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

Thursday, January 14, 2021 at 1:30 p.m.

VIDEOCONFERENCE

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AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. ADOPT RESOLUTIONS OF RECOGNITION FOR RETIRING STAFF **Action**
 - a. Adopt Resolutions in Recognition of Keith Stahnke and Lynne Yu
 - b. Adopt Resolution in Commendation of Nina Rannells
4. REPORT OF BOARD CHAIR **Information**
 - a. Chair's Verbal Report
5. REPORTS OF DIRECTORS **Information**

Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.
6. REPORTS OF STAFF **Information**
 - a. Executive Director's Report on Agency Projects, Activities and Services
 - b. Monthly Review of Financial Statements
 - c. Federal Legislative Update
 - d. State Legislative Update
 - e. Monthly Ridership and Recovery Report
7. CONSENT CALENDAR **Action**
 - a. Board Meeting Minutes – December 10, 2020

**Water Emergency Transportation Authority
January 14, 2021 Meeting of the Board of Directors**

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| 8. <u>APPROVE EMPLOYMENT OF LYNNE YU FOR A LIMITED DURATION APPOINTMENT</u> | Action |
| 9. <u>APPROVE TRANSFER OF THE REMAINING FEDERAL INTEREST IN THE MV SOLANO TO KITSAP TRANSIT</u> | Action |
| 10. <u>BAY AREA TRANSIT OPERATOR COORDINATION, BLUE RIBBON TASK FORCE UPDATE</u> | Information |
| 11. <u>PUBLIC COMMENTS FOR NON-AGENDA ITEMS</u> | |
- 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 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 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 4
REPORT OF BOARD CHAIR

AGENDA ITEM 5
REPORTS OF DIRECTORS

NO MATERIALS

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director

SUBJECT: Adopt Resolutions in Recognition of Keith Stahnke and Lynne Yu

Recommendation

Adopt resolutions recognizing retiring Operations & Maintenance Manager Keith Stahnke and Finance & Administration Manager Lynne Yu.

Background

Keith Stahnke joined the San Francisco Bay Area Water Transit Authority (WTA), later named the San Francisco Bay Area Water Emergency Transportation Authority (WETA) in January 2006 and has four decades of experience in the Bay Area maritime industry. Mr. Stahnke worked as a ferry captain on Blue & Gold Fleet's (Blue & Gold) harbor cruises during the Loma Prieta earthquake, and, along with other ferries, responded that night to help move people across the Bay. As the leader of WETA's Operations & Maintenance Division, Mr. Stahnke has managed an impressive breadth of work, from schedule planning to terminal rehabilitation and service budgeting to new vessel design and construction. Through his tenure he has placed a high priority on safety and security for passengers and crews and has helped build a strong partnership between WETA, its contract operator Blue & Gold, and the Bay Area skilled maritime workforce. The smooth operation of San Francisco Bay Ferry service and great condition of the fleet and infrastructure have made WETA a gold standard for passengers and the maritime workforce. This is a wonderful legacy for Mr. Stahnke to leave with WETA as he moves into retirement.

Lynne Yu joined WETA in June 2009 to lead the agency's Finance & Administration Division. Prior to arriving at WETA, she worked in finance at the Golden Gate Bridge, Highway and Transportation District and in the private sector. Her expertise in transportation funding was vital in helping WETA secure and manage critical grant funding during the past decade of major investment in WETA's Bay Area ferry system. Ms. Yu's dedication, work ethic, and talent has allowed WETA to secure and spend nearly half of a billion dollars for new vessels, new terminals, and the Central Bay and North Bay Operations and Maintenance Facilities. She has been integral in securing and managing operating and capital funds from the State of California, the Metropolitan Transportation Commission, and several local municipal agencies. In addition, Ms. Yu has managed WETA's small and effective administration team. Ms. Yu deserves commendation for her responsible stewardship of WETA's finances over the years which have positioned WETA for success moving into the future.

