

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

(August 6, 2020)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session via videoconference consistent with California Governor Gavin Newsom's Executive Order N-25-20 to ensure social distancing and help mitigate the transmission of COVID-19.

1. CALL TO ORDER – BOARD CHAIR

Chair James Wunderman called the meeting to order at 1:31 p.m. He welcomed staff and meeting guests and noted that the meeting was being recorded. Chair Wunderman also advised how guests could sign up to speak to Directors throughout the meeting.

2. ROLL CALL

Chair Wunderman, Director Jessica Alba, Director Jeffrey DelBono, Director Anthony Intintoli, and Director Monique Moyer were in attendance.

3. SPECIAL ORDER OF BUSINESS

Chair Wunderman presented this special order of business in recognition of the 50th anniversary of the launch of Golden Gate Ferry Service and welcomed meeting guests Golden Gate Bridge, Highway and Transportation District (GGBHTD) Board of Directors President Barbara Pahre of Napa County, General Manager Dennis Mulligan, and Ferry Division Deputy General Manager Jim Swindler. Chair Wunderman introduced WETA Executive Director Nina Rannells to present this special award.

Ms. Rannells said she had the pleasure of working for the GGBHTD for 12 years and had worked with President Pahre, Mr. Mulligan, and Mr. Swindler. She said the guests and GGBHTD inspired ferry service in the Bay Area by starting the Golden Gate Ferry service 50 years ago in Sausalito. She read a WETA resolution to acknowledge and celebrate the momentous occasion.

Ms. Rannells said WETA appreciated the partnership of GGBHTD and noted that Mr. Swindler had shared a wealth of knowledge with WETA when it started and began growing its ferry services. She congratulated the guests on their 50th birthday, wished them many more years of successful service, and said it was her hope that GGBHTD and WETA will weather the current pandemic challenges and continue to flourish. She introduced President Pahre who thanked WETA Directors and staff for the thoughtful and beautiful resolution which, she added, would be displayed prominently in the GGBHTD offices. She said GGBHTD would continue its work in partnership with WETA and she thanked Directors and staff for recognizing GGBHTD's birthday.

Mr. Mulligan echoed President Pahre's comments and thanked WETA Directors and staff for the recognition. He said we are all in this pandemic crisis together and as we move forward, we will continue to focus on moving passengers across the San Francisco Bay to help reduce traffic congestion on the Bay Area's highways and bridges.

Chair Wunderman thanked the guests for their comments, service, and work and said what they have done was no small thing. He said the GGBHTD has led the way on ferry service and has inspired

WETA. He said WETA was pleased to celebrate the success of GGBHTD ferry service today, the opportunity to grow ferry service in the Bay Area was great, and that he looked forward to continuing those efforts in partnership with the GGBHTD. Chair Wunderman thanked the guests for making time to speak with Directors.

Director Moyer thanked the guests for their fortitude through good and bad times and their vision to stay the course. She asked the guests to celebrate this momentous occasion with their staff and crews and said she expected the GGBHTD would be celebrating again after another 50 years.

Chair Wunderman called for public comments on this special order of business and there were none.

Director Moyer made a motion to approve the item.

Director Intintoli seconded the motion and the resolution passed unanimously.

Yeas: Alba, DelBono, Intintoli, Moyer, Wunderman. Nays: None.

4. REPORT OF BOARD CHAIR

Chair Wunderman reported on his work on the Metropolitan Transportation Commission's (MTC) Blue Ribbon Transit Recovery Task Force (Task Force) and said he felt the Task Force's work of distributing the balance of the federal Coronavirus Aid, Relief, and Economic Recovery (CARES) Act funds amongst Bay Area transit agencies had gone well. Chair Wunderman said the Task Force and Bay Area public transit operators were now focused on developing a common safety plan for people returning to public transit during the COVID-19 pandemic. He noted that as the economy begins to recover, the public can expect to see a major communications campaign to encourage people to choose transit over single-occupancy vehicles.

Chair Wunderman said that in the future, the Task Force will be looking at areas of opportunity across all agencies to increase transit efficiency and equity. Chair Wunderman said that the Task Force Chair, Jim Sperring, and members are committed to this important work. He noted that as a member of the Task Force, he represented Bay Area Employers because of his work with the Bay Area Council and water transit because of his WETA work.

Chair Wunderman introduced and welcomed WETA's newest Director, Jessica Alba from Stanford University, who was attending her first WETA Board meeting today. He noted that Director Alba had been appointed to the WETA Board by California Speaker of the Assembly Anthony Rendon with encouragement from Assemblymembers David Chiu, Rob Bonta, Kevin Mullin, and others.

