item.

Background

A ferry terminal located in the Mission Bay section of San Francisco has been included in redevelopment plans for the area dating back to 2004. WETA has worked closely with the Port of San Francisco (Port) in recent years to support study and development of the Mission Bay Ferry Landing project. In May 2015, the Port engaged a marine engineering firm to conduct a site selection analysis and ultimately provide conceptual planning, architecture and engineering for a new ferry landing at Mission Bay. The site selection analysis examined four potential sites and eventually identified a site at the foot of 16th Street as the optimal location. The Port has now completed the environmental studies, design and permitting work necessary to move the Mission Bay Ferry Landing project to construction. To date, the Port has funded all planning and development activities – a total expense of nearly \$7 million – with WETA providing in-kind staff time as the project has progressed through the development process. In an April 5, 2019 letter (**Attachment A**), the Port requested that WETA contribute \$25 million in Regional Measure 3 (RM3) funds to complete the funding package for terminal construction; estimated to cost \$46.2 million in total.

The Mission Bay Ferry Landing was included as a prominent near-term expansion terminal in WETA's advocacy efforts, and June 2017 advocacy program, for the development of the RM3 toll measure initiative. This terminal is included in WETA's 2016 Strategic Plan and MTC's Plan Bay Area, the region's transportation planning document. Additionally, it was included in MTC's Transbay Core Capacity Study as a near-term project that could help alleviate transbay transit capacity shortfalls.

A Memorandum of Understanding (MOU) between the Port and WETA for project development and advancement was adopted by the WETA Board in January 2017. As detailed in the Port-WETA project MOU, the Mission Bay Ferry Landing is being planned, designed and constructed by the Port of San Francisco with WETA consultation and support. After it is complete, the Port intends to turn over the waterside assets (float, gangway, piles) to WETA for ownership. WETA will operate the facility which could also be made available for use by Golden Gate Ferry through a landing rights agreement with WETA. WETA will be responsible for maintaining the waterside assets while the Port will maintain the fixed assets (pier, landing area).

WETA and Port staff provided the Board with an overview and status report of the terminal development and service operating concept at the June 2019 meeting (**Attachment B**).

Discussion

At the November 2019 meeting, as a part of an overall strategy discussion on how WETA can lean forward to continue development of service expansion projects in the next three years despite the uncertain status of RM3 funds, staff recommended moving forward with funding commitments and work to support development and construction of the Mission Bay Ferry Landing project and service. In particular, staff identified the need for WETA to take action on the Port's request for a commitment of \$25 million future RM3 funds to complete the terminal construction funding package and to secure funds to support small vessel construction for planned new service between downtown San Francisco and the new Mission Bay terminal. Board members present indicated general support for the project but requested an update on project development activities and labor initiatives before moving forward with project commitments.

Terminal Construction Activities and Funding

The Port has recently completed a procurement process to select a firm to perform construction management and pre-construction services for the Mission Bay Ferry Landing project. Award of the contract by the Port Commission is anticipated later in January or February 2020. A final construction contract is anticipated to be awarded by the Port Commission in Summer 2020, pending full funding of the terminal construction. Port staff will be at the meeting to discuss terminal construction plans and related labor initiatives.

While RM3 funds are not yet available for allocation to projects, the Metropolitan Transportation Commission (MTC) has developed a process for issuing a Letter of No Prejudice (LONP) to project sponsors who wish to advance project construction with local funds now and remain eligible for reimbursement with RM3 funds if/when they become available in the future. As the designated recipient of regional ferry enhancement funds included in the RM3 toll measure, WETA will be required to take the lead in requesting an LONP for project funds. WETA staff is working with Port and MTC staff to identify the specific actions and timeline for securing an LONP for the Mission Bay Ferry Landing construction in the coming months.

Vessel Funding and Construction

In order to design and construct a small vessel for use in planned new Mission Bay service beginning in January 2022, WETA will need to secure new funds and start the vessel design and procurement process in the first half of 2020. Staff has worked to develop a project concept for an all-electric battery-powered small ferry vessel that would be ideal for use on both new Mission Bay and Treasure Island services. These short routes provide a unique opportunity for WETA to step forward to test and demonstrate the use of an all-electric battery propulsion system in passenger ferry service. Staff is preparing a grant application for state Transit and Intercity Rail Capital Program (TIRCP) funds to support construction of two new small vessels, including one for Mission Bay and one for Treasure Island service, and the required landside charging infrastructure. This application is due January 16 for funding consideration in the first quarter of 2020.