Fiscal Impact

There is no fiscal impact associated with this item.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2021-01

IN RECOGNITION OF KEITH STAHNKE UPON HIS RETIREMENT

WHEREAS, in January 2006 Keith Stahnke joined the San Francisco Bay Area Water Transit Authority (WTA) as the manager of operations; and

WHEREAS, in 2009, shortly after WTA transitioned to be the San Francisco Bay Area Water Emergency Transportation Authority (WETA), Keith Stahnke was promoted to be the manager of operations and maintenance, a position that he still holds today; and

WHEREAS, Keith Stahnke is well known and respected in the Bay Area maritime industry given his four decades of experience, including as a ferry boat captain; and

WHEREAS, Keith Stahnke has built a strong relationship over the years with Blue & Gold Fleet, WETA's contract operator, to the benefit of WETA, its ferry passengers, and the maritime workforce; and

WHEREAS, Keith Stahnke led efforts to seamlessly transition municipal services in Alameda, Oakland, and Vallejo to WETA control while simultaneously managing the successful launch of new ferry service in South San Francisco; and

WHEREAS, Keith Stahnke has been involved in WETA's procurement of 15 vessels, 11 of which have been delivered, including the ferries of the Gemini, Hydrus, and Pyxis classes; and

WHEREAS, under Keith Stahnke San Francisco Bay Ferry operations developed and moved into the new Central Bay and North Bay Operations and Maintenance Facilities, improving efficiency and reliability for the service; and

WHEREAS, under Keith Stahnke WETA has built the cleanest passenger ferries in the nation; and

WHEREAS, under Keith Stahnke's leadership passenger satisfaction ratings for San Francisco Bay Ferry consistently rates among the highest for any transit operator in the Bay Area; and

WHEREAS, the Bay Area has been fortunate to have Keith Stahnke's expertise and commitment over his 15 years at WETA and 40 years in Bay Area maritime; now, therefore, be it

RESOLVED, that the Board of Directors hereby recognizes Keith Stahnke for his excellent work at the Water Emergency Transportation Authority and wishes him all the best in retirement.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on January 14, 2021.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2021-01

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2021-02

IN RECOGNITION OF LYNNE YU UPON HER RETIREMENT

WHEREAS, in June 2009 Lynne Yu joined the San Francisco Bay Area Water Emergency Transportation Authority (WETA) as the manager of finance and administration; and

WHEREAS, Lynne Yu has helped secure and manage \$465 million in federal, state, and local investment to expand ferry service in the Bay Area, navigating the complex world of transportation funding representing a small, start-up agency; and

WHEREAS, Lynne Yu's expertise has helped WETA maximize the value of every dollar secured and spent to the public benefit; and

WHEREAS, under Lynne Yu's leadership, WETA is consistently lauded for its financial performance, stability, and transparency; and

WHEREAS, Lynne Yu's responsible stewardship of WETA's finances over the years has ensured that WETA remains in solid fiscal position despite the enormous financial impacts on public transit from the COVID-19 crisis; and

WHEREAS, Lynne Yu has led WETA's administration team to great effect, providing a strong example of responsible, effective government; and

WHEREAS, WETA has been fortunate to have Lynne Yu's talent and dedication over the last 11 ½ years, at such a critical time for the agency; now, therefore, be it

RESOLVED, that the Board of Directors hereby recognizes Lynne Yu for her exemplary work at the San Francisco Bay Area Water Emergency Transportation Authority and wishes her immense happiness in retirement.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on January 14, 2021.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2021-02

END

MEMORANDUM

TO: Board Members

FROM: Jim Wunderman, WETA Board Chair

SUBJECT: Adopt Resolution in Commendation of Nina Rannells

Recommendation

Adopt Resolution commending WETA Executive Director Nina Rannells on the occasion of her January 31, 2021 retirement.

Background

Nina Rannells arrived at the San Francisco Bay Area Water Transit Authority (WTA) in January 2006 to serve as the manager of the finance and administration department, having already worked in Bay Area transit finance for 16 years at the Metropolitan Transportation Commission and Golden Gate Bridge, Highway and Transportation District. As WTA transitioned to become the San Francisco Bay Area Water Emergency Transportation Authority (WETA) and planned to absorb municipal ferry services from the cities of Alameda, Oakland, and Vallejo, Ms. Rannells was named WETA Executive Director in March 2009. She has served in that post ever since and announced her retirement from the agency in June 2020.

Under Ms. Rannells' leadership, WETA has grown from a small start-up planning agency to a robust public transit operator with an additional emergency response mission. Ms. Rannells secured nearly \$500 million in investment in public ferry infrastructure and operation in the Bay Area, allowing WETA to build two major operations and maintenance hubs, modernize and expand its high-speed ferry fleet – the cleanest in the nation – and grow the system. System growth includes new ferry service to South San Francisco, launched in 2012 and Richmond, launched in 2019. But it has also meant stabilized and enhanced service for, Alameda (both the island and Harbor Bay), Oakland, and Vallejo and the major expansion of the critical Downtown San Francisco Ferry Terminal.

