

**Members of the Board**

James Wunderman, Chair  
Jessica Alba  
Jeffrey DelBono  
Anthony J. Intintoli, Jr.  
Monique Moyer

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

*Thursday, November 5, 2020 at 1:30 p.m.*

**VIDEOCONFERENCE**

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**AGENDA**

1. CALL TO ORDER
2. ROLL CALL
3. REPORT OF BOARD CHAIR **Information**
  - a. Chair's Verbal Report
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. Federal Legislative Update
  - d. State Legislative Update
  - e. Monthly Ridership and Recovery Report
6. CONSENT CALENDAR **Action**
  - a. Board Meeting Minutes – October 8, 2020
7. APPROVE BOARD OF DIRECTORS MEETING SCHEDULE FOR CALENDAR YEAR 2021 **Action**
8. NOVEMBER 2020 REDUCED FARE PROMOTION PROGRAM UPDATE **Information/  
Action**

**Water Emergency Transportation Authority  
November 5, 2020 Meeting of the Board of Directors**

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|--|--------------------------------|
| 9. <u>RECEIVE REDWOOD CITY FERRY FINANCIAL FEASIBILITY STUDY &amp; COST-BENEFIT AND ECONOMIC IMPACT ANALYSES REPORT</u>                            | <b>Action</b>                  |
| 10. <u>RECESS INTO CLOSED SESSION</u><br>a. Public Employment<br>Pursuant to Government Code Sections 54957<br>Title: Executive Director           | <b>Information/<br/>Action</b> |
| 11. <u>REPORT OF ACTIVITY IN CLOSED SESSION</u><br>Chair will report any action taken in closed session that is subject to reporting at this time. | <b>Information/<br/>Action</b> |
| 12. <u>PUBLIC COMMENTS FOR NON-AGENDA ITEMS</u>  | <b>Information</b>             |

**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.***

**CHANGES RELATED TO COVID-19**

Consistent with Governor Gavin Newsom's Executive Orders N-25-20 and N-29-20, effective immediately and until further notice, meetings will be conducted through virtual participation to promote social distancing and reduce the chance of COVID-19 transmission.

**PUBLIC COMMENTS** WETA welcomes comments from the public.

*If you know in advance that you would like to make a public comment during the videoconference, please email [BoardOfDirectors@watertransit.org](mailto:BoardOfDirectors@watertransit.org) with your name and item number you would like to provide comment on no later than 15 minutes after the start of the meeting. During the public comment period, speakers will be allotted no more than 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.*

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

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.

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 an email with your request to: [contactus@watertransit.org](mailto:contactus@watertransit.org) or by telephone: (415) 291-3377 as soon as possible and no later than 5 days prior to the meeting and we will work to accommodate access to the meeting.

**AGENDA ITEM 1**  
**CALL TO ORDER**

**AGENDA ITEM 2**  
**ROLL CALL**

**AGENDA ITEM 3**  
**REPORT OF BOARD CHAIR**

**AGENDA ITEM 4**  
**REPORTS OF DIRECTORS**

**NO MATERIALS**

TO: WETA Board Members

FROM: Nina Rannells, Executive Director

DATE: November 5, 2020

RE: Executive Director's Report

**CAPITAL PROJECT IMPLEMENTATION UPDATE****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. In March 2018, the Board approved a contract award to Glosten for construction management services to support vessel construction. In October 2018, the Board approved a contract award to Mavrik Marine Inc. (Mavrik) for construction of an initial vessel and in December 2019 approved construction of a second, optional vessel. Keel laying and construction of the first vessel, MV *Dorado*, commenced on December 18, 2018. Full hull weld-out is complete and the superstructure is painted. Insulation, plumbing, and wiring work is near completion, and propulsion components are being prepared for installation. Launch and sea trials and final delivery are anticipated in early 2021. Construction of the second vessel is underway and expected to be completed in 2021. These build schedules have been impacted by the COVID-19 pandemic and local shelter-in-place orders. At this juncture, approximately 75% of the workforce is available and working; morning and evening work shifts are being utilized to maintain physical distancing.

**MV *Bay Breeze* and MV *Solano* Vessel Replacement**

Both vessels have met the requirements qualifying for Federal Transit Administration (FTA) replacement funds. These 320-passenger replacement vessels will have minimal environmental impact, advanced Tier 4 emission controls, shallow draft, and low wake features. On February 13, the Board authorized release of a Request for Proposals (RFP) for the MV *Bay Breeze* replacement vessel construction. On February 13, the Board authorized a construction management services award to Aurora Marine Design. On March 12, the Board authorized staff to solicit proposals for the MV *Solano* replacement as a part of a single, combined solicitation with the MV *Bay Breeze* replacement project. In October 2020, the Board approved a contract award to Mavrik for construction of two vessels, to replace the MV *Solano* and MV *Bay Breeze*.

DBE update, Mavrik's proposed subcontractor has received California certification. This DBE participation will count towards achieving the overall project DBE goal. This is the first DBE participation on a vessel construction contract for WETA.

**Mission Bay Electric Vessel and Terminal Charging Infrastructure**

On April 21, the California State Transportation Agency (CalSTA) announced an award of \$9.06 million for an all-electric ferry and related infrastructure for new Mission Bay Ferry service. The project includes design and construction of one new all-electric vessel and related shoreside charging infrastructure at the Mission Bay and Downtown San Francisco Ferry Terminals. The Mission Bay ferry service is a critical 2.6-mile extension service between the Downtown San Francisco and Mission Bay Ferry Terminals that will improve the reach of existing ferry routes from Alameda, Oakland, Richmond, and Vallejo. Staff has started preliminary work developing

technical specifications and procurement documents. The Transit and Intercity Rail Capital Program (TIRCP) grant funds must be approved by the California Transportation Commission prior to the project being eligible for reimbursement. Staff will work with CalSTA to secure required approvals in the coming months based on the revised schedule for the Mission Bay Ferry Terminal construction presented to the Board at its September meeting by Port of San Francisco (SF Port) staff.

#### **Harbor Bay Fender Piling Installation**

The Harbor Bay Ferry Terminal is located at an exposed location on the eastern shore of San Francisco Bay. This project involves the installation of two pilings with fendering at the dock. Project benefits include softer motions while docking, less wear and tear on the vessels, and increased service life of existing fenders. The proposed mooring pile fenders would also improve the ability to land WETA's larger vessels at this facility. A contract was awarded to Power Engineering Construction Company (Power Engineering) at the July 16 Board meeting. Work was successfully completed on October 14, 2020 during the permitted work window.

#### **Alameda Main Street Terminal Refurbishment**

This project will design and construct terminal refurbishments and upgrades to this important WETA facility in order to maintain it in a state of good repair. WETA received a \$4,456,000 discretionary Federal Transit Administration Ferry Grant Program award in July 2020 to support this project. Staff is in the process of preparing an RFP for engineering and design services to design and develop this project for construction.

#### **Downtown San Francisco Ferry Terminal Expansion Project**

This project expands 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. The construction contractor for the project is Power Engineering and construction management services was provided by Jacobs Engineering.

Project construction began in February 2017 and is now complete, with the exception of work to install permanent electrical service. Work on the electrical connection began mid-July and is anticipated to be complete by November 2020.

### **SERVICE DEVELOPMENT UPDATE**

#### **Mission Bay Ferry Landing**

The SF Port has conducted feasibility and design studies in partnership with WETA staff for a future Mission Bay ferry landing. A project Memorandum of Understanding (MOU) between the SF Port and WETA was adopted by the Board in January 2017, establishing roles and responsibilities for the joint development of this project. The environmental document, final design, and permitting are now complete.

In April 2019, the SF Port requested that WETA commit \$25 million of its future Regional Measure 3 (RM3) funds to support terminal construction, estimated at the time to cost approximately \$40 million, in order to fully fund project construction. The Board authorized the Executive Director to enter into an MOU and a resolution for a Letter of No Prejudice (LONP) at the February 2020 Board meeting. On March 25, 2020, the Metropolitan Transportation Commission (MTC) approved the LONP request. Adoption of the MOU by SF Port Commission has been postponed at this juncture as the SF Port works to revise the project schedule and funding plan for the project.

On March 11, 2020, the SF Port released Invitations for Bids for both dredging and site preparation. The SF Port awarded the contract at its April 28 Commission meeting. Dredging and site preparation began in August 2020. The balance of the terminal construction activities were previously scheduled to begin in 2020; however, due to the pandemic, the SF Port has identified new financial challenges for the project and deferred the construction schedule out to 2021.

At the September 2020 meeting, the Board requested that the SF Port create a task force with representatives from the SF Port, City of San Francisco, and WETA to explore new funding opportunities and to deliver the project as early as possible. Director Moyer agreed to participate on this task force on behalf of the WETA Board.

### **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 Oakland Jack London Square Ferry Terminal 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 Board and Alameda City Council adopted an 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 transfer of property from the City of Alameda (Alameda) to the development team - Alameda Point Partners (APP) - included a \$10 million contribution toward the Seaplane Lagoon Ferry Terminal. Alameda 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. The Board and Alameda City Council adopted an Operating Agreement in December 2019 that supports transfer of the terminal waterside assets to WETA upon completion. On July 22, the United States Coast Guard (USCG) conducted the Seaplane Lagoon Terminal security inspection and found no deficiencies. Alameda and APP completed construction in August 2020 and the new terminal is ready for operations.

Staff has developed a marketing and outreach plan, branded "Seaplane Shift" to support the new Seaplane Lagoon service and related changes to the Alameda/Oakland estuary services. The campaign plan was revised in the wake of the COVID-19 crisis and the modified campaign was launched in May 2020. Outreach to passengers continues despite the uncertainty around the timing of launch of Seaplane Lagoon service. Staff has prepared a minor route rebrand timed to coincide with the Seaplane Shift to ensure passenger clarity around the differences between service out of Seaplane Lagoon (commute-focused) and the Main Street Alameda Ferry Terminal (off-peak, through Oakland).

### **Redwood City Ferry Terminal**

WETA prepared a draft Redwood City ferry terminal site feasibility report in 2012 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 (RWC Port), WETA, and Redwood

City met to redefine a ferry project and pursue feasibility study funds to move the project toward implementation.

In March 2020, the RWC Port, Redwood City, and WETA approved entering into a project MOU that defines agency roles and responsibilities for working together to advance the feasibility study and potential future terminal planning and development. 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 study, which kicked off at a February 2019 meeting with a consultant team and staff from the RWC Port, Redwood City, and WETA, is anticipated to be completed in October 2020. Staff provided an overview of WETA's System Expansion Policy and an introduction to the Redwood City Feasibility Study at the October WETA Board meeting. A presentation of the study results and recommended next steps has been scheduled for the November WETA Board meeting. A similar presentation will be made to the City of Redwood City Council and RWC Port Commission in the coming months.

### **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 an 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. 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. The first round of public workshops was moved to an on-line platform in June with subsequent rounds of outreach anticipated in the fall. Staff anticipates being in a position to provide the WETA Board with a project update in early 2021.

### **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. More recently, as confirmed in a January 2020 update to the Board, SFCTA/TIMMA staff has indicated that they anticipate being able to support launch of a new public Treasure Island ferry service in July 2023. They previously indicated that they were 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. 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 May, the SFCTA staff proposed conducting a consultant analysis of ferry service for Treasure Island and select portions of the San Francisco waterfront. A consultant team has been identified for the study and staff anticipates the work will begin sometime in fall 2020.

## **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 was assembled, comprised of hovercraft industry representatives, advocates from Bay Area public policy groups, environmental organizations, and maritime industry representatives to guide the study. Staff also convened a Hovercraft Technical Advisory Committee to review and provide input on preliminary results of the study. On September 5, 2019 the Board authorized a contract award to AECOM, and staff has subsequently executed a professional services agreement for the study. The initial task for the consultant team was to review the 2011 WETA Hovercraft Feasibility Study and update areas such as technology, environmental performance, and costs. Those draft results were reviewed by staff and returned to the consultants for finalization. WETA staff and consultants hosted Technical Advisory and Stakeholder Advocacy Workshops on February 26 to give local jurisdictions and interested stakeholders a chance to provide feedback to the study team and give input on the direction of the study. Staff presented an overview of the initial work at the March 12 meeting. The second round of committee meetings held the week of May 11 included a conversation about narrowing down the top routes for further analysis. The consultant provided an update to the Board at the June meeting highlighting the list of top routes for further analysis. Staff and the consultant have completed a round of meetings with the cities included in the final routes to review initial ridership modeling findings. The latest round of committee meetings was held in late August to discuss ridership estimates and more detailed discussion of some of the potential environmental issues associated with new service analysis. The study team has also recently completed a round of meetings with private sector stakeholders to discuss public-private partnership possibilities. The study will be completed in November and presented at the December WETA Board meeting.

### **MTC's Blue Ribbon Transit Recovery Task Force**

The MTC has created a Blue Ribbon Transit Recovery Task Force (Task Force) to guide the future of the Bay Area's public transportation network as the region adjusts to new conditions created by the COVID-19 pandemic. The Task Force, chaired by MTC Commissioner and Solano County Supervisor Jim Spering, includes other local elected officials as well as advocates for people with disabilities; representatives from the state Senate and Assembly; the California State Transportation Agency; transit operators; business and labor groups; and transit and social justice advocates. The Task Force members were formally appointed at the Commission's May 27 meeting. While WETA does not have a direct seat on the Task Force, Chair Wunderman is a participant through his role at the Bay Area Council.

Bay Area transit operators have worked collaboratively to form several working groups focused on the areas of financial sustainability, public health and safety, service and operations planning and communications in order to support the Task Force's work and discussions. WETA staff is regularly participating in these working groups.

Initial work of the Task Force included developing a recommendation for expedited distribution of federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Phase 2 funds which was approved by MTC on July 22. In addition, the transit operators worked to develop a Public Health on Transit Plan, which was presented to the Task Force at their June 28 and July 20 meetings, that provides a common, scalable set of guidelines and best practices to protect the



health of riders and transit workers in the region as we continue to operate during the pandemic. This plan, which was adopted by the WETA Board on September 3, has its own web site – [healthytransitplan.com](http://healthytransitplan.com) – that will also feature a dashboard with regularly-updated data from all Bay Area transit agencies in areas such as mask compliance and vehicle/vessel occupancy. The Task Force is now considering its future work program, recognizing that most Bay Area transit agencies are still operating at minimal levels and facing significant fiscal challenges. Upcoming Task Force meetings will define the work program considering this reality and likely shift the original focus of transit agencies involved in the effort. The next Task Force meeting is scheduled to take place on November 16, 2020.