Tentative Schedule for Project Actions

The following tentative project schedule has been developed by WETA and Port staff to identify the actions and activities required to take place in the first half of 2020 in order to support moving the Mission Bay Ferry Landing and related vessel project forward to construction.

Date	Action
January 9	Status report to WETA Board
January 14	Status report, Contract approval for SF Port Commission
January 16	WETA submits TIRCP application for small vessel funds
February 6	WETA Board action on MTC (LONP) Port of SF Funding Agreement
February 11	SF Port Commission action on WETA funding agreement MTC LONP
March 25	MTC action on WETA/Port of SF LONP
March, April	Terminal pre-construction activities begin Vessel design work begins
August	SF Port Commission action to finalize Guaranteed Maximum Price contract

WETA and Port staff will provide a project update and further elaborate on project development, construction and funding activities at the meeting.

END

ATTACHMENT A



April 5, 2019

Nina Rannells
Executive Director
Water Emergency Transportation Authority
Pier 9, Suite 111, The Embarcadero
San Francisco, CA 94111

Dear Ms. Rannells:

I write to request that the WETA Board consider an action prior to July 1st to approve programming \$25 million of Regional Measure 3 (RM3) Ferry Enhancement Program funding to the Mission Bay Ferry Landing Project.

As my staff and I have discussed with you and Board Member Wunderman, Mission Bay Ferry Landing is an essential piece of the transportation plan for one of the fastest-growing neighborhoods in San Francisco and is a top priority for San Francisco's state and local leadership. The project is on track to initiate construction in fall of 2019 and be completed in late 2021, if the Port can secure the final \$25 million in construction funding.

Based upon the last meeting City staff had with WETA and MTC, the Port is following up with MTC regarding the possibility of reimbursement of expenditures being an eligible use of RM3 funds. Because of the lawsuit delaying flow of RM3 funds, San Francisco is willing to consider advancing other funding to temporarily cover this construction expense, if the project can be positioned to secure future RM3 reimbursement. Ensuring that the project is supported by the WETA Board as a Ferry Enhancement Program is key to completing its funding plan.

In light of the importance of the project to regional transit solutions and the immediacy of the need to complete the project to match the speed of growth, the Port requests that the WETA Board take action this spring.

If you would prefer that the Port convey this request directly to your Board members, please notify David Beaupre (david.beaupre@sfport.com) on my staff and we will reach out to them. Thank you for your kind consideration.

Sincerely,

Elaine Forbes
Executive Director

cc: Andres Powers, Mayor London Breed's Office
Kevin Connolly, WETA
David Beaupre, Port of San Francisco

MEMORANDUM

TO: Board Members

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

SUBJECT: Mission Bay Ferry Landing Project Update

Recommendation

There is no recommended action with this informational item.

Background

A ferry terminal located in the Mission Bay section of San Francisco has been included in redevelopment plans for the area dating back to 2004. The Port of San Francisco, working with WETA, proposed a planning study to analyze several candidate locations for a Mission Bay Ferry Terminal in early 2015. A Memorandum of Understanding (MOU) between the Port and WETA was adopted by the WETA Board in January 2017. The MOU defined roles and responsibilities for the planning and development of a potential Mission Bay ferry facility.

To date, the Port has funded all planning and development activities – a total expense of nearly \$7 million – with WETA providing in-kind staff time as the project has progressed through the development process. In May 2015, the Port engaged a marine engineering firm to conduct a site selection analysis and ultimately provide conceptual planning, architecture and engineering for a new ferry landing at Mission Bay. The site selection analysis examined four potential sites and eventually identified a site at the foot of 16th Street as the optimal location. The advantages of the site were that it was centrally located in the Mission Bay area, creating an easy walk to dense employment, entertainment and residential land uses. It also was the most protected of the candidate sites from wind and wave conditions. The other sites would have required construction of a breakwater, complicating project permitting and construction as well as adding to capital cost. While the 16th Street location required expensive dredging due to its proximity to a then-active shipyard and sediment contamination from historical maritime industrial operations and submerged debris from remnants of Pier 64, it offered the most attractive balance of passenger convenience, wind and wave protection and support of surrounding land uses.