Ms. Rannells' personal touch in working with elected and appointed leaders in Alameda, Oakland, Richmond, San Francisco, South San Francisco, Vallejo, and additional cities now in the development pipeline has allowed WETA to build a loyal rider base and a reputation for getting projects done efficiently, on-time, and under budget. Ms. Rannells' work and relationships have ensured that local municipalities and stakeholders trust WETA and seek to work with the agency to expand ferry service into their communities.

WETA's immense success over the past 12 years is a bright light in Bay Area transit, and the Board of Directors wishes to pay that legacy the respect it is due through the attached resolution.

Fiscal Impact

There is no fiscal impact associated with this item.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2021-03

IN COMMENDATION OF NINA RANNELLS

WHEREAS, in January 2006 Nina Rannells joined the San Francisco Bay Area Water Transit Authority as the manager of finance and administration; and

WHEREAS, in March 2009 the San Francisco Bay Area Water Emergency Transportation Authority (WETA) Board of Directors appointed Nina Rannells as Executive Director of the agency and she will retire from the agency effective January 31, 2021; and

WHEREAS, under Nina Rannells' leadership WETA has secured \$465 million in federal, state and local investment to expand ferry service in the Bay Area and develop plans and infrastructure to meet WETA's emergency response mission; and

WHEREAS, to that effect, during Nina Rannells' tenure WETA has built eleven new ferries, two major operations and maintenance hubs serving the Central Bay and North Bay and expanded the downtown San Francisco Ferry Terminal to support system growth and emergency response; and

WHEREAS, Nina Rannells led the successful effort to transition municipal ferry services from the cities of Alameda, Oakland, and Vallejo to WETA's responsibility, enhancing service on those routes in the ensuing years; and

WHEREAS, Nina Rannells led WETA's efforts to launch new ferry service in South San Francisco in 2012 and in Richmond in 2019; and

WHEREAS, under Nina Rannells' leadership San Francisco Bay Ferry ridership doubled from 2012 to 2019, reducing congestion on local freeways and building a loyal rider base; and

WHEREAS, Nina Rannells has blazed a path for women in top Bay Area transportation roles; and

WHEREAS, measuring Nina Rannells' true impact on Bay Area ferry service is impossible; and

WHEREAS, WETA has been incredibly fortunate to have Nina Rannells' leadership and expertise over her 15 years with the agency and 12 years as Executive Director; now, therefore, be it

RESOLVED, that the Board of Directors hereby commends Nina Rannells for her extraordinary success as the Executive Director of the San Francisco Bay Area Water Emergency Transportation Authority for the past 12 years and wishes her happiness and fulfillment in retirement.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on January 14, 2021.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2021-03

END

TO: WETA Board Members

FROM: Nina Rannells, Executive Director

DATE: January 14, 2021

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*.

Gemini Class, Emission Reduction Project

The Gemini class of four vessels was built in 2008-2009 and outfitted with EPA Tier 2 marine diesel engines with aftermarket exhaust treatment equipment. Staff has determined that this class of vessel can be repowered with available marine engines that meet the current EPA Tier 4 standards. This vessel repower project would replace eight of WETA's oldest engines and move the fleet closer to compliance with new draft proposed California Air Resources Board's engine emission regulations. This marine repower project is eligible for up to 95 percent reimbursement of project costs by Bay Area Air Quality Management District's Carl Moyer grant funding. Staff submitted a grant application for the MV *Gemini* in November and was notified in December that the grant was approved. Applications for the three other vessels in this class were submitted in December, and staff is optimistic that these projects will be approved in late

January. Once the status of the remaining grant applications is determined, staff will bring a board item to move these projects forward.

Mission Bay Electric Vessel and Terminal Charging Infrastructure

On April 21, the California State Transportation Agency (CalSTA) announced an award of \$9.06 million in state Transit and Intercity Rail Capital Program (TIRCP) grant funds to support construction of 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 discussed the revised timeframe for the Port of San Francisco to construct the new Mission Bay ferry terminal with CalSTA in order to ensure that the state TIRCP funds will remain available for this project when terminal construction moves forward.

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.

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 was 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 led the effort to prepare a Financial Feasibility Study and Cost Benefit Analysis Report for the Redwood City ferry terminal construction and service utilizing close to \$500,000 in San Mateo County Measure A transportation sales tax funds. The study, which kicked off at a February 2019 meeting with a consultant team and staff from the RWC Port, Redwood City, and WETA, was completed in November 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. The study consultant team made a presentation of the study results and recommended next steps at the November WETA Board meeting, where the report was received by the Board. The Redwood City Port Commission received the report on November 18, 2020. A presentation was made to the City Council on January 11.