### **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:

- The Bay Ferry V, scheduled for November 16-22 and hosted by Golden Gate Ferry in cooperation with United States Coast Guard (USCG) Sector San Francisco (SF) and other local, state, and federal first responders and emergency managers, has officially been cancelled until further notice due to the COVID-19 pandemic. This exercise was scheduled to count toward the USCG Vessel Mutual Aid Plan (VMAP) exercise requirement. Staff has worked with USCG Sector SF to instead participate in a virtual tabletop exercise to satisfy this requirement. USCG has offered to plan and host the tabletop exercise which is scheduled for early November.
- Response to COVID-19: WETA has partially activated its Emergency Operations Center in response to COVID-19 by staffing the Public Information Officer (PIO) and Liaison positions. As the pandemic has become our new normal, this work has largely been integrated into our normal staff roles.
- Staff has submitted an application to request reimbursement from the Federal Emergency Management Agency (FEMA) for costs associated with electrostatic disinfecting of vessels and facilities and for the purchase of personal protective equipment. WETA spent \$175,620 on these costs from late February through June 30. If approved, FEMA will reimburse WETA 75 percent of eligible costs. On September 1, FEMA issued a policy to change the requirements for determining the eligibility of work and costs under its Public Assistance Program for the California COVID-19 Pandemic Disaster Event. Effective September 15, WETA will no longer be able to apply for reimbursement of COVID related costs. Staff is in the process of submitting a final application for reimbursement of COVID related costs expended between July 1-September 14.
- In addition to seeking reimbursement from FEMA for COVID specific expenses, WETA has worked to request resources from federal and state agencies to help offset expenses for Personal Protective Equipment for frontline staff. WETA has been fortunate to receive the resources listed below from the California Office of Emergency Services (Cal OES), the Federal Transit Administration (FTA), and the Maritime Administration (MARAD):
  - Cal OES provided:
    - 126 gallons of hand sanitizer
    - 3,600 cloth masks
    - 4,000 disposable masks

- 80,000 vinyl gloves
- FTA provided 5,000 cloth masks
- MARAD provided 3,000 cloth masks

## **OPERATIONS REPORT**

### **WETA Operations and COVID-19 Preventive Measures**

Since March 17, WETA has offered limited Vallejo and Alameda/Oakland peak-period service to San Francisco on weekdays during the shelter-in-place orders. This included two morning and two afternoon trips between Vallejo and San Francisco and three morning and three afternoon trips between Alameda/Oakland and San Francisco. Staff has closely monitored ridership capacity to meet demand while adhering to social distancing guidelines. Vallejo ridership experienced a steady average increase of 26 percent on its peak trips between May and June and has remained at this average level through mid-September. In response to increasing ridership levels between May and June, two additional peak-period morning and afternoon trips were added in Vallejo on June 15 and on September 14, the Vallejo Ticket Office hours were adjusted to better serve demand. Service resumed in Richmond on June 15 providing three morning and three afternoon peak-period trips between Richmond and the Ferry Building. No changes have been made to Alameda/Oakland service.

Crews and boats are rotated into service to maintain fleetwide operational readiness. In the North Bay and Central Bay, eight crews continue to operate the daily service. Stand-by crews remain onsite performing vessel and facility maintenance, training, and exercising with a focus on vessel and crew regulatory compliance, cleaning, and maintaining operational availability for back-up service as needed.

WETA is committed to passenger safety and continues to follow local and state public health orders as they are released to prevent the spread of the virus and to ensure ridership confidence. In keeping with the recently adopted Passenger and Crew Safety Plan and Communications Campaign, passengers are required to wear protective masks or face coverings to ride the ferry, no eating or drinking is allowed while onboard, and hand sanitizer is available on each vessel. Passengers are reminded through on board messaging of the social distancing and personal protective equipment requirements. WETA has established passenger distancing measures on vessels with seat markers to identify available seating and seating that is not to be used. Additionally, to ensure social distancing requirements at all active ferry terminals in the system, markers have been placed in areas of passenger queuing to reflect the six-foot distance needed to safely board and disembark.

The health and safety of our crews is also a top priority. COVID-19 Prevention Guidelines for employees and the public are posted at each facility and on each vessel. Staff is closely monitoring local and state public health orders and making updates to its operational guidelines as applicable. Vessel crews are required to self-screen (including temperature checks) before reporting to work. All crews have been provided with personal protective equipment such as face masks and gloves. Crews are required to wear protective masks while on duty and are limiting the number of passengers onboard to maintain social distancing guidelines.

As part of the coordinated efforts to slow the spread of COVID-19, WETA's service contractor, Blue & Gold has implemented extensive vessel and terminal cleaning protocols with increased frequency with special attention to disinfecting all high-touch hard surfaces such as Clipper readers, handrails, arm rests, door handles, seat trays, stairwells, tabletops, restrooms, and all fixtures in the pilot house. Vessel fogging is administered at the end of each shift on in-service vessels.

**Monthly Operating Statistics** - The Monthly Operating Statistics Report for September 2020 is provided as **Attachment A**.

**KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH**

On October 19, Nina Rannells attended the regional Fare Integration Task Force meeting.

On October 19, Nina Rannells attended the Clipper Executive Board meeting.

On October 21, staff attended a workshop on the California Air Resources Board's draft proposed Commercial Harbor Craft Regulation changes.

On October 21, Thomas Hall participated in the monthly meeting of the Visit Vallejo Board of Directors.

On October 21, Thomas Hall participated in a marketing coordination meeting for transit operators in the next phase of Clipper START implementation.

On October 23, Thomas Hall gave a presentation to the West Contra Costa Transportation Advisory Committee on Richmond ferry ridership and the Dollar Days on the Bay promotion.

**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 and June 11, 2019, respectively. A Notice of Appeal was filed by each plaintiff and 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 was filed in January 2020. The Court of Appeal held a hearing on May 26 for the two cases. On June 29, 2020, the Court of Appeal issued its opinion in the two pending cases (Howard Jarvis Taxpayer Association and Randall Whitney) challenging the validity of RM3, the toll increase for the seven state-owned Bay Area bridges that was approved by the voters in 2018 by a 55 percent majority. The Court unanimously affirmed the trial court's decision that such a toll is not a tax. The appellate court concluded that the RM3 toll increase falls within the California Constitution's exception from the definition of "tax" for "a charge imposed for entrance to or use of state property." The appellate court found that the Legislature, in passing Senate Bill 595, had the power to impose a regional toll increase conditional upon approval of the region's voters. The court determined that voter approval by a two-thirds majority vote did not apply.

On July 8, 2020 the plaintiffs filed a petition for rehearing before the Court of Appeal, which was denied on July 13. The plaintiffs filed a petition for review with the California Supreme Court on August 10. On October 14, the California Supreme Court granted review of the RM3 case. Further action will be deferred, however, until the Court has considered and decided the Zolly case, which is currently pending with the court.

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 that the Commission adopted in December 2019. Staff is working with MTC to ensure that we are positioned to secure toll measure funds when they are available.

### **PROPSF California Public Utilities Commission Filing**

On October 11, 2019 WETA filed a response to an application by PROPSF, LLC to amend its certificate of public convenience and necessity (CPCN) to allow PROPSF 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, PROPSF obtained a CPCN from the California Public Utilities Commission (CPUC) to provide scheduled vessel common carrier service for service routes between San Francisco, Berkeley, Emeryville, 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, prearranged 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. PROPSF seeks to amend its 2016 CPCN to add authorization to provide unscheduled, prearranged 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 the further definition 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. PROPSF has replied to WETA's response asserting that no further California Environmental Quality Act (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 CPUC held a pre-hearing conference on February 4 to determine whether a hearing will be necessary and, if so, on what issues. On March 2, the CPUC Commissioner assigned to this case issued a scoping memo that specified several issues for further briefing, which include 1) the impacts of the proposed service on public ferry services; 2) whether the CPUC should impose conditions on the service; and 3) whether further CEQA review is necessary. WETA submitted an opening brief on March 20, and a reply to PROPSF's opening brief on March 30. On June 29, 2020 the Peninsula Aquatic Center Junior Crew requested party status in this matter, which was heard by the Administrative Law Judge on October 20, 2020. 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 September 2020

		Alameda/ Oakland	Harbor Bay †	Richmond	South San Francisco †	Vallejo	Systemwide
Vs. last month	Total Passengers September 2020	4,963		1,578		9,777	16,318
	Total Passengers August 2020	5,641		1,537		9,905	17,083
	Percent change	-12.02%		2.67%		-1.29%	-4.48%
Vs. same month last year	Total Passengers September 2020	4,963		1,578		9,777	16,318
	Total Passengers September 2019	130,430	29,607	20,988	12,580	99,219	292,824
	Percent change	-96.19%	-100.00%	-92.48%	-100.00%	-90.15%	-94.43%
Vs. prior FY to date	Total Passengers Current FY To Date	16,638		4,473		29,331	50,442
	Total Passengers Last FY To Date	435,811	92,432	62,419	38,266	323,261	952,189
	Percent change	-96.18%	-100.00%	-92.83%	-100.00%	-90.93%	-94.70%
Ops Stats	Avg Weekday Ridership September 2020	236		75		466	777
	Passengers Per Hour September 2020	51		13		29	30
	Revenue Hours September 2020	98		122		332	552
	Revenue Miles September 2020	1,331		2,205		9,325	12,861
	Farebox Recovery Year-To-Date	4%		2%		8%	5%
	Cost per Available Seat Mile – September 2020	\$1.41		\$0.64		\$0.26	\$0.51
	Average peak hour utilization, AM – September 2020	11%		6%		13%	10%
	Average peak hour utilization, PM – September 2020	15%		8%		16%	13%
	Fuel Used (gallons) – September 2020	10,261		16,998		67,222	94,481
	Avg Cost per gallon – September 2020	\$1.77		\$1.77		\$1.76	\$1.76

† Service suspended on the Harbor Bay and South San Francisco routes due to COVID-19 effective March 17.

MEMORANDUM

**TO: Board Members**

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

**SUBJECT: Monthly Review of FY 2020/21 Financial Statements for Three Months  
Ending September 30, 2020**

**Recommendation**

There is no recommendation associated with this informational item.

**Summary**

This report provides the attached FY 2020/21 Financial Statements for three months ending September 30, 2020.

**Operating Budget vs. Actual**

	Prior Actual	Current Budget	Current Actual
<b>Revenues - Year To Date:</b>			
Fare Revenues	\$6,998,981	\$522,351	\$379,453
Federal - CARES Act	-	3,810,349	5,013,084
Bridge Toll Revenues	3,601,389	5,215,275	2,001,025
Contra Costa Measure J	745,105	897,125	848,941
Alameda Measure B/BB	-	390,325	-
Alameda Tax & Assessment	-	966,425	-
Other Revenues	14,916	-	-
<b>Total Operating Revenues</b>	<b>\$11,360,391</b>	<b>\$11,801,850</b>	<b>\$8,242,504</b>
<b>Expenses - Year To Date:</b>			
Planning & Administration	\$487,022	\$750,000	\$681,536
Ferry Services	10,873,369	11,051,850	7,560,967
<b>Total Operations Expenses</b>	<b>\$11,360,391</b>	<b>\$11,801,850</b>	<b>\$8,242,504</b>
<b>System-Wide Farebox Recovery %</b>	<b>64%</b>	<b>5%</b>	<b>5%</b>

**Capital Actual and % of Total Budget**

	YTD Actual	% of FY 2020/21 Budget
<b>Revenues:</b>		
Federal Funds	\$179,289	
State Funds	5,081,056	
Bridge Toll Revenues	114,547	
Other Revenues	45,475	
<b>Total Capital Revenues</b>	<b>\$5,420,367</b>	<b>16.07%</b>
<b>Expenses:</b>		
<b>Total Capital Expenses</b>	<b>\$5,420,367</b>	<b>16.07%</b>

**Fiscal Impact**

There is no fiscal impact associated with this informational item.

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

**San Francisco Bay Area Water Emergency Transportation Authority**  
**FY 2020/21 Statement of Revenues and Expenses**  
**For Three Months Ending 9/30/2020**