5. REPORTS OF DIRECTORS

Director Alba thanked Chair Wunderman and said she was delighted to join the WETA Board. She said she had received an extremely warm welcome from the Board and WETA staff for which she was especially grateful during this difficult time, especially for transportation agencies.

Director Alba said she had been impressed with WETA's rapid response to the pandemic in March and its planning efforts to manage each of the recovery phases that lie ahead throughout the next year. She said she was also impressed with WETA's financial stability and its ability to make wise decisions to assure the agency is providing safe services for its operator and crews, its staff, and its passengers. Director Alba said the last few decades of WETA's work reflect an impressive journey, and she looks forward to participating in making strategic decisions about service expansion, innovation, new technology, and service sustainability.

Director Alba explained that she was a Sustainable Transportation Planner and that she has primarily worked in the private sector for the last 20 years. She said she has focused on all transportation modes with an emphasis on, and passion for, improving transit accessibility and equity for all. She said that water transit was of interest due to the barrier of expensive transportation infrastructure for other transportation modes, the asset of the San Francisco Bay, and the promise of innovative opportunities in new technology such as hybrid vessels.

Director Alba said she looks forward to working with WETA to identify how to best provide water transit to support seamlessly public transit services. She noted her thanks to Speaker Rendon for entrusting her in her new WETA Director role, and Assemblymembers Chiu, Bonta, and Mullin for their support for her appointment.

Director Intintoli welcomed new Directors Alba and Moyer and said it has been a long time since WETA has had a full Board and he was very much looking forward to working with them both.

Director DelBono also welcomed and congratulated Directors Alba and Moyer and said he was also pleased to have a full Board again.

Director Moyer welcomed Director Alba and said that she has had numerous opportunities throughout her career to work with transportation experts and she believes the Board expertise is well-matched with that of the WETA staff. She said she looked forward to a very bright future for WETA as soon as the current difficulties and challenges have passed.

6. REPORTS OF STAFF

Ms. Rannells provided her written report to Directors and welcomed questions. She said staff would be officially opening WETA's new Downtown San Francisco Ferry Terminal Expansion Project on August 12. Ms. Rannells said that WETA Public Information & Marketing Manager Thomas Hall had created a video and press release to share to announce and celebrate the opening and said he was working with the Port of San Francisco and San Francisco Mayor's Office and others on the event.

Ms. Rannells reported that the Clipper START program had launched on July 15 with the initial five transit operators. She noted that MTC had accepted WETA's proposal to participate with a 50% discount off cash fares and said that WETA's participation was anticipated to begin in January.

Ms. Rannells reported that the plaintiffs in the Regional Measure 3 legal challenges had until August 10 to file a petition for the case to be heard by the California Supreme Court.

Ms. Rannells noted that WETA's year-end FY 2019/20 expenditures were \$42 million, which is \$9 million under budget. She attributed this reduced spending to the swift service and cost reductions made when the COVID-19 virus pandemic hit the Bay Area in March. She further noted that efforts to reduce spending beginning in March were responsible for the stable financial position WETA was in for this current fiscal year. She said that despite the service cuts beginning in March, WETA achieved a 44% farebox recovery for the year due to the robust health of the system prior to the pandemic.

Ms. Rannells reminded the Board that staff has been working with Bay Area transit operators to develop a common plan for the safe return of customers to public transit, as previously discussed by Chair Wunderman. She noted that as a part of MTC's action to approve the final federal CARES Act funds, MTC asked Bay Area transit operators to formally support implementation of this regional plan and reporting and communications effort. Ms. Rannells said that she expects to bring an item on this plan to the Board in September.

Ms. Rannells said Mr. Hall had created a video on WETA's safety precautions and cleaning efforts to assure passenger safety at its facilities and onboard its vessels and that the video can be viewed on WETA's website. She then introduced Planning & Development Manager Kevin Connolly to provide information on WETA's ridership.

Mr. Connolly shared two slides with Directors and noted that over the last six weeks, WETA ridership has been holding steady with no real meaningful increase or decrease. He said that from April to May, ridership grew about 30% on the peak trips and from May to June, it grew about another 30%. Mr. Connolly said that since the middle of June to the end of July, the rate of growth has been about 1%.

Mr. Connolly said that because WETA was adequately serving rider demand and ridership has been relatively stable, staff recommended no change to WETA's current services. It was noted that current ridership demand represented about 4% of normal trips for this time of year.

Chair Wunderman called for public comments on the ridership report and there were none.

Ms. Rannells introduced Peter Friedmann and Ray Bucheger of Lindsay Hart, LLP to provide Directors with an update on WETA's federal relations efforts.