The Mission Bay Ferry Terminal is included in WETA's Strategic Plan, adopted in January 2016 as a near-term expansion candidate. It was also included in the 2017 Transbay/Core Capacity Study produced by MTC as a near-term project that could help alleviate transbay transit capacity shortfalls. The project was included in the last and current versions of MTC's Plan Bay Area, the region's transportation planning document. Finally, WETA included Mission Bay in its Regional Measure 3 ferry investment program which identified an advocacy program of potential WETA projects for inclusion in Regional Measure (RM3).

As detailed in the Port-WETA project MOU, the Mission Bay Ferry Landing is being planned, designed and constructed by the Port of San Francisco. After it is complete, the Port intends

to turn over the waterside assets (float, gangway, piles) to WETA for ownership. WETA will operate the facility which could also be made available for use by Golden Gate Ferry through a landing rights agreement with WETA. WETA will be responsible for maintaining the waterside assets while the Port will maintain the fixed assets (pier, landing area).

Discussion

Mission Bay Ferry Landing Project Design Characteristics

Project design, permitting and environmental analysis has been led by the Port of San Francisco in partnership with WETA. The environmental analysis resulted in a Mitigated Negative Declaration that was issued in June 2018. The project elements consist of a fixed pier, gangway and two-sided float that is interchangeable with WETA's other San Francisco floats. The project includes some landside costs for a plaza immediately in front of the fixed pier and the adjacent area of utilities to support the project as well as structures required for the area's storm water plan. In addition, the project was designed in parallel with two waterfront parks adjacent to the site. To the north, Bayfront Park is currently under construction while Agua Vista Park is immediately to the south of the site. While the parks were designed to accommodate ferry functions such as queueing or potential emergency response staging, the cost of the parks are not included in the Mission Bay Ferry Landing project cost.

The project site is served by transit and a high-quality pedestrian and bicycle environment. Terry Francois Boulevard is being relocated westward from its current position on the waterfront to accommodate the new park, which also results in more waterfront property for the ferry landing. A cycle track – a protected two-way bicycle facility -- is being included in the new Terry Francois Boulevard. In addition, there will be duck-outs for Mission Bay and UCSF shuttles and buses in the street frontage adjacent to the Ferry Landing. As part of the Chase Center, a new MUNI platform is being constructed a block west of the site for the T Third Street line and the Central Subway line, which is opening soon. Finally, MUNI bus service is a block from the site and there is a plan to upgrade lines 55 and 22 which operate on 16th Street connecting to BART.

The design by architect Robin Chiang features a canopy and roof made of lightweight materials on the pier, gangway and float that also offer rain protection. This distinctive architectural treatment was chosen due to the prominence of the site and its surroundings. This design decision was reinforced at every level of review: community, City and Bay Conservation and Development Commission.

The Ferry Landing offers a unique opportunity to add to WETA's emergency response network in a critical location. The Ferry Landing increases terminal capacity in the event WETA is moving first responders into San Francisco and evacuating workers and residents to other locations in WETA's network. With a park immediately adjacent to the Ferry Landing, there will be open space for staging of equipment and staff.

Dredging for the new Ferry Landing amounts to a significant but unavoidable expense given the location, adjacent waterborne uses and history of the site. Pier 46, a former oil transfer facility, is sunken and immediately to the north of the ferry landing location. When the project planning began, the shipyard and dry dock facility located at the foot of 20th Street was an active operation led by BAE. In the meantime, BAE left the site and the Port, which owns the shipyard, has been actively seeking a new tenant. The expectation remains that any new

shipyard tenant will require the planned-for dredging footprint that allows for efficient simultaneous ferry operations and shipyard activity. Because the Pier 46 site must be capped and debris removed, the expense is much larger than what WETA has experienced in other recent development projects.

Mission Bay Ferry Landing Service Concept

The 2019 Small Vessel Study developed a service concept that utilizes a small vessel in tandem with WETA's conventional vessels to offer connecting service between the Downtown Terminal and Mission Bay. As envisioned, passengers from WETA services will transfer to a waiting small vessel if they are headed to Mission Bay in the first half of the AM commute period. Later in the AM commute, larger vessels will first stop at the Downtown Terminal and then continue to Mission Bay. This service design matches the size and scale of Mission Bay as a secondary jobs market. Also, the convenience of a transfer arrangement is made possible through the design of WETA's Downtown Terminal expansion project which aligns three floats at Gates E, F and G in the South Basin of the terminal area. The transfer arrangement will allow passengers from WETA services, as well as Golden Gate Ferry, to make a connection to Mission Bay. As the service matures and WETA builds its fleet, staff anticipates that there will be opportunities to offer direct service to Mission Bay as market demand warrants.