% of Year Elapsed 25%

	Sep-20	Year - To - Date			Total	% of
	Actual	FY2019/20	FY2020/21	FY2020/21	FY2020/21	Total
		Actual	Budget	Actual	Budget	Budget
<b>OPERATING EXPENSES</b>						
<b><u>FERRY OPERATIONS:</u></b>						
<b><u>Harbor Bay FerryService (AHBF)</u></b>						
Purchased Transportation	\$108,256	\$541,482	\$536,375	\$255,246	\$2,145,500	11.9%
Fuel - Diesel & Urea	-	146,148	123,175	-	492,700	0.0%
Other Direct Operating Expenses	20,162	129,849	212,925	99,192	851,700	11.6%
Admin Overhead Expense Transfer	-	27,156	32,075	-	128,300	0.0%
<b>Total Harbor Bay</b>	<b>\$128,419</b>	<b>\$844,635</b>	<b>\$904,550</b>	<b>\$354,439</b>	<b>\$3,618,200</b>	<b>9.8%</b>
<b><i>Farebox Recovery - AHBF</i></b>	<b>0%</b>	<b>49%</b>	<b>4%</b>	<b>0%</b>	<b>4%</b>	
<b><u>Alameda/Oakland Ferry Service (AOFS)</u></b>						
Purchased Transportation	\$583,776	\$2,292,423	\$1,916,875	\$1,726,946	\$7,667,500	22.5%
Fuel - Diesel & Urea	18,186	539,001	405,925	85,027	1,623,700	5.2%
Other Direct Operating Expenses	125,498	461,952	591,300	406,471	2,365,200	17.2%
Admin Overhead Expense Transfer	23,257	110,593	101,275	77,109	405,100	19.0%
<b>Total Alameda/Oakland</b>	<b>\$750,718</b>	<b>\$3,403,969</b>	<b>\$3,015,375</b>	<b>\$2,295,553</b>	<b>\$12,061,500</b>	<b>19.0%</b>
<b><i>Farebox Recovery - AOFS</i></b>	<b>4%</b>	<b>73%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>	
<b><u>Vallejo FerryService (Vallejo)</u></b>						
Purchased Transportation	\$746,082	\$2,866,127	\$2,553,350	\$2,406,920	\$10,213,400	23.6%
Fuel - Diesel & Urea	118,043	1,364,718	959,200	418,323	3,836,800	10.9%
Other Direct Operating Expenses	193,254	450,661	717,950	559,080	2,871,800	19.5%
Admin Overhead Expense Transfer	40,685	83,447	111,875	104,281	447,500	23.3%
<b>Total Vallejo</b>	<b>\$1,098,065</b>	<b>\$4,764,953</b>	<b>\$4,342,375</b>	<b>\$3,488,603</b>	<b>\$17,369,500</b>	<b>20.1%</b>
<b><i>Farebox Recovery - Vallejo</i></b>	<b>9%</b>	<b>72%</b>	<b>7%</b>	<b>8%</b>	<b>7%</b>	
<b><u>South San Francisco FerryService (SSF)</u></b>						
Purchased Transportation	\$92,410	\$520,001	\$436,700	\$220,657	\$1,746,800	12.6%
Fuel - Diesel & Urea	-	105,835	70,425	-	281,700	0.0%
Other Direct Operating Expenses	18,274	98,679	119,500	55,066	478,000	11.5%
Admin Overhead Expense Transfer	-	11,862	4,450	-	17,800	0.0%
<b>Total South San Francisco</b>	<b>\$110,684</b>	<b>\$736,376</b>	<b>\$631,075</b>	<b>\$275,723</b>	<b>\$2,524,300</b>	<b>10.9%</b>
<b><i>Farebox Recovery - SSF</i></b>	<b>0%</b>	<b>40%</b>	<b>1%</b>	<b>0%</b>	<b>1%</b>	
<b><u>Richmond FerryService (Richmond)</u></b>						
Purchased Transportation	\$233,574	\$878,713	\$846,775	\$934,917	\$3,387,100	27.6%
Fuel - Diesel & Urea	30,057	127,248	146,825	56,873	587,300	9.7%
Other Direct Operating Expenses	48,577	103,735	164,475	125,397	657,900	19.1%
Admin Overhead Expense Transfer	6,172	13,738	9,850	12,391	39,400	31.4%
<b>Total Richmond</b>	<b>\$318,380</b>	<b>\$1,123,435</b>	<b>\$1,167,925</b>	<b>\$1,129,578</b>	<b>\$4,671,700</b>	<b>24.2%</b>
<b><i>Farebox Recovery - Richmond</i></b>	<b>2%</b>	<b>34%</b>	<b>1%</b>	<b>2%</b>	<b>1%</b>	
<b><u>Seaplane Lagoon FerryService (SPL)</u></b>						
Purchased Transportation	\$0	\$0	\$646,825	\$0	\$2,587,300	0.0%
Fuel - Diesel & Urea	-	-	99,550	-	398,200	0.0%
Other Direct Operating Expenses	5,628	-	201,975	17,072	807,900	2.1%
Admin Overhead Expense Transfer	-	-	42,200	-	168,800	0.0%
<b>Total Seaplane Lagoon</b>	<b>\$5,628</b>	<b>\$0</b>	<b>\$990,550</b>	<b>\$17,072</b>	<b>\$3,962,200</b>	<b>0.4%</b>
<b><i>Farebox Recovery - SPL</i></b>	<b>0%</b>	<b>0%</b>	<b>5%</b>	<b>0%</b>	<b>91%</b>	
<b>Sub-Total Ferry Operations</b>	<b>\$2,411,893</b>	<b>\$10,873,369</b>	<b>\$11,051,850</b>	<b>\$7,560,967</b>	<b>\$44,207,400</b>	<b>17.1%</b>
<b><i>FAREBOX RECOVERY - SYSTEMWIDE</i></b>	<b>6%</b>	<b>64%</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>	
<b><u>PLANNING &amp; GENERAL ADMIN:</u></b>						
Wages and Fringe Benefits	\$138,326	\$350,568	\$468,675	\$440,927	\$1,874,700	23.5%
Services	128,959	263,392	439,075	322,737	1,756,300	18.4%
Materials and Supplies	345	1,579	9,350	812	37,400	2.2%
Utilities	6,142	9,655	13,225	10,474	52,900	19.8%
Insurance	-	1,046	7,000	582	28,000	2.1%
Miscellaneous	969	11,093	16,300	2,186	65,200	3.4%
Leases and Rentals	32,732	96,484	98,100	97,600	392,400	24.9%
Admin Overhead Expense Transfer	(70,114)	(246,796)	(301,725)	(193,781)	(1,206,900)	16.1%
<b>Sub-Total Planning &amp; Gen Admin</b>	<b>\$237,360</b>	<b>\$487,022</b>	<b>\$750,000</b>	<b>\$681,536</b>	<b>\$3,000,000</b>	<b>22.7%</b>
<b>Total Operating Expenses</b>	<b>\$2,649,254</b>	<b>\$11,360,391</b>	<b>\$11,801,850</b>	<b>\$8,242,504</b>	<b>\$47,207,400</b>	<b>17.5%</b>
<b>OPERATING REVENUES</b>						
Fare Revenue	\$136,742	\$6,998,981	\$522,351	\$379,453	\$2,089,400	18.2%
Federal Operating Assistance	1,704,784	-	3,810,349	5,013,084	15,241,400	0.0%
Regional - Bridge Toll	582,688	3,601,389	5,215,275	2,001,025	20,861,100	9.6%
Regional - Contra Costa Measure J	225,039	745,105	897,125	848,941	3,588,500	23.7%
Regional - Alameda Measure B/BB	-	-	390,325	-	1,561,300	0.0%
Regional - Alameda Tax & Assessment	-	-	966,425	-	3,865,700	0.0%
Other Revenue	-	14,916	-	-	-	0.0%
<b>Total Operating Revenues</b>	<b>\$2,649,254</b>	<b>\$11,360,391</b>	<b>\$11,801,850</b>	<b>\$8,242,504</b>	<b>\$47,207,400</b>	<b>17.5%</b>

**San Francisco Bay Area Water Emergency Transportation Authority**  
**FY 2020/21 Statement of Revenues and Expenses**  
**For Three Months Ending 9/30/2020**

Project Description	Sep-20 Total	Total Project Budget	Total Prior Expense	Total FY2020/21 Budget	Total FY2020/21 Expense	Total Future Year	% of Total Project Budget Spent
<b>CAPITAL EXPENSES:</b>							
<b><u>FACILITIES:</u></b>							
<b>Terminal Construction</b>							
Downtown Ferry Terminal Expansion - South Basin	\$4,715	\$98,965,000	\$94,792,877	\$4,172,123	\$271,498	\$0	96%
<b>Operations and Maintenance Facilities</b>							
Ron Cowan Central Bay Operations & Maintenance Facility	1,189	64,932,400	64,348,080	584,320	4,688	-	99%
North Bay Facility Improvement - Fuel System	3,811	530,450	-	530,450	10,450	-	2%
<b>Terminal Improvement</b>							
Install Mooring Piles - Harbor Bay Terminal	780	446,500	59,927	386,573	32,185	-	21%
Terminal Rehabilitation - Engineering & Design Main Street	102	395,000	-	395,000	509	-	0%
Shoreside Infrastructure for All-Electric Vessel	-	4,760,000	-	2,002,000	-	2,758,000	0%
<b><u>FERRY VESSELS:</u></b>							
<b>Vessel Construction</b>							
New Commuter Class High-Speed Vessels - 2 vessels	1,232,995	30,082,500	11,758,345	12,063,155	4,804,869	6,261,000	55%
Vessel Replacement - M/V Bay Breeze & MV Solano	71,573	34,600,000	251,717	9,158,283	102,848	25,190,000	1%
New All-Electric Vessel	-	4,300,000	-	1,834,000	-	2,466,000	0%
<b>Vessel Rehabilitation and Refurbishment</b>							
Vessel Engine Overhaul - M/V Argo and M/V Carina	-	240,000	125,730	114,270	-	-	52%
Vessel Engine & Reduction Gear Overhaul - MV Pisces	2,441	525,200	-	525,200	2,441	-	0%
Vessel Engine & Reduction Gear Overhaul - MV Bay Breeze	-	491,400	-	491,400	-	-	0%
Vessel Engine & Reduction Gear Overhaul - MV Peralta	48,052	1,400,000	-	1,400,000	118,822	-	8%
<b><u>CAPITAL EQUIPMENT / OTHER:</u></b>							
Purchase Service Vehicles	-	101,000	28,125	72,875	72,056	-	99%
<b>Total Capital Expenses</b>	<b>\$1,365,658</b>	<b>\$241,769,450</b>	<b>\$171,364,802</b>	<b>\$33,729,648</b>	<b>\$5,420,367</b>	<b>\$36,675,000</b>	
<b>CAPITAL REVENUES:</b>							
Federal Funds	\$97,654	\$51,564,388	\$22,526,082	\$8,958,203	\$179,289	\$20,080,103	44%
State Funds	1,238,899	151,516,501	120,501,312	18,148,032	5,081,056	12,867,157	83%
Regional - Bridge Toll	18,569	31,123,284	27,100,555	965,562	114,547	3,057,166	87%
Regional - Alameda Sales Tax Measure B / BB	9,756	2,489,727	16,926	1,802,228	13,291	670,573	1%
Regional - Alameda TIF / LLAD / HBBPA	780	446,500	59,927	386,573	32,185	-	21%
Regional - San Francisco Sales Tax Prop K	-	1,400,000	1,160,000	240,000	-	-	83%
Other - Proceeds from Sale of End-of-Life Vessels	-	3,229,050	-	3,229,050	-	-	0%
<b>Total Capital Revenues</b>	<b>\$1,365,658</b>	<b>\$241,769,450</b>	<b>\$171,364,802</b>	<b>\$33,729,648</b>	<b>\$5,420,367</b>	<b>\$36,675,000</b>	



**TO: WETA Board Members**

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

**SUBJECT: WETA Federal Legislative Board Report – November 2020**

NOTE: This report was written prior to November 3, before the results of the election were known.

This report covers the following topics:

1. Appropriations – Action Expected During Lame Duck Session of Congress
2. Update on COVID Relief Legislation / Funding for Public Ferries
3. Looking Ahead: Possible Infrastructure Bill / Funding for WETA

**Appropriations – Action Expected During Lame Duck Session of Congress**

The current Continuing Resolution (CR) expires on December 11. The House and Senate will either need to pass another CR by that time to ensure that federal government agencies can continue operating or pass an Omnibus Appropriations bill that provides funding for the federal government through the end of the fiscal year, which is on September 30, 2021.

As reported last month, the current CR includes a waiver of the so-called "Rostenkowski" rule [Sec. 9503(e)(4) of the Internal Revenue Code of 1986], which would otherwise require 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 last year to avert a \$1.2 billion cut to transit programs. We expect the waiver to be extended as part of the next CR or Omnibus Appropriations bill.

**Update on COVID Relief Legislation / Funding for Public Ferries**

While discussions on a possible COVID relief bill carried on between Congressional leaders from the House, Senate, and the White House right up until the election, these talks failed to produce a bill that President Trump could sign into law. Whether or not a COVID relief deal will come together during the post-election lame duck session of Congress remains to be seen. In the meantime, we are continuing to push for funding for transit as part of any future COVID relief package.

We are also advocating for emergency funding for the maritime transportation sector. In particular, we are continuing to work with other maritime transportation interests to advocate for \$3.5 billion in supplemental appropriations and seeking passage of the Maritime Transportation System Emergency Relief Act (MTSERA). MTSERA would provide a mechanism for the U.S. Maritime Administration (MARAD) to flow money to maritime interests – including public ferry systems – in time of emergency and the supplemental appropriations could be used by those same maritime interests for operating expenses, including “emergency response; cleaning; sanitization; janitorial services; staffing; workforce retention; paid leave; procurement and use of protective health equipment, testing, and training for employees and contractors; debt service payments; infrastructure repair projects; and other maritime transportation system operations.”

**Looking Ahead: Possible Infrastructure Bill / Funding for WETA**

Whereas previous COVID-relief bills have focused on addressing the health care and economic fall out of the COVID-19 pandemic, we anticipate an effort in early 2021 to pass legislation that would provide stimulus for the economy, possibly including an infrastructure package. We will continue advocating for additional funding for public ferries should such a package move forward, including funding for the Federal Highway Administration (FHWA) ferry formula program and the Federal Transit Administration (FTA) discretionary grant program. We will specifically work to build upon funding increases we secured earlier this year in the House-passed infrastructure bill, including an increase in funding for the FHWA formula program from \$80 million/year to \$120 million/year and a more than doubling of funding for the FTA grant program.

Respectfully Submitted,

Peter Friedmann and Ray Bucheger



# NOSSAMAN LLP | Memorandum

**TO:** WETA Board of Directors

**FROM:** Nossaman LLP - Nate Solov  
Jennifer M. Capitolo & Associates – Jennifer Capitolo

**DATE:** October 27, 2020

**RE:** October 2020 - Legislative Update

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## **Governor Issues Executive Orders on Climate Change**

October 7 - California becomes first state in the nation to pledge to conserve 30 percent of land and coastal water by 2030, joining 38 countries in commitment to conservation. The order directs state agencies to deploy a number of strategies to store carbon in the state's natural and working lands and remove it from the atmosphere. The order also sets a first-in-the-nation goal to conserve 30 percent of the state's land and coastal water by 2030 to fight species loss and ecosystem destruction.

September 23 - Directs state to require that, by 2035, all new cars and passenger trucks sold in California be zero-emission vehicles. Order also directs the state to take more actions to tackle the dirtiest oil extraction and support workers and job retention and creation as we make a just transition away from fossil fuels. The executive order directs state agencies to develop strategies for an integrated, statewide rail and transit network, and incorporate safe and accessible infrastructure into projects to support bicycle and pedestrian options, particularly in low-income and disadvantaged communities.

## **Legislative Update**

2,223 bills were introduced in 2020 (682 Senate and 1,541 Assembly)  
428 made it to the Governor (137 Senate and 291 Assembly)  
372 were signed (117 Senate and 255 Assembly)  
56 were vetoed (20 Senate and 36 Assembly)

The General Election will be held on November 3 and the Legislature will reconvene for the 2021 session on December 7, 2020 at which time new members will be sworn in and legislation can be introduced.