Mr. Friedmann said that Congress has acted on unprecedented major legislature with subsequent sign-off by the White House over the last six months. Mr. Friedmann said there has been unprecedented spending of more than \$5 trillion to address the COVID-19 pandemic crisis. He noted that this could not have happened without Nancy Pelosi and Donald Trump working together. Mr. Friedmann said a lot of the COVID-19 relief funding has flowed to MTC, and it was expected that more money would be coming to help mitigate the damage caused by the pandemic.

Mr. Friedmann said he was grateful to be working in a non-partisan sector in the current partisan environment because doing so helped secure Federal Transit Administration (FTA) Ferry Grant Program funds in the amount of \$4.456 million to refurbish WETA's Alameda Ferry Terminal and helped repurpose previously earmarked federal funding. He said he was hopeful that there will be another large transportation bill sometime later this year and that he and Mr. Bucheger were working on increasing that funding for transit and specifically for ferries, since ferries have been underfunded among all transportation modes. Mr. Friedmann said work was underway to develop a larger caucus on Capitol Hill to support and argue for this. He then introduced Mr. Bucheger.

Mr. Bucheger reminded the Board of the two primary federal programs dedicated to ferry funding; a formula program through the Federal Highway Administration (FHWA) and a competitive grant program administered by the FTA. He said the FTA grant program was the origin of the \$4.456 million grant to upgrade WETA's Alameda Ferry Terminal, and he noted that this was the amount WETA had requested for the project. Mr. Bucheger said this was the sole grant awarded to an agency in California this year and that two of the reasons the grant was received were that the project was a good one and that the application had been very well done. Mr. Bucheger added that given the highly competitive environment for relatively few available funds, another primary reason WETA received this grant was political support. He said that he and Mr. Friedmann had worked with Ms. Rannells to secure letters of support from Speaker Nancy Pelosi, Senator Dianne Feinstein, Congressman John Garamendi, and Congresswoman Barbara Lee in whose district the terminal can be found.

Mr. Bucheger said that Congressman Garamendi had been and continues to be a tremendous friend of WETA, and ferries generally, in his support of the WETA Alameda Terminal project and his leadership to help increase funding for ferries in the next surface transportation bill.

Mr. Bucheger said that in addition to pursuing new funding, Mr. Friedmann and he have been working to ensure that WETA will have access to funding that had been previously earmarked for the agency and its projects in the past. He noted the extensive ongoing work with Senator Feinstein over the last several years to advocate for language in the annual transportation appropriations bill to give the United States Department of Transportation (DOT) the authority to repurpose funding previously appropriated for specific projects. Mr. Bucheger said that because of this language addition to the bill, WETA will be able to use more than \$1 million previously earmarked in FY2008 and FY2009.

Mr. Bucheger said that quite a bit of funding had come to WETA through the FHWA formula program and the FTA competitive grant program. He explained that both programs were oversubscribed and, compared to other forms of transit, underfunded, and that he and Mr. Friedmann have been working for the last several years to increase the available funding in both programs. Mr. Bucheger noted that the programs were authorized through the current surface transportation bill called the FAST Act, which expires on September 30, 2020, and that congress would need to reauthorize all programs run by the DOT.

Mr. Bucheger said that due to persistent lobbying over the past few years, the House version of the new surface transportation bill will increase funding for the FHWA formula program from \$80 million to \$120 million annually and will more than double the FTA discretionary grant program funding from \$30 million to more than \$60 million in FY2022. He said the FTA program funding will increase each fiscal year to more than \$63 million in FY2025. Mr. Bucheger noted that this doubling of the available federal funding, if enacted in the final reauthorization bill, would double the limit WETA can request.

Mr. Bucheger said he remained hopeful that the partnership between the Speaker and the President will continue for COVID-19 relief efforts but that there seemed to be little cooperation on the current COVID-19 relief bill. He noted that a big part of the disagreement was on the amount of spending. Mr. Bucheger said the \$3.2 trillion House-passed Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act contains \$15.75 billion for transit agencies but that the Senate bill does not contain any additional funding for transit. He said that after weeks of intense meetings and negotiations, little progress had been made.

Mr. Bucheger said that Speaker Pelosi is a huge transit funding advocate as is Senator Chuck Schumer from New York. He said if Congress can come together on a comprehensive COVID-19 bill with trillions of dollars in funding, his sense is that there likely will be some additional transit funding.

Mr. Bucheger said that he and Mr. Friedmann have also been working closely with Chairman Pete DeFazio and other members of the House Transportation and Infrastructure Committee since March on legislation that materialized about a month ago called the Maritime Transportation and Security Emergency Relief Act (MTSERA). He said the MTSERA will give the Maritime Administration the authorization to provide funding to transportation agencies in times of emergency, including the COVID-19 pandemic emergency.