Special event service will operate to serve both Golden State Warriors (Warriors) home basketball games and concerts or other events at the Chase Center. Service to and from Warriors games will likely mimic what is currently offered for Giants home games, although staff is working with the Warriors to better understand season ticket holder home origins. There will also be the opportunity for ferry riders or downtown San Francisco workers to take the commute period ferry service between the Downtown Terminal and Mission Bay prior to games or events. However, ferry service will not necessarily be offered to every WETA origin terminal after events. Based on preliminary ticket holder data, it appears the largest home game origins are proximate to the Oakland, Alameda and South San Francisco terminals.

Service to concerts such as Metallica, The Who or Phish will be dependent on anticipated attendance and the ability of the Chase Center to adequately plan for the event. Staff is currently working with Chase Center staff to determine the best fit for ferry service to concerts, given conflicts in schedule with baseball or variable attendance levels.

Vessels

New vessels will need to be added to the WETA fleet to serve the Mission Bay Ferry Landing by the target start date for commuter service in late 2021. Staff examined the use of small vessels during the 2019 Small Vessel Feasibility Study as a potential application in Mission Bay service. Small vessels will have the advantage of being able to turn around quickly and are sized appropriately for the modest level of ridership expected in the initial years of service to Mission Bay. As a result of the analysis, the Small Vessel Study determined that small vessels were the appropriate application for a connecting service between the Downtown Terminal and the Mission Bay Ferry Landing. While multiple types of vessels will ultimately serve the new facility during both peak hours and for special events, staff envisions that small vessels will be the primary vessel type during commute hours in the initial years of service. WETA will need to initiate procurement activities and identify funding for at least two small vessels, estimated to cost \$6 million, by the end of calendar year 2019 in order to meet expectations for starting service in late 2021.

Estimated Terminal Project Costs and Funding Plan

The total estimated cost for the Mission Bay Ferry Landing facility is \$46.2 million. The Port has secured \$21.2 million and is seeking a \$25 million RM3 commitment from WETA – out of WETA’s \$300 million RM3 capital program - to support terminal construction this fall (see letter request provided as **Attachment A**). Coincidentally, this amount is the approximate value of the waterside assets that the Port would ultimately transfer to WETA for management and control once the terminal construction has been completed.

Table 1.0 below presents the cost breakdown for the project and Table 2.0 provides a breakdown of the project’s anticipated funding sources.

Table 1.0 Project Costs

Facility Component	Cost
Float, Gangway, Fixed Pier	\$13,200,000
Ferry Plaza	\$2,100,000
General Conditions, Contractor Overhead, Profit	\$8,300,000
Dredging, Cap Construction	\$10,200,000
Construction Management, Monitoring	\$2,100,000
Port Contract Contingency	\$3,300,000
Entitlement & Engineering	\$7,000,000
Total Installed Facility Cost	\$46,200,000

Table 2.0 Anticipated Project Funding Sources

Facility Funding Sources	Amount
<i>Secured Sources</i>	
Port of SF – Capital	\$3,500,000
City of SF -- General Fund	\$3,500,000
City of SF – Office of Community Investment and Infrastructure	\$9,000,000
Private Contributions	\$5,200,000
Total, Secured Sources	\$21,200,000
<i>Unsecured Sources (Facility & Vessels)</i>	
WETA RM3 – Facility	\$25,000,000
Total, Unsecured Sources	\$25,000,000
Total, Secured & Unsecured Sources	\$46,200,000

Next Steps

The Port has asked for a WETA commitment of \$25 million in RM3 capital funds to support construction of the Mission Bay Ferry Landing beginning this fall – a critical schedule milestone that supports the Port’s ability to make use of the 2020 in-water construction window and complete the project in 2021. This request is complicated by the fact that the timing and availability of RM3 is still uncertain due to legal challenges pending in the courts.

Provided that the WETA Board is supportive of the Port’s request for \$25 million in RM3 funds for this project, and the RM3 program clears its legal challenges in the next few months, several actions will be necessary in the coming months to meet the project schedule as summarized below in Table 3.0.