## **COVID related bills impacting employers / public agencies:**

AB 685 (Reyes) – requires employers to provide written notice and instructions to employees who may have been exposed to COVID at their worksite and enhances the Division of Occupational Health and Safety's (Cal/OSHA) ability to enforce health and safety standards to prevent workplace exposure to and spread of COVID. – SIGNED BY GOVERNOR

SB 1159 (Hill) - would create a rebuttable presumption for COVID related workers' compensation claims, filed by employees working outside of the public safety and health professions, that is triggered by an "outbreak" of the virus at a "specific place of employment." – SIGNED BY GOVERNOR

SB 1383 (Jackson) – would require any employer, public or private, with five or more employees to provide 12-weeks of protected leave each year. Expands CA Family Rights Act to provide unpaid protected leave to care for family members with serious health conditions such as COVID. – SIGNED BY GOVERNOR

**Transportation related bills:**

SB 288 (Wiener) CEQA: Exemptions: Transportation-Related Projects.

Would exempt from the requirements of the California Environmental Quality Act certain projects: new bus rapid transit, bus, or light rail services on public rail or highway rights-of-way. – SIGNED BY GOVERNOR

SB 1351 (Beall) Transportation Improvement Fee: Revenue Bonds.

Would authorize the state to issue \$5 billion in revenue bonds, backed by a portion of the Transportation Improvement Fee, to fund capital improvements needed to preserve and protect the state highway system. – VETOED BY GOVERNOR

AB 107 (Committee on Budget) State Government.

Authorizes two primary changes to three State Transit Assistance (STA) -based fund programs that WETA receives money under, totaling approximately \$2.8 million per year, essentially holding a proportionate share of funds that operators have received in the past constant through FY 2021/22 and allowing some new flexibility in the use of funds. – SIGNED BY GOVERNOR

**Legislative Analyst Report on COVID Impact to Transportation Funding**

On September 17, the Legislative Analyst's Office released a report on COVID's impact to State Transportation Revenues. The decline in transportation revenues is due to two major factors:

- People are driving less
- Decline in fuel prices

The State Transit Assistance program is expected to face significant funding reductions in 2020-21 as a result of major declines in diesel sales tax revenues. The 2020-21 Budget Act estimates that STA funding will be \$414 million in 2020-21, which is a \$265 million (39 percent) year-over-year reduction.

**CA Transit Association Funding Request - \$3.1 Billion**

The California Transit Association continues to advocate for \$3.1 billion in federal funding in addition to the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding already received. Letter excerpt: "This emergency funding would address critical funding needs at transit agencies statewide, to prevent devastating permanent reductions of transit services and ensure public transportation is still a viable option for communities most in need."

CA Without Transit PR Campaign: The association also launched a PR campaign to inform lawmakers about COVID-19 funding impacts to transit agencies and to support the \$3.1 billion request:

<https://caltransit.org/advocacy/lawmakers-must-act-to-save-local-public-transit/>.

**Cap and Trade Program**

The most recent Cap & Trade quarterly auction held on August 18 generated an estimated \$474 million in revenue for the Greenhouse Gas Reduction Fund — substantially more than \$25 million from the May auction. The Legislature has deferred action on determining a spending plan for these revenues until the new session begins on December 7.

**Energy Commission Grant for WETA Zero-Emission Vessel Infrastructure Blueprint Plan**

WETA is preparing an application for the California Energy Commission's Clean Transportation Program Blueprints for Medium- and Heavy Duty Zero-Emission Vehicle Infrastructure grant. Applications are due November 13. If awarded, funds from this grant would be used to evaluate a fleetwide strategy for converting to zero emissions with a focus on the required landside infrastructure. Several legislators have submitted support letters for WETA's application including:

Assembly Members: Bonta, Chiu, Grayson, Mullin, Ting, Wicks

Senators: Dodd, Hill, Skinner, Wieckowski, Wiener

MEMORANDUM

**TO: Board Members**

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

**SUBJECT: Monthly Ridership and Recovery Report**

**Background**

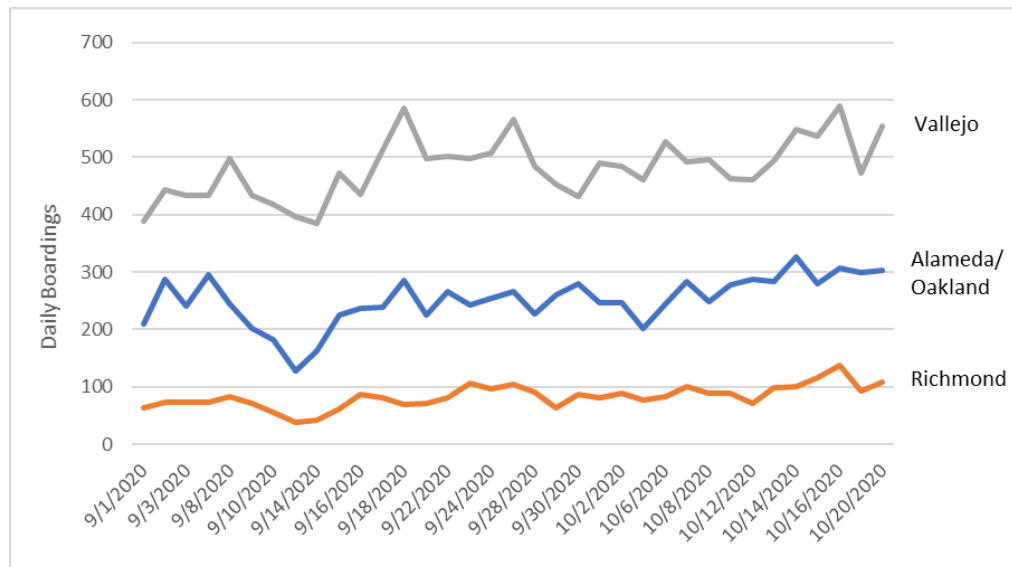
The WETA Ferry Service Recovery Plan (Plan) states that ferry service will restart at minimum levels to match expected reduced demand. Modifications in service will generally follow state guidelines for reopening the economy and subsequent changes in demand. The Plan calls for a monthly evaluation of ridership demand together with other measures relating to how the Bay Area is responding to the COVID-19 health crisis. The Monthly Ridership and Recovery Report presents a status report of the WETA system along with anticipated service adjustments for the upcoming weeks.

**Discussion**

**1. Ridership and Forecasting**

**Systemwide**

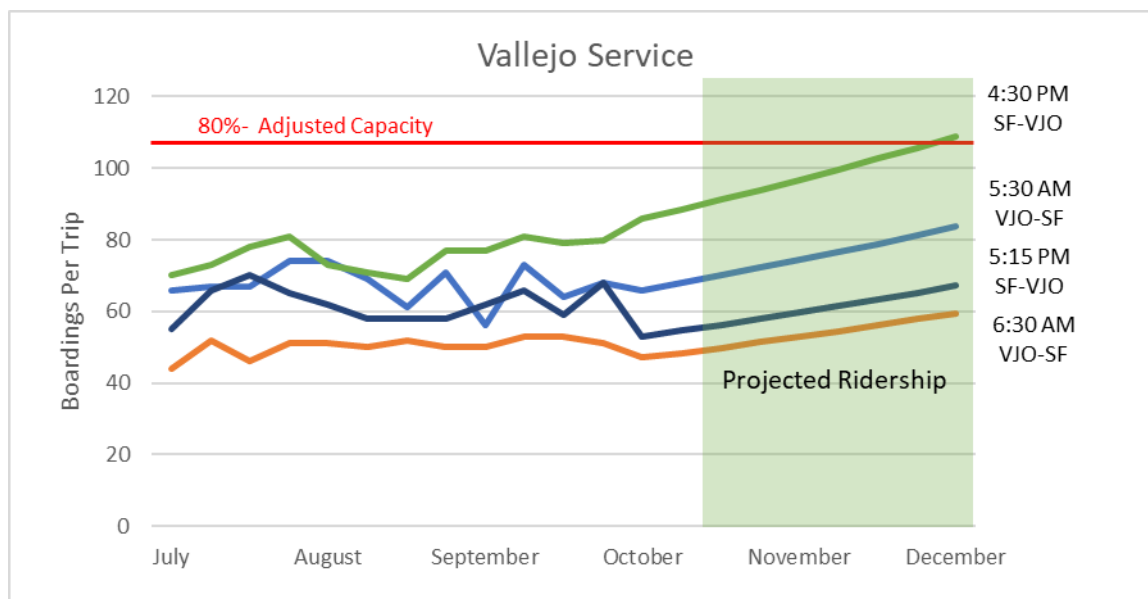
Systemwide average daily boardings increased 18 percent from 742 in September to 875 in October. Overall, occupancy has not approached the 80 percent threshold on most trips.



**Vallejo**

After a strong month of June, Vallejo ridership remained static in July and began to drop in late August. Ridership continued to drop in early September before picking back up by the middle of September and continuing to grow through October. The 4:30 pm departure from San Francisco to Vallejo continues to be the most popular departure and is at risk of surpassing the adjusted capacity threshold by the end of November. However, the 5:15 p.m. serves as a “backup” for riders as it is within one hour of the impacted departure. WETA’s

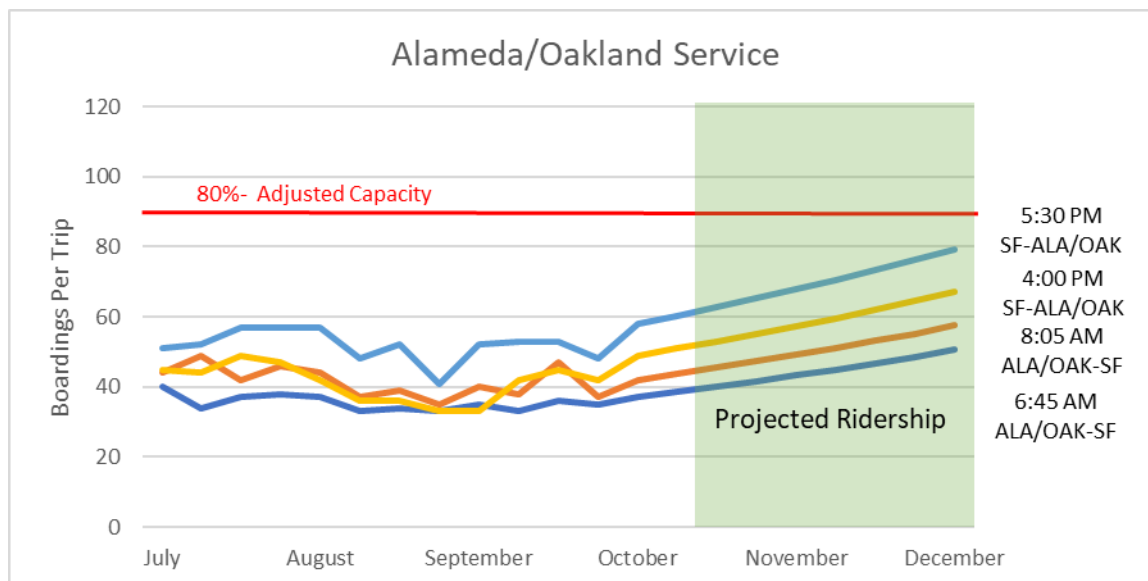
service design guidelines evaluate occupancy over the peak hour, not a single departure. Vallejo ridership is now projected to grow 3 percent per week, based on its rolling ridership average.



\*Adjusted capacity assumes the vessels will be limited to about 25% capacity due to physical distancing requirements

### **Alameda/Oakland**

Alameda/Oakland ridership has experienced a similar pattern as Vallejo, with ridership either unchanged or slightly lower over the second half of August and first half of September before growing in October. The Alameda/Oakland service does not have any trips that are currently at risk of reaching the adjusted capacity threshold over the next two months. Alameda/Oakland ridership is now projected to grow 5 percent per week, based on its rolling ridership average.

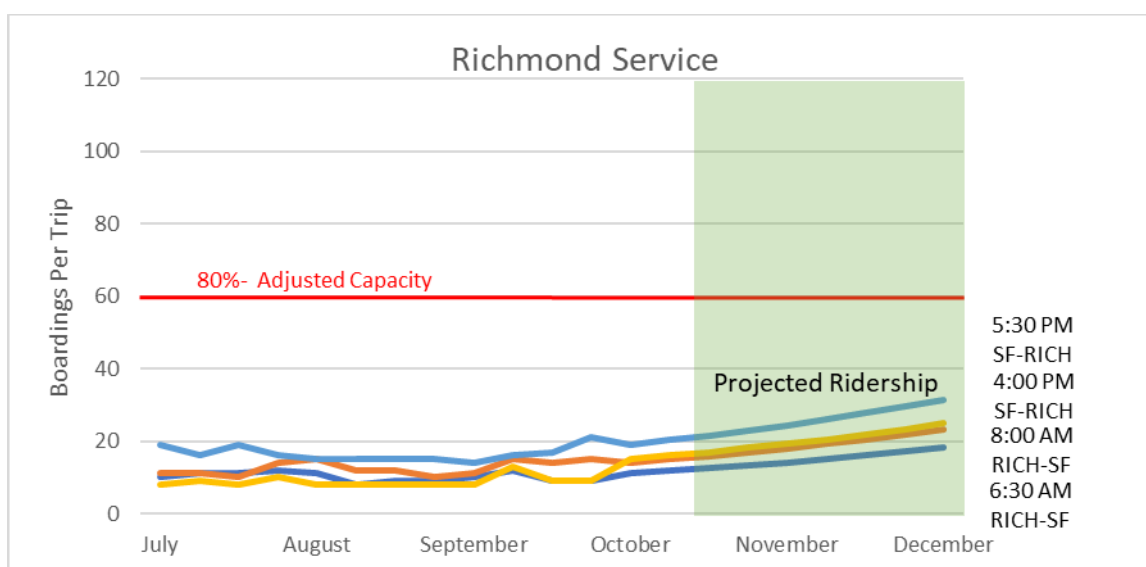


\*Adjusted capacity assumes the vessels will be limited to 25% capacity due to physical distancing requirements

### Richmond

Richmond ridership remained flat throughout September before growing in October. Because Richmond only restarted in June and ridership was at modest levels, there is not an immediate concern that capacity limits will be reached. Smaller vessels are currently in service in Richmond and the terminal has the capability of receiving larger vessels such as those in the Hydrus or Pyxis classes. Richmond ridership is now projected to grow 7 percent per week, based on its rolling ridership average