Mr. Bucheger said efforts continued to increase funding to \$3.5 billion in the next COVID-19 bill for all transportation modes which can be used for COVID-19 related reasons including debt service, staffing, security, and infrastructure. He said this would be money WETA could use if efforts are successful. Mr. Bucheger noted that this has been discussed with the Bay Area delegation and will

only materialize if the funding makes it into the next relief bill if Congress is able to come together to support a large spending package.

Chair Wunderman thanked Mr. Friedmann and Mr. Bucheger for their extensive, valuable, and encouraging report, their successes on behalf of WETA, and their continuing efforts in a difficult environment. He said their mastery of the work and their relationship-building has been incredible and was greatly appreciated by Directors.

Director DelBono expressed his gratitude for Mr. Friedmann's and Mr. Bucheger's ongoing work.

Chair Wunderman suggested that WETA invite Congressman Garamendi to speak at a WETA Board meeting since he has been such a strong WETA advocate. He said it would be wonderful to thank him and to learn about his perspective on these matters. Mr. Bucheger said he would likely be happy and willing to do so.

Chair Wunderman called for public comments on the legislative report and there were none.

7. CONSENT CALENDAR

Director Intintoli made a motion to approve the consent calendar:

- a. Board Meeting Minutes – July 16, 2020

Chair Wunderman called for public comments on the Consent Calendar and there were none.

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

Yeas: Alba, DelBono, Intintoli, Moyer, Wunderman. Nays: None.

Chair Wunderman commended the Board Secretary on WETA's Board meeting minutes.

8. APPROVE CONTRACT AWARD TO KL2 CONNECTS LLC FOR EXECUTIVE SEARCH SERVICES TO ASSIST WITH RECRUITMENT OF EXECUTIVE DIRECTOR

Chair Wunderman presented this item to approve a contract award to KL2 Connects LLC (KL2) for executive search services to assist with the recruitment of a WETA Executive Director. He said the timing of this Item was notable since this meeting was the first time in a long time WETA has had a full Board. Chair Wunderman noted that the search for a new Executive Director was the biggest decision the Board has had to make in a long time and that replacing Ms. Rannells will not be easy. Because of this, he added, WETA would be working with an executive search agency to assist in the search.

Chair Wunderman explained that he had been working with his fellow Board member, Director DelBono, WETA legal counsel Madeline Chun and Steven Miller from Hanson Bridgett, and Ms. Rannells to identify the best agency of those who had responded to a Request for Proposals released several weeks ago. He explained that he and Director DelBono had narrowed down the proposals to three of the seven received, had conducted interviews with those three, and had agreed that KL2 was the best option to help in the search for WETA's next leader.

Chair Wunderman explained that KL2 had impressed Director DelBono and him with their flexibility to support the search and that their pricing was reasonable for this work and compared to some of the other proposals. He added that the real work will begin after contract award because the Board will need to clarify where it wants to take the agency to be able to identify who it wants to lead it.

Director DelBono said he had also been impressed with KL2, and he noted that one of the principals had previously worked for the GGBHTD and that the firm had ties to the Bay Area. He added that he also valued the firm's commitment to spend quality time with each Director to discuss goals and their outlook for the search.

Director Intintoli thanked Chair Wunderman and Director DelBono for their efforts in this process.

Director Moyer echoed these sentiments and inquired about the diversity inclusion aspect of the search. She thanked Ms. Rannells for the long lead time before her departure.

Director Alba echoed these sentiments and thanked Chair Wunderman and Director DelBono for their efforts.

Chair Wunderman said KL2 will produce a pool of candidates for consideration versus one or two people. He noted that several principals of the firm used to work at transportation agencies, so they have access to a large network of potential candidates. Director DelBono said KL2 had a history of placing diverse, qualified candidates at other agencies which had also impressed him.

PUBLIC COMMENT

KL2 Partner John Bartosiewicz thanked Directors for their comments and said he and his colleagues will do a really good job for them.

Director Intintoli made a motion to approve the item.

Director Moyer seconded the motion and the item passed unanimously.

Yeas: Alba, DelBono, Intintoli, Moyer, Wunderman. Nays: None.

Chair Wunderman said the Board would hold a Special Meeting of the Board in the near future to meet with KL2 and discuss plans for the Executive Director search.

9. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

Chair Wunderman called for public comments on non-agenda items and there were none.

With all business concluded, Chair Wunderman adjourned the meeting at 2:33 p.m.

- Board Secretary

END