Table 3.0 Upcoming WETA/Other Board Actions, Project Milestones

WETA Board Action, Project Milestone	Estimated Date
Project Status Report	June 2019
WETA Adopts RM3 Program Plan/Funding Request to MTC	September 2019
WETA/Port Adopt Mission Bay Project MOU Amendment	October 2019
Port Commission Authorizes Construction	October 2019
MTC Approves WETA Program Funding	November 2019
WETA Authorizes Vessel Procurement	November 2019
Terminal Construction Begins	Spring 2020
Vessel Delivery	Summer 2021
Ferry Landing Opens	Fall 2021

In the event that the WETA Board supports the Port’s request for \$25 million in RM3 funds for the project but there continues to be uncertainty regarding the RM3 program beyond the summer months, staff will work with MTC and the Port to identify options for moving the terminal and vessel construction forward under an alternative approach such as a “letter of no prejudice” that allows local funds to be used to advance construction activities ahead of the final funding commitment. This approach would require further discussion and close coordination with the Port and the Metropolitan Transportation Commission.

Fiscal Impact

There is no fiscal impact associated with this project update. However, in order to move this project forward to construction this fall, WETA will need to consider the Port’s request for a commitment of \$25 million RM3 funds to support terminal construction and will need to identify funds for construction of two small ferry vessels, estimated to cost \$6 million, to support implementation of regularly scheduled service once the terminal is complete.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Treasure Island Ferry Service Project Update

Recommendation

There is no recommendation associated with this informational 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. Additionally, 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 Treasure Island 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 SFCTA/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 SFCTA/TIMMA concerning terms and conditions for operating new public transit Treasure Island ferry service. Recently, SFCTA/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 and collaborate with the SFCTA/TIMMA staff as it plans for transportation services to Treasure Island.

Discussion

At the November 2019 meeting, as a part of an overall strategy discussion on how WETA can lean forward to continue development of service expansion projects in the next three years despite the uncertain status of Regional Measure 3 funds, staff recommended that WETA lead efforts to seek and secure new grants and/or earmarks to design and build new small vessels to support new Treasure Island and Mission Bay ferry services. This recommendation was made with the understanding that Treasure Island ferry service operating costs are assumed to be the responsibility of SFCTA/TIMMA, using revenues generated by fares, tolls, parking fees and developer contributions. Board members present were generally supportive of the vessel project but requested an update from SFCTA/TIMMA on their efforts to secure funds to support service operation and their commitment to fund public Treasure Island ferry service operated by WETA.

SFCTA/TIMMA staff last appeared before the WETA Board in February and April of 2019 to provide an overview of their work to develop ferry service within the context of the overall transportation and transportation financing program envisioned for the island. Key information provided by SFCTA/TIMMA staff and discussed at the time included:

- The Treasure Island developer is responsible for funding and constructing the new Treasure Island ferry terminal and is targeting completion in Fall 2021.
- SFCTA/TIMMA was targeting 2021 to begin limited initial ferry service to Treasure Island.
- SFCTA/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.
- SFCTA/TIMMA was working on a tolling plan for Summer 2019 approval and was concerned that it would not be sufficient to cover the program of planned transportation improvements, including ferry operating costs and vessel purchase or lease costs until 2025/26.
- SFCTA/TIMMA and the developer were considering private operators to operate limited ferry service beginning in 2021, but ultimately wanted to partner with WETA for public ferry service operation and to pursue grants for vessel procurement and ferry operating funds.
- Small vessels were identified by both WETA and SFCTA/TIMMA as the appropriate application for initial Treasure Island ferry service.
- The next step forward was for the parties to develop an MOU that identifies roles and responsibilities along with a strategy for bringing WETA service to Treasure Island.

Since these briefings, SFCTA/TIMMA's timeline has changed in that their toll measure is now slated to be considered in early 2020 and new public transit ferry service is not likely to start until July 2023. However, a limited private developer-funded ferry service could start as early as 2021 when the first new housing units open on the island. Staff from the San Francisco County Transportation Authority (SFCTA) have been invited to provide a status report on the Treasure Island project and the ferry terminal and ferry service concept.

In addition, WETA staff has identified a near-term funding opportunity for a new vessel that could be used to support start-up of new WETA public transit ferry service between Treasure Island and downtown San Francisco. As discussed in the prior item on Mission Bay ferry service (Agenda Item 10), staff believes that the Treasure Island and Mission Bay routes provide a unique opportunity for WETA to step forward to test and demonstrate the use of an all-electric battery propulsion system in passenger ferry service. State Transit and Intercity Rail Capital Program (TIRCP) funds are a good fit to fund these clean, innovative ferries. Staff is working in consultation with SFCTA (and Port) staff to develop an application for TIRCP funds for two vessels – one each for Treasure Island and Mission Bay services – and the required landside charging infrastructure. The TIRCP application is due no later than January 16, 2020 for this two-year grant cycle.