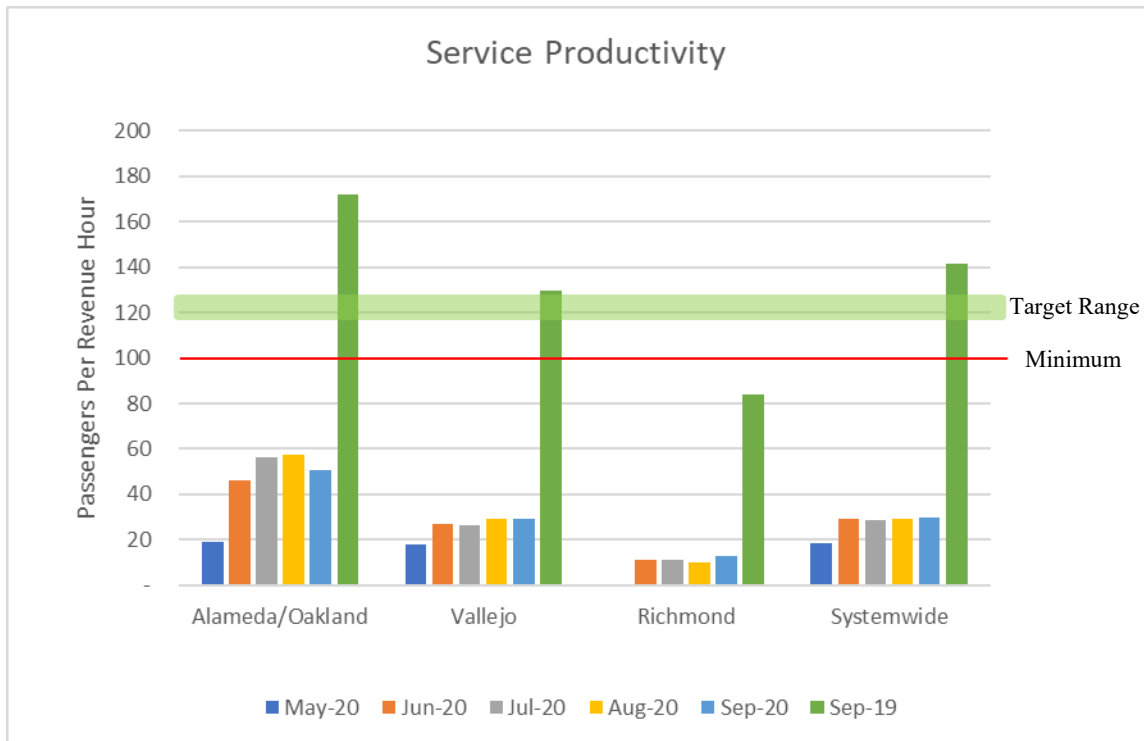
WETA staff presented the Dollar Days promotion and the upcoming Clipper START program to the West Contra Costa Transportation Advisory Committee (WCCTAC) on October 23. Both initiatives were well received and WCCTAC is supportive of WETA's effort to generate ridership and interest in Richmond ferry service. However, WCCTAC did express concern over the weak level of ridership during the pandemic and would consider suspension of the service in early 2021 if ridership and fare revenue do not improve.



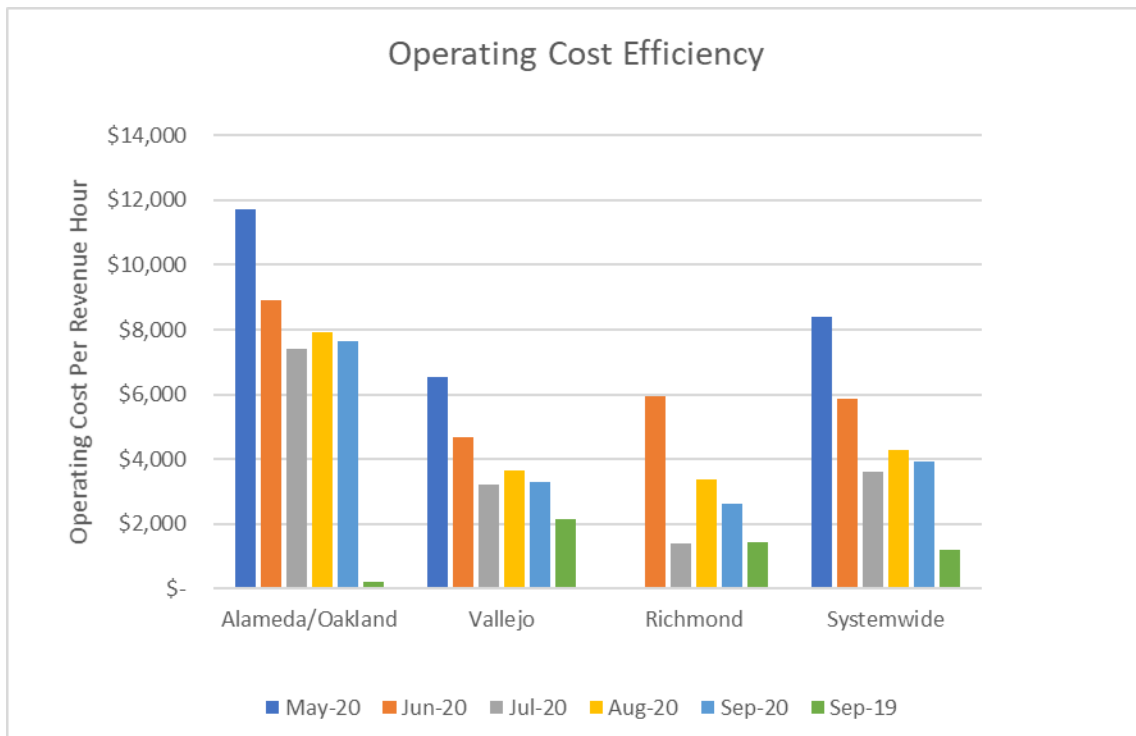
\*Adjusted capacity assumes the vessels will be limited to 25% capacity due to physical distancing requirements

## 2. Service Productivity and Efficiency

Systemwide passengers per revenue hour increased from 29 to 30 from August to September.



Systemwide operating cost per revenue hour decreased by 8% from August to September.





### 3. Regional Context

The table below shows how each of WETA's service areas are impacted. The State's color-coded rating system has been added to November's report. Of note, San Francisco County has recently moved into the "yellow" rating, allowing for more openings throughout the economy and public transit.

County	14-Day Change Total (Positive Cases)	14-Day Change % (Positive Cases)	State Tier Rating
Alameda	1,052	5%	Moderate
Contra Costa	951	6%	Substantial
San Francisco	500	4%	Minimal
San Mateo	725	7%	Moderate
Solano	283	8%	Substantial

WETA and BART ridership remained generally the same from September to October 2020 while bridge traffic increased slightly. Transit ridership has lagged significantly behind bridge traffic in the Bay Area since the pandemic began.

Agency	% of normal ridership/traffic levels October 2020
WETA	8%
BART	18%
BATA Bridges (7-total)	87%

### 4. Outlook and Recommendations

Ferry ridership has seen modest but consistent upwards growth over the last few weeks as the pandemic recovery continues in the Bay Area. The larger health context in the Bay Area is indicating that some counties are seeing improvements while others have seen infection increases or no change. On October 20, 2020 San Francisco County became the first county in California to reach the "Yellow/Minimal" tier which loosens restrictions on building capacities and business openings. The City/County Health Department in San Francisco has released a guideline allowing 3-feet physical distancing for public transit, provided the agency in question has a COVID Health & Safety Plan in place. The guideline states that 6-feet distancing should remain between passengers and transit agency staff.

Given recent trends and the available capacity on all three active services, staff recommends no immediate change to service levels in Alameda/Oakland, Vallejo, and Richmond. However, given the current trajectory and the likelihood of additional riders attracted to the service through the Dollar Days promotion, service enhancements may be needed by the end of November or beginning of December. These enhancements may not be necessary if WETA vessels can transition to 50 percent allowable capacity from the current allowable capacity of 25 percent. San Francisco is already in the State's "yellow" tier, and Alameda County has shown progress towards the same designation. If additional capacity on WETA vessels is not achievable within the next 4-6 weeks, additional scheduled service would be the most effective means of addressing capacity shortfalls.

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

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

*(October 8, 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 Orders N-25-20 and N-29-20 to ensure social distancing and help mitigate the transmission of COVID-19.

**1. CALL TO ORDER**

Chair James Wunderman called the meeting to order at 12:30 p.m. He welcomed directors, staff, and meeting guests and noted that the meeting was being recorded. Chair Wunderman advised guests about offering public comment and how guests could sign up to speak 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. PUBLIC HEARING ON WETA'S PROPOSED CLIPPER START MEANS-BASED DISCOUNTED FARES**

Chair Wunderman explained that the purpose of this item was to receive comments on the proposed Clipper START means-based discounted fares which was being considered later in the meeting and opened the public hearing at 12:32 p.m. He called for public comments and because there were none, he closed the public hearing at 12:33 p.m.

**4. REPORT OF BOARD CHAIR**

Chair Wunderman stated that though the videoconference meetings were an improvement over teleconferencing, he really missed the in-person meetings. He reported that the Bay Area Council was spending a lot of time on the issue of getting people back to work and everyday more was being learned about the virus and the continual work being done on testing and developing a vaccine. He stressed the importance of continuing to create the safest, possible environment. Chair Wunderman noted that there has been interest and that progress was being made on the search for a new Executive Director.

**5. REPORTS OF DIRECTORS**

Director DelBono reminded everyone to get out and vote.

Director Moyer reported that she had an opportunity to visit and see the new Downtown San Francisco Ferry Terminal noting the design to address emergency response needs and flooding, and congratulated WETA on its vision, effort, and commitment put into this project. She added that she too looked forward to in-person meetings which would bring her back to the waterfront. She said that in a recent CBRE survey that the health of the community and transportation were key concerns that were keeping people from coming back to work and expressed her appreciation of the continued messaging of the safety measures being taken.

Director Alba thanked the crew for their hard work in keeping passengers safe. She expressed her appreciation to Public Information & Marketing Manager Thomas Hall and his marketing team for keeping the Board and public informed of ridership levels and specific capacity and availability on each ferry. She hoped that the pictures of the Bay that were being shared would help attract riders to the ferry. Lastly, she indicated that she was looking forward to getting out and back on transit and was planning a trip from Redwood City into San Francisco on Caltrain within the next few weeks to check out how the ferries were doing.

## **6. REPORTS OF STAFF**

Executive Director Nina Rannells provided five written reports to Directors and added that at the request of the City of Richmond, WETA allowed access to the Richmond Ferry Terminal parking lot to the Food Bank of Contra Costa & Solano which distributed 14,311 pounds of food serving 180 households and 692 people. She thanked Operations & Maintenance Manager Keith Stahnke and his staff for their assistance in facilitating this event.

In response to Director DelBono's question about AB 107 which would allow agencies to use more state funding for capital and operating expenses than normal, Ms. Rannells clarified that AB 107 addressed minimum qualifications for state transit assistance and other kinds of funding but that it did not apply to Regional Measure 3 (RM3).

Ms. Rannells offered to answer any questions and then invited Planning & Development Manager Kevin Connolly to provide an update on the Monthly Ridership and Recovery Report. Mr. Connolly noted that ridership was highly sensitive to air quality and smoke conditions which affect many people in the construction industry adding that ridership increased by 10 percent when the air was relatively clear and dropped to 6 percent on the smoky days. He stated that the fluctuating ridership was tracking towards a stable level since the beginning of July. He added that ridership was higher in July than in August averaging around 8 percent of pre-COVID ridership in response to Director Alba.

Director Alba commented bridges and transit were operating at approximately 85 and 5 to 35 percent, respectively, pre-COVID and that congestion would be back when bridge and highway occupancy reached 90 to 95 percent.

Director Moyer asked for more detailed information on bridge volume. Mr. Connolly said that through WETA's BayAlerts text and email system to opt-in riders that WETA is able to receive feedback quickly. Early in the pandemic around May, most riders responded that they had not lost their jobs but were working from home and that WETA discussed the need for a new survey directed to existing and former passengers. Mr. Connolly noted that bridge traffic data was a month behind and expected to see more ridership on the ferry as bridge traffic increased.

Ms. Rannells added that all transit systems were suffering, however, commuter services such as the ferries and Caltrain lost more ridership than bus systems focused on local community trips carrying transit-dependent riders. She said that WETA's recovery plans and projections assumed that there would be more of a recovery by now and that WETA would check in with employers with a large ridership to help determine whether there was enough potential volume to reactivate other services.

Director Moyer said concerns about virus transmission, childcare, the risk associated with transportation, and the success of working remotely are keeping people from returning to the office. She added that capacity limits based on local law were being implemented in the offices that have reopened.

Chair Wunderman stated that the Bay Area Council was working on keeping the region attractive to companies. He said he is hearing concerns and difficulties about the of long-term effects of working from home and that collaboration is challenging and that people are feeling lonely, isolated, and disconnected.

## **7. CONSENT CALENDAR**

Director DelBono made a motion to approve the consent calendar:

- a. Board Meeting Minutes – September 3, 2020
- b. Authorize Release of a Request for Proposals for Engineering and Design Services for the Alameda Main Street Ferry Terminal Refurbishment Project

Chair Wunderman called for public comments on the consent calendar and there were none.

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

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

## **8. ADOPT CLIPPER START MEANS-BASED DISCOUNTED FARES**

Transportation Planner Arthi Krubanandh presented this item recommending that the Board adopt the Clipper START means-based discounted fares which would provide a 50 percent discount on WETA's cash fares for eligible adults.

Chair Wunderman stated that this initiative was timely and important in terms of developing an equitable transportation system to attract people to ride water transit who have not ridden in the past due to the cost.

Director Intintoli made a motion to approve the item.

Director DelBono stated that he was pleased to be part of a board that was unanimously supportive of this initiative. He said he was interested in learning about the roll out process and assisting people in overcoming any barriers in order to access this benefit.

Chair Wunderman thanked Director DelBono for his leadership on this program.

Director Alba added that attracting new riders to a traditionally commuter service and making it more affordable are important.

Chair Wunderman called for public comments and there were none.

Director Moyer seconded the motion and the item passed unanimously.

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

## **9. APPROVE PARTICIPATION IN THE CLIPPER START PILOT PROGRAM**

Mr. Connolly presented this item recommending approval in the participation in the Clipper START pilot program with the Metropolitan Transportation Commission (MTC) and authorize the Executive Director to take necessary actions as may be required.

This program is designed to make transit more affordable and provide a more consistent regional standard for fare discounts. The implementation of the Clipper START program is estimated to be \$133,300 in reduced fare revenues in FY 2020/21.

Mr. Connolly introduced MTC Clipper Program Coordinator Helise Cohn to provide an overview of the application process and the marketing and promotional activities of the program.

Ms. Cohn said the 18-month pilot program launched on July 15 with four operators and that she would ask about extending the program beyond January 2022 in response to Director Alba.

Ms. Rannells added that there is a very strong desire across Bay Area transit operators to have this program and, as a result, she believes that it is highly likely that the program will be extended and made permanent at the end of the pilot.

Director Alba expressed that she would like to see this valuable program become permanent.

Director DelBono asked about WETA donating advertising space on vessels and at the terminals. Public Information & Marketing Manager Thomas Hall responded that WETA has committed to using on board displays on vessels and signage at the terminals free of charge.

Mr. Hall added that WETA is working with parallel transit agencies to promote the program and that WETA was planning to bring starter packs containing complimentary tickets and other helpful rider information into targeted communities to invite riders onto the ferry.

Director Alba made a motion to approve the item.

Chair Wunderman called for public comments and there were none. He thanked MTC for their leadership and said he was proud and pleased with the Board for their insight and for moving this forward.

Director DelBono seconded the motion and the item passed unanimously.

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

**10. APPROVE ACTIONS RELATIVE TO CONTRACT AWARD IN RESPONSE TO RFP 19-013, MV BAY BREEZE AND MV SOLANO REPLACEMENT VESSELS**

Mr. Stahnke presented this item recommending approval the following actions related to RFP 19-13, *MV Bay Breeze* and *MV Solano* Replacement Vessels:

1. Approve contract award to Mavrik Marine Inc. (Mavrik) for the procurement of two high-speed ferries in an amount up to \$30,314,474, including a base contract award of \$29,314,474 and a contingency of \$1,000,000 (3.5%) and authorize the Executive Director to negotiate and enter into an agreement and take any other related actions as may be necessary to support this work; and
2. Approve a contract amendment to increase the not-to-exceed amount by \$400,000 for Agreement 19-012 with Aurora Marine Design to provide construction management support for the vessel replacement project.

This project provides for design, construction, and delivery of two new 320-passenger, 36-knot ferries to replace the *MV Bay Breeze* and *MV Solano* including an option for a third vessel.

Mr. Stahnke shared a presentation on Mavrik's proposed vessel design and then introduced Mavrik President Zachery Battle who thanked the Board for the opportunity.

Mr. Stahnke stated that the Mavrik vessels have a maximum speed of 36 knots, the highest of any of the proposers. He explained that there were no specific speed restrictions in the bay other than a safe speed and wake restrictions as it applies to shoreline damage in response to directors' questions.

Ms. Rannells added that a mid-sized, faster speed vessel was determined to provide the most flexibility to operate on any of the services and felt that these vessels would serve WETA well into the future.

Director Intintoli pointed out that Mavrik's vessel design offered minimal risk, superior environmental impact, and a high level of efficiency and asked if anyone wanted to provide additional comments or more detail. Mr. Stahnke stated that much consideration was placed in these areas and in cost savings due to less fuel consumption and a shallower draft to minimize dredging at terminals.

In response to Director Alba, Mr. Stahnke stated the capacity for bicycles is 42. Director Alba appreciated the flexibility and consideration of the Small Business Enterprise (SBE) participation and was personally hopeful as a past consultant in Mavrik's commitment to work with subcontractors that may become California Disadvantaged Business Enterprise (DBE) certified.

Director Moyer thanked all the respondents for their interest and efforts in submitting proposals. She asked about checking references and how some of the efficiency factors were determined. Mr. Stahnke stated that this current design is being operated in England and that Mavrik has built boats in the United States on a smaller scale adding that the English company had additional vessels built because of the performance and the low energy consumption.

Director Moyer asked if WETA will have recourse if vessel performance requirements are missed especially those related to speed and efficiency. She expressed her disappointment of the zero DBE goal and challenged Mavrik to find creative ways to achieve DBE/SBE participation.

Ms. Rannells acknowledged the directors' concerns and clarified that only DBEs certified in California could be counted based on the way the Federal Transit Administration (FTA) manages this program, which is problematic when you are dealing with shipyards in another state.

Program Manager/Analyst and DBE Manager Lauren Gularte commented that awarding the contract to a shipyard out of state further limited DBE participation since FTA regulations only allowed for DBEs that are certified in the state where the agency is doing business. She noted that only one of the proposals offered any DBE participation at 0.6 percent, that marine industry DBEs were scarce, and that WETA has never had any DBE participation in building vessels despite targeted efforts to promote participation.

Chair Wunderman asked staff to figure out ways to get DBE participation as WETA looks to purchase and acquire future vessels. Director Intintoli stated that the Mare Island drydocks are ready to go.

The directors expressed interest in building the boats in the Bay Area if available.



Chair Wunderman reminded directors that this award was subject to a protest and asked WETA General Counsel Madeline Chun from Hanson Bridgett LLP to brief the directors on the responsibilities relative to the protest.

Ms. Chun stated that the protest procedure is outlined in FTA regulations and in WETA's Administrative Code (Code) noting that the Executive Director is the determinant of the protest. The WETA received protests from three proposers and after a thorough and meticulous review of the documentation as provided for in the Code, the Executive Director pursuant to the Requests for Proposals (RFP) and WETA's Code, issued a written determination rejecting all three protests. Ms. Chun said at this point, that the Board does not review the protest disposition and that the Executive Director's decision was final. She added that their job as Board members was to ask questions and decide whether they were comfortable in proceeding to consider action to award the contract and suggested that this was a good time to receive public comment.

#### **PUBLIC COMMENT**

All American Marine Inc. Business Development Manager Ron Wille expressed his disappointment in losing the bid but felt that the scoring needed to be reviewed for calculation errors and asked that all requested public records be provided and that the decision to award be tabled until the next meeting.

Mr. Wille asked for approval to share a summary of the vessel metrics that were considered from all the proposals. Ms. Chun stated that it was the call of the Chair to accept extended public comment. Chair Wunderman allowed Mr. Wille to share.

#### **PUBLIC COMMENT**

Nichols Brothers Boat Builders Chief Executive Officer Gavin Higgins asked that all requested public records be provided, that the RFP be reissued, and that contract award be delayed.

Chair Wunderman said that the process may appear subjective due to the many variables considered to obtain the greatest value to WETA and gave staff the opportunity to respond to comments.

Ms. Rannells stated that she did a thorough review in addressing the protests working closely with the WETA legal team and ultimately rejected the protests. She stated that some of the allegations being made today were simply not true, but that she did not feel that it was appropriate to get into a lengthy discussion as the protest matter was closed. She further stated that WETA put together an extensive RFP and review process and followed it and that as a result of this process the Mavrik vessel was found to be the highest value to WETA.

WETA General Counsel Steven Miller from Hanson Bridgett LLP reminded the Board that a determination on the protest had been made and is final and that the decision now was whether or not to approve the contract award.

Director DelBono stated that in working with WETA's small staff, he has never seen staff do anything except be above board and transparent and understood why the Board was not involved in the protest process. He recalled a previous protest on a similar project and asked to gain a clearer understanding of the procurement process to make it better for everyone going forward.

Ms. Chun said that there were pros and cons to options that existed in terms of completing the review including taking more time with it. She added that she was confident WETA had met the legal requirements of the California Public Records Act (CPRA) which WETA responded to in a

timely manner. She stated that the germane documents that were pertinent to the recommendation were provided to all the proposers and referred to Mr. Miller to provide further information.

Mr. Miller agreed that WETA responded timely with ample and sufficient information provided under the law for the purposes of lodging the protest which included the proposals and the scoring by criteria. He noted that staff was still in the process of gathering the copious amounts of information that were requested, but he felt that the CPRA was not a basis to entangle the discussion and decision on this issue.

Director DelBono wanted to know if waiting until the next meeting to award the contract in order to provide the missing information for more transparency to the protesters was worth considering. Mr. Miller stated that the detailed scoring results of the RFP are not ordinarily provided as public record in response to Director Alba.

Director Alba asked for clarification on power consumption at 34 knots. Mr. Stahnke said that power consumption was measured at 34 knots for all proposers. He said that WETA has refined the vessel procurement process over 15 years of purchasing vessels and that WETA had taken additional measures to reduce the subjectivity in scoring the proposals in this procurement. He stated that he was confident with the scoring, the process, and the integrity of the evaluation committee.

Director Alba stated that she felt comfortable that Mavrik would achieve power consumption of 3100 kw at 34 knots as promised and was ready to move forward. She thanked the staff for going through a rigorous, transparent process and stated that she understood that small changes in vessel design could have big impacts.

Director Moyer thanked the staff for their efforts and hard work. She struggled with the 25 percent difference in the scoring of the vessel metrics and DBE participation. She assumed that additional points were given for a 36-knot vessel and asked for assurance at the outset that the Mavrik vessel was 25 percent better than the next highest bidder.

Mr. Stahnke said the criteria of the RFP was a guaranteed speed of 34 knots which would be tested during sea trials adding that WETA would reject the vessel if 34 knots had not been met. He said that Mavrik guaranteed a speed of 36 knots but some of the other proposers did not have the confidence to submit greater than the minimum required 34 knots which was affected by hull form and shape, construction, and weight.

Engineering & Maintenance Administrator Timothy Hanners confirmed that Mavrik had received a higher score in the speed category. He noted that the Mavrik design was the most efficient which was evaluated at 34 knots. He said that they would be held accountable and that there would be financial repercussions if the vessel did not meet the guaranteed speed.

Director Moyer asked how Mavrik was able to guarantee this proposed vessel if there is not one in existence in the United States.

Mr. Stahnke stated that there was a lower risk for the Mavrik vessel as it was based on parentcraft that has been in operation for 17 years whereas, some of the other proposed vessels have never been built or do not have parentcraft.



Ms. Rannells added that there is an inherent risk in building an unproven boat but that there was less risk with this proven Mavrik design with the associated vessel metrics.

Director Intintoli expressed his appreciation of the discussion and the details that were provided. He indicated that he was not surprised by the number of protests due to the contract amount for two vessels with an option for a third vessel if decided later by the Board.

Director DelBono reiterated that he would like to understand how the procurement and protest process worked since WETA was going to be building more vessels in the future.

Director Intintoli made a motion to approve the item.

Chair Wunderman provided some final comments on the multiple factors that were considered in determining the best value and a brief summary of what had been discussed.

Director Moyer explained that she still needed more information but was ready to vote on the item.

Director Alba seconded the motion and the item passed with a majority of four votes of the Board.

Yeas: Alba, DelBono, Intintoli, Wunderman. Nays: Moyer.

Chair Wunderman thanked the staff and proposers for all their work and efforts and agreed to have staff work with a few members to review WETA's procurement process for the future, to make sure that everyone understands the process up front..

#### **11. CONSIDER PROPOSAL TO IMPLEMENT A REDUCED FARE PROMOTIONAL PROGRAM**

Chair Wunderman invited Director DelBono to introduce the item to consider taking action and providing staff with direction on a proposed new reduced fare promotional program. Director DelBono suggested some ideas for Board discussion to promote the ferry service and increase ridership starting with one dollar or even free rides.

Director Intintoli expressed his concerns about the use of cash, social distancing, the potential need for backup service and associated costs, and the issue of the Vallejo monthly pass.

Mr. Hall stated that an average of 38 monthly passes were sold for the past three months, much lower than usual in response to Director Alba. He added that most of the passes were purchased through the ticket office but that there were a few who received the pass through payroll deduction using benefits administrator WageWorks. He noted that WETA needed to find a way to address the deductions already taken for the month of November.

Ms. Rannells said that staff would work to figure a way to address the issue depending on what direction was decided and that this should not stop WETA from moving forward on the proposal.

Director Alba was open to discussing other ideas and expressed her support of the dollar ride using contactless payment Hopthru and adding extra boats if costs were similar to remaining idle.

#### **PUBLIC COMMENT**

City of Richmond Chief of Staff Christopher Whitmore on behalf of Mayor Tom Butt thanked the Board for the opportunity and expressed his support of the promotional program.

Director DelBono asked for staff input on the ideas that were presented and the timeline for possible implementation.

Ms. Rannells agreed with Director Alba that riders would have a personal investment with the dollar ride using Hoptaru. She expressed concern that through past experience that free rides can be unmanageable and become a negative experience for all. She asked Mr. Hall to expand on the advertising piece given the upcoming November election.

Mr. Hall suggested that the program could start in November, but that the larger marketing push would take place just after the election and in time for Thanksgiving week. He added that children under 18 could ride free with a paying adult and perhaps limiting the number of children to four or five per adult.

Director DelBono made a motion for the month of November to offer one dollar rides through the Hoptaru application with up to five children riding free with an adult. He requested that staff report back on the program in November, which would provide the Board with the option to extend the promotion into December.

Chair Wunderman called for public comments and there were none. He asked WETA make the most of this opportunity and look for partners to promote activities near the Ferry Building and along the Embarcadero.

Director Alba seconded the motion and the item passed unanimously.

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

## **12. TAKE ACTION TO OPPOSE PLAN BAY AREA 2050 TELECOMMUTE STRATEGY**

Chair Wunderman opened the discussion about Metropolitan Transportation Commission's (MTC) Plan Bay Area 2050 Final Blueprint Strategy EN7: Institute Telecommuting Mandates for Major Office-Based Employers, as currently described, which proposes to mandate that large employers have at least 60 percent of their employees telecommute on any given workday. Plan Bay Area 2050 includes strategies to integrate transportation, land-use, and housing to achieve state-mandated, regional targets for the reduction of greenhouse gas emissions (GHG) from passenger vehicles.

He said that the strategy would basically require that 60 percent of eligible remote workers in companies of 25 or more employees work remotely. He thought that it was a bad idea and expressed his concern that this was a desperate strategy that was being considered to reduce GHG emissions by 19 percent as required by the California Air Resources Board (CARB).

Chair Wunderman said that MTC would be holding a hearing and that the Bay Area Council was organizing the many concerns that were being raised amongst its business members.

Mr. Connolly added this was a big concern and surprise for the transit agencies who had been meeting weekly and were participating in the Plan Bay Area process. He noted that the resolution recommended for Board adoption was being brought to several other Bay Area transit boards.

Mr. Connolly said that all of WETA's near-term transit projects in WETA's Strategic Plan were included in Plan Bay Area 2050 but indicated that the modeling which included future investments in transit, toll lanes, and express lanes still did not achieve the CARB goal with the anticipated population growth.