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
Kevin Connolly, Planning & Development Manager
Arthi Krubanandh, Transportation Planner**

SUBJECT: Update on Regional Means-Based Fare Discount Pilot Program and Fare Coordination and Integration Study

Recommendation

There is no recommendation associated with this informational item.

Background

The Clipper Board, working together with the Metropolitan Transportation Commission (MTC) and BART are currently engaged in two efforts related to fare policy regionwide: a means-based fare demonstration project and a regional fare integration study. WETA has invited staff from MTC to attend the January Board meeting to provide an overview and status report on these two important efforts.

Discussion

WETA's Executive Director is a member of the Clipper Board and staff participates on Clipper and MTC-led regional fare efforts, along with other Bay Area transit agencies. MTC staff has provided the following descriptions of the two efforts:

Means-based Fare Discount Pilot Program

“For most Bay Area households, transportation is the third-largest monthly expense, trailing only the cost of housing and food. To help serve the region’s low-income transit riders, MTC approved a means-based transit fare pilot program in 2018 – dubbed Clipper® START. The program is designed to:

- Make transit more affordable for the Bay Area’s low-income residents.
- Establish a more consistent regional standard for fare discount policies; and
- Define a transit affordability solution that is financially viable, administratively feasible and does not adversely affect the transit system’s service levels and performance.

The pilot Clipper START program is scheduled to launch in spring 2020 and will run for 18 months. BART, Caltrain, Golden Gate Transit and Ferry, and SFMTA are the transit agencies participating in Clipper START. Adults who earn up to 200 percent of the Federal Poverty Level are eligible through the program for a 20 percent fare discount on each single-ride BART and Caltrain trip, and a 50 percent discount on each single ride trip taken on SFMTA, and Golden Gate Transit or Golden Gate Ferry.”

Fare Coordination and Integration Study

“On February 2019, MTC hosted a Fare Integration Seminar for transit agency board members, MTC Commissioners, and transit agency staff at the San Francisco Ferry Building. The goal of the seminar was to create a forum for board members and staff to learn about fare integration models from other regions, to consider possible benefits and obstacles to more fare integration in the Bay Area, and to provide direction to staff on possible next steps. At the seminar, a general consensus emerged to move forward to explore the value of improved integration of the region’s complicated transit fare structure to make it more intuitive, affordable, and attractive to existing and potential passengers.

Over the summer of 2019 transit operator and MTC staff developed a scope of work and project management structure for a study and business case for fare integration in the Bay Area. In October 2019 the MTC Commission approved an allocation of approximately \$600,000 in Regional Measure 2 funds to support a Fare Coordination and Integration Study and Business Case project. The project seeks to improve the passenger experience and grow transit ridership across the Bay Area. Key objectives of the project include:

- Developing goals for the regional fare system that will support an improved user experience, increased transit ridership and build on robust public outreach;
- Identifying barriers, especially barriers related to fares and the user experience, that are impeding increased ridership;
- Identifying opportunities to increase transit ridership by improving the regional fare system through regional fare coordination and integration strategies; and
- Developing a detailed implementation plan, including funding plan, for recommended improvements.

The project has conducted a Request for Proposals seeking support from a consultant team and anticipates awarding a contract in March 2020. Staff from BART and MTC serve as Co-Project Managers and will manage the consultant team and collaborate closely with a Staff Working Group consisting of staff with a range of focuses (planning, finance, payments, and government affairs) from Bay Area transit operators.

Project oversight is provided by a new Fare Integration Task Force, consisting of the members of the Clipper Executive Board (which includes WETA) as well as the Chair and Vice Chair of the Bay Area County Transportation Agencies (BACTA) group, currently the executive directors of the Solano Transportation Authority (STA) and the Napa Valley Transportation Authority (NVTA) and the Livermore Amador Valley Transit Authority (LAVTA). The Fare Integration Task Force is chaired by Caltrain/SamTrans CEO Jim Hartnett with AC Transit’s General Manager Michael Hursh serving as Vice Chair.

The project team hopes to produce final recommendations within 12-18 months of March 2020.”

END