Chair Wunderman commented that this strategy of working remotely was going to further separate societies and damage transit systems. He said other regions were struggling to meet similar requirements but limiting vehicle miles traveled was the best way to reduce GHG.

Chair Wunderman added that MTC was in a tough position since transportation funding is based on GHG reductions and that statewide policies did not count towards the region's goals. He said this was an important goal and that transportation agencies should think about reviewing the law and regulations of SB 375.

Director Intintoli made a motion to approve the item.

**PUBLIC COMMENT**

Inlandboatmen's Union of the Pacific Regional Director Robert Estrada supported opposing the telecommute strategy.

**PUBLIC COMMENT**

Chair Wunderman directed meeting guest Sean as to where he could locate the various models that MTC had taken into consideration.

Director Moyer seconded the motion and the item passed unanimously.

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

**13. WETA SYSTEM EXPANSION POLICY OVERVIEW, REDWOOD CITY FERRY FEASIBILITY STUDY**

Mr. Connolly presented this informational item on the WETA's System Expansion Policy in relation to work in examining the feasibility of Redwood City ferry service. He shared his presentation which included a timeline for project implementation and the permitting requirements along the way. He said that WETA's Strategic Plan and the expansion policy were intended to place boundaries to design a sustainable service and the key measures that were used to evaluate projects.

Mr. Connolly spoke about the analyses that were being explored in the feasibility study and that the study included the Redwood City's own policy and economic goals. He further noted that staff would bring the full feasibility study forward for presentation to the WETA Board at the November meeting.

**PUBLIC COMMENT**

Redwood Creek recreational boater Susan Rowinski shared her experiences of wake wash from commuter ferries and had questions about ridership forecasts.

**PUBLIC COMMENT**

Citizens Committee to Complete the Refuge Co-Chair Gail Raabe asked if the Redwood City ferry terminal would be available to private, commercial high-speed ferries and said any additional ferry trips should be included in the environmental impact analysis.

**PUBLIC COMMENT**

Redwood City Port Commission Chair Lorianna Kastrop supported the project and thanked the Board for pursuing Redwood City ferry service.

Director Moyer thanked the public for providing comment and the importance of bringing in a public ferry system.

Director Alba looked forward to following the study.

Chair Wunderman said that Redwood City was an opportunity to reduce pressure on other systems and thanked Redwood City for their patience.

**14. 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 4:11 p.m.

- Board Secretary

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

**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**  
**Melanie Jann, Board Secretary/Administration & Business Services Manager**

**SUBJECT: Approve Board of Directors Meeting Schedule for Calendar Year 2021**

**Recommendation**

Approve WETA Board of Directors meeting schedule for Calendar Year 2021.

**Discussion**

The WETA Board of Directors has traditionally met on the first or second Thursday of the month at 1:30 p.m. at the Port of San Francisco's offices at Pier 1 in downtown San Francisco with exceptions made to address holidays, business conflicts, or occasional travel meetings. Beginning in March 2020, WETA meetings have been conducted through virtual participation to promote social distancing and reduce the chance of COVID-19 transmission consistent with Governor Gavin Newsom's Executive Order N-25-20.

Based upon a review of the 2021 calendar, staff proposes to establish the following meeting calendar:

<b>DATE:</b>	<b>TIME:</b>	<b>LOCATION/ADDRESS:</b>
Thursday, January 14	1:30 p.m.	Zoom Videoconference
Thursday, February 4	1:30 p.m.	Zoom Videoconference
Thursday, March 4	1:30 p.m.	Zoom Videoconference
Thursday, April 1	1:30 p.m.	Zoom Videoconference
Thursday, May 6	1:30 p.m.	Zoom Videoconference
Thursday, June 3	1:30 p.m.	Zoom Videoconference
Thursday, July 1	1:30 p.m.	Zoom Videoconference
Thursday, August 5	1:30 p.m.	Zoom Videoconference
Thursday, September 2	1:30 p.m.	Zoom Videoconference
Thursday, October 7	1:30 p.m.	Zoom Videoconference
Thursday, November 4	1:30 p.m.	Zoom Videoconference
Thursday, December 9	1:30 p.m.	Zoom Videoconference

This schedule may be amended during the year to adjust the time, meeting place, or number of meetings held in response to WETA's business needs. Staff recommends setting the calendar now assuming videoconference meetings for the full calendar year, acknowledging that this can be modified

at some point during the year, as appropriate, as the status of the COVID-19 pandemic evolves and in the event that it becomes safe and advisable to resume in-person public meetings. Consistent with prior year practice and Board interest, once in-person meetings resume, staff would work with the Board to identify and coordinate opportunities for travel or special meetings that provide the best opportunity, considering meeting content and Board member availability, for diverse public engagement.

**Fiscal Impact**

There is no fiscal impact associated with setting the Board meeting calendar.

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

**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**  
**Thomas Hall, Public Information & Marketing Manager**  
**Keith Stahnke, Operations & Maintenance Manager**

**SUBJECT: November 2020 Reduced Fare Promotion Program Update**

**Recommendation**

Receive information on promotional efforts around reduced fares in November 2020 and provide staff with any further input or direction on the promotion as desired.

**Background**

In October 2020, the Board approved implementation of a reduced fare program in November 2020 to boost ridership levels, especially among essential workers who have traditionally chosen different transportation options due to cost. As a part of this program, the Board approved a promotional \$1 one-way adult fares on all routes and free passage for up to five youth passengers per paying adult. The Board directed staff to offer the promotional fares via the Hopthru mobile ticketing platform in order to minimize contact between crews and passengers. Furthermore, the Board acknowledged the short notice for establishing the program and authorized staff to take other actions necessary to support successful implementation such as developing a means to accommodate Vallejo with pre-purchased monthly passes, staging back-up ferry service as necessary to reduce leave-behinds on peak trips, maintaining existing commute-focused service levels, and to promoting the program widely.

**Operational Considerations**

Staff has worked closely with Blue & Gold Fleet (Blue & Gold) management to address a number of operational considerations in preparation for launch of the promotion on November 2. Among these considerations, WETA and Blue & Gold have determined guidelines for staging back-up vessels for peak trips (particularly on northbound evening Vallejo service) and managing queues in Downtown San Francisco. Staff has also developed a solution to allow Vallejo monthly passholders to take advantage of the promotional fares by allowing use of pre-purchased November monthly passes in a future month.

Crew members have been refreshed on procedures around the Hopthru platform and advised to continue minimizing passenger contact. Staff has worked with Hopthru to develop special passes that meet WETA's timing needs with regards to expiration dates and route assignment.

**Marketing and Outreach Campaign Plan**

Staff developed a robust campaign plan designed to reach both Bay Area commuters and the general public near the beginning of the promotional period, despite challenges due to the accelerated launch of the program and the national election on November 3. The campaign launched on October 23 and will continue to ramp up through mid-November. Elements of the campaign include:

- Paid social media marketing focusing on the discounted fare and the enjoyable experience of riding on the ferry
- Paid digital ad campaign on local news sites highlighting the promotional fares
- Media outreach to boost awareness of the ferry's operation during the COVID-19 crisis and WETA's recovery plans
- Signage at all active terminals
- Translated materials to serve Chinese and Spanish-speaking communities
- Partnerships with labor and employer groups to expand ferry ridership among service workers and other non-office based parts of the workforce
- Partnerships with businesses near active terminals to cross-promote currently available recreational, dining, and shopping activities

Staff has taken care in all marketing materials to reinforce the most critical COVID-19 safety messages, especially the requirement to wear face coverings on board. Given the target launch date of November 23 for Clipper START implementation on San Francisco Bay Ferry, staff will work to ensure that eligible passengers taking advantage of the \$1 fares are given information on how to sign up for Clipper START to receive future discounts on the ferry.

Staff will implement a passenger input survey during the promotion to collect additional information from those who take advantage of the Dollar Days promotion in order to better plan future service changes and potential future marketing outreach and promotional efforts.

### **Post-Promotion Considerations**

Staff has structured the promotion to last through November 30 and to revert to previously approved fares on December 1, unless directed otherwise. Ending the promotion at the conclusion of November will allow staff to shift its focus to Clipper START outreach efforts which will include direct outreach to eligible passengers, leveraging community partners, and other outreach modes.

Staff plans to report data on ridership and the passenger input survey to the Board in January 2021. Staff will also work on developing a plan for implementing future promotional fares for Board consideration that could potentially be implemented through the new Clipper mobile application under development and anticipated to be available for use in early 2021. This next generation of Clipper technology will allow transit operators like WETA to more easily manage promotional fares. Implementing future promotions on Clipper would be consistent with WETA's interest in promoting Clipper as a regional standard for transit fare media.

Future promotions could be tied to significant events such as future openings of the economy when workers are expected to return to their job sites in large numbers, and WETA service level increases with route restorations and the launch of new/restructured service at Alameda Seaplane Lagoon and direct service from Oakland. Increased service levels will make ferries more palatable as commute options for essential workers and those with more rigid work schedules, and a planned, structured promotional fare program can help to generate enthusiasm and interest in utilizing ferries as the best way back to work.

### **Fiscal Impact**

Increases in expenses associated with providing standby back-up service and additional creative development and collateral production can be absorbed by the adopted FY 2020/21 budget due to reduced costs associated with a slower service level recovery than anticipated. Roughly \$11,000 in advertising costs will be re-assigned from the budget planned for the Best Way Back campaign anticipated for later in the fiscal year.

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



**MEMORANDUM**

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**TO: Board Members**

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

**SUBJECT: Receive Redwood City Ferry Financial Feasibility Study & Cost-Benefit and Economic Impact Analyses Report**

**Recommendation**

Receive the Redwood City Ferry Financial Feasibility Study & Cost-Benefit and Economic Impact Analyses report and authorize the Executive Director to partner with the City and Port of Redwood City to develop a Redwood City ferry service business plan.

**Background**

A proposed ferry terminal located in the Port of Redwood City (Port) property has been included in regional and local transportation and land use plans dating back to the Water Transit Authority's (WTA) 2003 Implementation and Operations Plan (IOP). A Redwood City Ferry Terminal is also identified in WETA's 2016 Strategic Plan, as well as the Metropolitan Transportation Commission's (MTC) Plan Bay Area 2040 and 2050. Measure A, a transportation sales tax measure authorized by San Mateo County voters in 2004 included funding for ferry terminals in South San Francisco and Redwood City. The City of Redwood City (City) has included the ferry terminal in its 2010 Redwood City General Plan (General Plan) and the 2018 Citywide Transportation Plan, known as RWCmoves.

In 2012, WETA performed an initial feasibility and environmental analysis of a potential ferry terminal in Redwood City. Due to funding constraints, this project never progressed beyond the initial concept planning stage. During the summer of 2016, staff from the City, Port, and WETA met to revive the terminal concept and define potential alternative models for ferry operations and project delivery. In May 2018, the Port hosted a site visit for the WETA Board Chair and Vice Chair and other interested parties to view the potential terminal site and discuss options for moving the project forward.

In late 2018, the City executed an agreement with the San Mateo County Transportation Authority (SMCTA) to fund a feasibility study and business plan focused on a Redwood City ferry terminal. There is up to \$15 million in capital funding available through SMCTA's Measure A transportation sales tax program for a Redwood City ferry terminal. However, SMCTA requires that a potential project conduct a feasibility study and business plan to demonstrate that it can be "cost effective" in order to qualify for funding for project environmental and design activities. The feasibility study began in early 2019 and was completed in late October 2020. WETA has participated in this study from the beginning and the City, Port, and WETA executed a Memorandum of Understanding (MOU) in March 2020 that defined roles and responsibilities among the agencies for the study and a path forward for project development.

The Board received an overview of WETA's System Expansion Policy at the October meeting. The 2015 System Expansion Policy established a framework for evaluating expansion and enhancement proposals for new ferry service. The metrics established in the policy have served as a reference point and have helped guide the Redwood City Ferry feasibility study (Study).

### **Discussion**

The Port and City, together with WETA, have been engaged in the ferry feasibility study beginning in February 2019 examining the potential to construct a WETA ferry terminal on an unimproved lot at the eastern end of Port property and operate service between Redwood City and San Francisco and/or Redwood City and Oakland.

The Study is organized into six substantive components: existing policies and plans, public outreach, market analysis and ridership forecasts, conceptual terminal and vessel cost estimates, concept operational plan, and cost estimates and analyses of financial and economic feasibility.

### **Existing Policies and Plans**

As the managing agency for the Study, the City has seen the potential for establishing public ferry service for many years. The mid-Peninsula location and active, deep-water port make Redwood City a viable location for a public commuter ferry terminal. The Circulation Element of the City's General Plan calls out support for establishing ferry service. The General Plan identifies ferry service as an environmentally sustainable alternative to car commuting that has the additional benefit of being a water-based emergency evacuation route in the event of a major disaster.

Commuter Ferry Service is one of ten "Signature Projects" in the 2018 Citywide Transportation Plan. The ten "Signature Projects" include six railroad grade separations, three transit projects, and a highway interchange improvement project. The Citywide Transportation Plan established that once ferry service is deemed feasible and fundable, that the next step would be to design and construct a terminal and coordinate with WETA for operations. "Signature Projects" are major infrastructure initiatives that require significant resources to plan and deliver, typically over many years.

WETA's 2016 Strategic Plan identified Redwood City as a future expansion terminal, as did the WTA's 2003 IOP. The site in question was briefly studied in 2012 and a "recharge" of the project occurred in 2018 when the WETA Chair and Vice Chair attended a workshop held at the Port and toured the site. The Redwood City Ferry Terminal is included in San Mateo County's Countywide Transportation Plan and is also a recommended project in the MTC's draft Plan Bay Area 2050, which is anticipated to be adopted in early 2021.

### **Public and Stakeholder Outreach**

The study team conducted outreach for the project in phases, with the first phase dedicated to traditional outreach events where Redwood City residents were asked their opinions about potential ferry service in Redwood City. At those events, San Francisco and Oakland were both heavily favored as possible destinations for serving Redwood City. Those responding tended to prefer San Francisco as the main destination, and they responded positively to using the potential ferry for both commuting and "Recreation and Leisure" purposes.

During the second phase of outreach, the study team conducted workshops with water users and tenants of the Port. Feedback from recreational users indicated that there are concerns of disruption based on the frequency and wake generated by ferries. Much of this concern was a result of difficulty between water users and private ferry operators that have occasionally served the Port for trial periods. Despite these concerns, a majority of water users were accepting and even supportive of the ferry service concept.

The second phase of outreach also focused on soliciting input from major employers within the Redwood City limits and with the Redwood City San Mateo County Chamber of Commerce (Chamber). A Zoom event seeking feedback featured approximately 15 representatives from companies such as Google, SIA, Stanford, Altrans, and Stanford Children's Health along with City Council members and City and Port staff. This event was followed by individual meetings with a wider population of employers to better understand concerns of the business community. Employers indicated a preference for the Oakland route to create opportunities for recruiting new employees, as well as for current employees to relocate for housing affordability if desired. They pointed out that ferry service from other points around the San Francisco Bay would also be helpful, but that Oakland makes the most sense to be established first, given easier logistics to get to the water. The Chamber also expressed a preference towards Oakland as the origin location than towards San Francisco due to the ability to reach potential new employees that currently reside outside easily accessible transit service to the mid-Peninsula.

#### *Market Analysis and Ridership Forecasts*

The Study conducted a general market assessment, which was informed by meetings with major employers and the Chamber. Ridership forecasts were developed using the San Mateo City/County Association of Governments-Valley Transportation Authority (C/CAG-VTA) ridership model, which is tailored specifically to the Peninsula and South Bay.

Based on comparative travel times, labor markets and existing ferry facilities, the primary markets identified for potential Redwood City ferry service are links to mid-Peninsula employment centers from Oakland (Jack London Square) and San Francisco (San Francisco Ferry Building). The mid-Peninsula is currently served by an array of public and private transportation services, mainly connecting to San Francisco and the South Bay. Public transportation links include Caltrain and SamTrans while "Tech Buses" serve as private transportation for a select group of major employers. Public transit links from the East Bay are limited leaving workers few options. It is likely that many more workers could live in the East Bay and commute to mid-Peninsula employment centers, including in Redwood City, if high-quality public transportation options were provided.

The ridership model estimates that weekday ferry service between Oakland and Redwood City is forecasted to service around 850 boardings if service existed today (pre-COVID market conditions). This would be roughly equivalent to WETA's Richmond service, which averaged slightly less than 900 boardings at the end of its first year of service. The ridership model estimates that Oakland-Redwood City boardings would increase to around 1,870 by 2040.

The ridership model estimates that weekday ferry service between San Francisco and Redwood City is forecasted to serve around 1,300 boardings if service existed today (pre-COVID market conditions). This is slightly below pre-COVID ridership levels in WETA's Harbor Bay service, which averaged between 1,400-1,500 boardings pre-pandemic. The

ridership model estimates that San Francisco-Redwood City boardings would increase to around 2,190 boardings in 2040.

Boardings for a San Francisco-Redwood City service would see significant ridership in the reverse direction, to San Francisco, while boardings to Oakland were not significant. Model-generated daily boardings for the Oakland, San Francisco, and combined services are displayed in Table 1.0 below.

**Table 1.0  
Model-Generated Daily Boardings**

<b>Service Scenario</b>	<b>2019 Model Estimate</b>	<b>2040 Model Estimate</b>
Oakland	850	1,870
San Francisco	1,300	2,190
Combined	2,150	4,060

Of note, WETA staff typically adjusts ridership modelling forecasts downward when developing operating agreements to follow conservative budgeting practices and because recent experience has indicated that Bay Area ridership models tend to over-estimate ferry ridership. WETA staff would likely reduce these estimates by up to 50 percent, especially in the early years of service start-up, when developing service plans and operating agreements.

**Conceptual Terminal Plans, Terminal & Vessel Cost Estimates**

An engineering report was developed around conceptual designs for two options for the Redwood City ferry terminal. These were updated, using a conceptual layout from WETA's 2012 Redwood City Ferry Terminal Feasibility Report (Option 1) for the ferry terminal located on the north side of the preferred site and developed a new conceptual layout (Option 2) for the ferry terminal on the west side of the preferred site.

The construction costs of the ferry terminal are estimated to be \$15 million or \$20 million in 2019 dollars (\$16.3 million or \$21.8 million in FY 2022 construction year dollars), depending on the final location of the terminal and the functionality of the waterside improvements. The lower end estimate – Option 1 -- includes a one-sided float that would limit access to the terminal to one vessel at a time, while the higher end estimate – Option 2 -- includes a two-sided float that could be accessed by two vessels at the same time. This configuration increases the ability for in-commuters to coordinate with landside transportation options for first/last mile connectivity. These construction costs are in line with recent WETA ferry terminal projects at other locations, such as the Richmond Terminal (\$19 million) or Seaplane Lagoon (\$22 million).

Vessel needs were also examined by the study team. Regardless of the market being served, operation of ferry service assumes the purchase of two, jet-propulsion 320-passenger vessels similar to those in WETA's Dorado class plus a portion of a spare vessel (to be shared with other WETA ferry service). A high-speed vessel is required for Redwood City service due to the distance from either origin. Assuming the Dorado class vessel, travel time from San Francisco would be 55 minutes and the travel time from Oakland would be 65 minutes. Dorado-class vessels were estimated to cost \$16 million in 2020 dollars. Total capital cost for vessels on a single route is around \$40 million and around \$80 million if both service concepts are operated at once in a combined service concept.

**Concept Operational Plan, Cost Estimates**

The conceptual operating plan relies on service design guidelines as defined in WETA System Performance and System Expansion policies. Specifically, the service concepts are based on a minimum of three departures in the peak period direction (toward Redwood City). For both service concepts (San Francisco and Oakland), achieving this level of service will require a full-time 8-hour crew plus half of another crew's time in each peak period. This is a similar configuration in both the South San Francisco and Richmond services. WETA Operations and Blue & Gold Fleet are usually able to utilize the un-utilized second crew hours in midday or early afternoon service, although this shared cost capability is not guaranteed. The Study assumed Redwood City fares would be equivalent to the average Vallejo fare, which was \$10.05 in FY 2019, because the travel speeds and time are roughly equivalent for either destination considered. The study predated WETA's recent commitment to the Clipper START program so any impact from the START program was not considered.

An operating cost estimate for all three service concepts was generated based upon projected crew hours as discussed above, standard fuel and vessel maintenance assumptions tied to the Dorado class vessels, and other basic cost assumptions consistent with WETA's operating cost model. The study assumes the first year of service would be 2025. However, ridership and operating cost estimates were developed for 2019 in order to generate a comparison with existing WETA services. Annual operating expenses, fare revenues (based upon C/CAG-VTA model ridership projection), and estimated farebox recovery for both 2019 and 2034 are presented in Table 2.0 below.

**Table 2.0  
Annual Operating Cost, Farebox Recovery Estimates**

***2019 Annual Operating Cost, Farebox Recovery Estimates***

<b>Service Scenario</b>	<b>2019 Annual Operating Cost Estimate</b>	<b>2019 Annual Fare Revenue Estimate</b>	<b>2019 Model Estimate Farebox Recovery</b>
Oakland	\$5,026,000	\$2,184,000	43%
San Francisco	\$5,557,000	\$3,317,000	60%
Combined	\$10,583,000	\$5,501,000	52%

***2034 (Year 10) Annual Operating Cost, Farebox Recovery Estimates***

<b>Service Scenario</b>	<b>2034 Annual Operating Cost Estimate</b>	<b>2034 Annual Fare Revenue Estimate</b>	<b>2034 Model Estimate Farebox Recovery</b>
Oakland	\$8,161,000	\$5,799,000	71%
San Francisco	\$9,000,000	\$7,295,000	81%
Combined	\$17,161,000	\$13,094,000	76%

WETA policy states that services should reach 40 percent farebox recovery by year 10 in operation or 2034 for Redwood City, which would be easily achieved based upon the study's fare assumptions and ridership projections. However, as noted above in the Market Analysis

and Ridership Forecasts discussion, WETA's experience is that ridership models tend to overstate ferry ridership, especially at service start-up. As a result, it would be practical to assume a farebox recovery of half the amount indicated above, or 21.5 to 30 percent at service start-up, which is consistent with WETA experience. Further work will be done to refine service cost estimates and fare and subsidy assumptions as a part of developing a business plan for the service and establishing early operating budgets and subsidy requirements for the service.

#### **Financial and Economic Feasibility**

The study team conducted a benefit-cost analysis (BCA) for the three proposed service alternatives. A BCA, sometimes called a cost-benefit analysis, compares the benefits and costs of certain decisions or actions. The BCA quantifies the net societal benefits to ferry riders. It compares monetized benefits (savings in travel time, passenger vehicle operating costs, accidents, emissions, and parking fees/tolls) to the costs of constructing a terminal, acquiring ferries, and annual operating and maintenance expenses.

The Study concludes that benefits for the Oakland-Redwood City and the San Francisco-Redwood City scenario are similar, given identical capital outlays, and just slightly higher Operations and Maintenance (O&M) for San Francisco, which are compensated by the slightly higher ridership forecasts. As such, the economic feasibility results are almost identical across three BCA scenarios for how time spent on a ferry is valued, with a slight preference for a San Francisco route (albeit, minor). Operating the two services concurrently yields slightly higher economic feasibility than operating a single route, since the single Redwood City terminal costs are offset by the combined ridership benefits.

The study team also assessed the economic impacts of the proposed ferry service, defined rather broadly to refer to the potential role of ferry service in supporting local and regional competitiveness and growth. Direct economic benefits of the project include the creation of up to 185 temporary construction jobs. Ongoing operations will also generate jobs such as ferry crews or positions to maintain the terminal. After accounting for economic multiplier effects, ferry service will generate "indirect" and "induced" economic activity that will range from \$4.8 million to \$10 million annually.

The proposed ferry service could be particularly effective in helping mid-Peninsula employers recruit workers from the large East Bay housing market, which has limited transit options to the mid-Peninsula. In this regard, it is worth noting that while service from Oakland would appear to offer the greatest economic impact to local employers, ridership projections suggest higher passenger demand on the San Francisco route under baseline conditions.

#### **Future considerations and project risks**

The study has identified some significant considerations and areas of risk for the project, both in the development and operational phases. The following areas are highlights from this portion of the analysis:

- **First/Last Mile Costs and Responsibilities** – The location of the ferry terminal at the end of Seaport Boulevard in the Port of Redwood City means more effort is needed to provide First/Last Mile connections. Potential providers include public transit (SamTrans), employer-based Transportation Management Associations, public shuttle service (commute.org), or privately funded shuttles (like were operated for the

Facebook Pilot Ferry Service). The viability of a Redwood City ferry service would depend on a robust connecting shuttle service.

- **Ridership Influences** – The long-range impacts of the pandemic are unknown when it comes to employment and commuting. It is possible that more home-based work schedules will harm the ridership potential of the service.
- **Private Relationships** – Employment in the mid-Peninsula is dominated by a select few major employers: Google, Oracle, Facebook and Stanford. Will these employers support and encourage their employees to take the ferry in the same manner as Genentech in South San Francisco? Will they run parallel private bus service that reduces ridership possibilities?
- **Major Transportation Improvements** – Two significant improvements are expected in the US 101 corridor in the near future: managed lanes on 101 and electrification of the Caltrain system. Another significant set of improvements – high speed rail, Caltrain/High Speed Rail extension to the Transbay Terminal – are underfunded but could dramatically impact ferry service in the San Francisco-Redwood City corridor.

#### Study Recommendation, Next Steps

The Study concludes that all three service alternatives (Oakland- Redwood City, San Francisco- Redwood City, and a combined service) have varying levels of feasibility when measured against the five areas that define feasibility for this project (Consistency, Engineering, Economic, Operational, and Financial). The Study recommends that the Redwood City Council, the Redwood City Port Commission, and the WETA Board of Directors consider moving the project to the next phase of work, which involves developing a business plan consistent with SMCTA requirements for allocating Measure A transportation sales tax funds to the project.

The business plan will further refine and define project details such as operating revenues and expenses, how the project will be funded and operated, and how the service will be structured and marketed to attract riders. Once the business plan is completed and accepted by all involved parties, including the SMCTA, the project would advance to the environmental review, preliminary design, and permitting phase of work. The existing MOU between the City, Port and WETA, which currently covers the Feasibility Study and business plan development work, would be amended prior to moving forward with the environmental review, preliminary design and permitting work.

#### Fiscal Impact

There is no fiscal impact associated with the receipt of this study.

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

**AGENDA ITEM 9**  
**RECEIVE REDWOOD CITY FERRY**  
**FINANCIAL FEASIBILITY STUDY &**  
**COST-BENEFIT AND ECONOMIC IMPACT ANALYSES**

**ATTACHMENTS**

**COMPLETE ATTACHMENTS AVAILABLE  
FOR DOWNLOAD AT**

**<https://weta.sanfranciscobayferry.com/next-board-meeting>**



**SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY**

**RESOLUTION NO. 2020-44**

**RECEIVE THE REDWOOD CITY FERRY FINANCIAL FEASIBILITY STUDY &  
COST-BENEFIT AND ECONOMIC IMPACT ANALYSES REPORT**

**WHEREAS**, the Redwood City Ferry Terminal is included in WETA's 2016 Strategic Plan and the Metropolitan Transportation Commission's Plan Bay Area 2040 and 2050; and

**WHEREAS**, in February 2019, staff from the City of Redwood City (City), the Port of Redwood City (Port), and WETA began working collaboratively on a feasibility study for a ferry terminal on Port of Redwood City property; and

**WHEREAS**, in March 2020, WETA entered into a Memorandum of Understanding (MOU) with the City and the Port, which defines the roles and responsibilities in the feasibility study and in the path forward for the project; and

**WHEREAS**, in October 2020, the Board of Directors received an overview of WETA's System Expansion Policy that serves as a guidance for the Redwood City Ferry Financial Feasibility Study & Cost-Benefit and Economic Impact Analyses (Study); and

**WHEREAS**, the Study recommends that the Redwood City Council, the Redwood City Port Commission, and WETA consider moving the project to the next phase by developing a business plan; now, therefore, be it

**RESOLVED**, that the Board of Directors hereby receives the Redwood City Ferry Financial Feasibility Study & Cost-Benefit and Economic Impact Analyses Report; and be it further

**RESOLVED**, that the Board of Directors authorizes the Executive Director to work with the City and Port to support the development of a Redwood City ferry service business plan.

**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 November 5, 2020.

YEA:

NAY:

ABSTAIN:

ABSENT:

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/s/ Board Secretary  
2020-44

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

**AGENDA ITEM 10**  
**RECESS INTO CLOSED SESSION**

**AGENDA ITEM 11**  
**REPORT OF ACTIVITY IN CLOSED SESSION**

**NO MATERIALS**