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. Beginning this month, WETA and Berkeley staff will host a series of focus groups with project stakeholders to introduce the project and feasibility study process. The broader public outreach process will kick-off on January 21 with Community Workshop #1. On February 21, the City of Berkeley will host a City Council Work Session to discuss the project alongside the proposed Berkeley Marina Area Specific Plan (BMASP). Staff anticipates providing the WETA Board with a project update and review of initial public outreach efforts at the March meeting.

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, though a start date for the work has not been set.

SYSTEM PLANS/STUDIES

Hovercraft Feasibility Study

This study which examined the feasibility of operating hovercraft on San Francisco Bay as part of the WETA water transit system was received by the Board at the December 2020 meeting. Two committees helped inform and guide the study: a Hovercraft Stakeholder Committee comprised of hovercraft industry representatives, advocates from Bay Area public policy groups, environmental organizations, and maritime industry representatives and a Hovercraft Technical Advisory Committee comprised of public agencies responsible for land use regulation. The consultant team provided updates to the WETA Board in March and June as status reports in advance of the final study presentation in December 2020. Staff will work to identifying next steps for agency consideration in exploring the use of hovercraft technology in future WETA services in the coming months.

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 – 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 January 25, 2021.

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:

- 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 two applications 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 \$296,650 on these costs from late February through September 14. 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 and AECOM, WETA's emergency response consultant, are finalizing a revision of the Emergency Operations Plan, which will include a revised EOC staffing structure to balance the workload and staffing between the Operations and the Planning sections.
- Staff is preparing a schedule of training sessions for 2021, building off of the training conducted in 2019. We will also be offering initial emergency response training for new staff members in the coming months.

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 with varied increases in November likely from the Dollar Days promotion and the Veteran's Day holiday when many recreational riders took advantage of the good weather and time off work. 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. In an effort to restore service and provide flexibility for riders traveling later or returning home earlier in the day between Alameda and Oakland and San Francisco, two mid-day round trips resumed on November 16, bringing the daily total to eight round trips between Alameda and Oakland and San Francisco.

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 November 2020 is provided as **Attachment A**.

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

On December 11 & January 8, Lauren Gularte attended the regional Business Outreach Committee monthly meetings.

On December 16, Thomas Hall participated in the Visit Vallejo Board of Directors meeting.

On January 5, 6 and 7, Kevin Connolly, Michael Gougherty, and Taylor Rutsch attended focus group meetings hosted by the City of Berkeley to discuss the ferry terminal/recreational pier project proposal with City stakeholders.

On January 11, Kevin Connolly, Chad Mason, and Arthi Krubanandh attended the Redwood City Council meeting for a presentation of the Ferry Feasibility Study.

On January 12, Lauren Gularte attended the Area Maritime Security Committee quarterly meeting.

On January 14, Lauren Gularte attended the Harbor Safety Committee monthly meeting.

OTHER BUSINESS

Regional Measure 3

In June 2018 Bay Area voters approved Regional Measure 3 (RM3) which raises Bay Area bridge tolls by \$3 over a six-year period starting with a \$1 increase on January 1, 2019, followed by additional \$1 increases in January 2022 and January 2025.

Since its passage, RM3 has been challenged by two lawsuits in the Superior Court of the City and County of San Francisco including the *Howard Jarvis Taxpayers Association, et al v. The*

Bay Area Toll Authority and the California State Legislature and Randall Whitney v. MTC. These cases were dismissed by the Court on April 23 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 will work 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 November 2020

	Alameda/ Oakland	Harbor Bay †	Richmond	South San Francisco †	Vallejo	Systemwide
Vs. last month	Total Passengers November 2020	7,676	2,184		12,970	22,830
	Total Passengers October 2020	6,262	2,128		11,322	19,712
	Percent change	22.58%	2.63%		14.56%	15.82%
Vs. same month last year	Total Passengers November 2020	7,676	2,184		12,970	22,830
	Total Passengers November 2019	103,897	16,526	11,623	78,108	236,396
	Percent change	-92.61%	-86.78%	-100.00%	-83.39%	-90.34%
Vs. prior FY to date	Total Passengers Current FY To Date	30,576	8,785		53,623	92,984
	Total Passengers Last FY To Date	678,195	102,415	64,369	501,386	1,499,271
	Percent change	-95.49%	-91.42%	-100.00%	-89.31%	-93.80%
Ops Stats	Avg Weekday Ridership November 2020	384	109		649	1,142
	Passengers Per Hour November 2020	69	19		40	42
	Revenue Hours November 2020	111	116		322	549
	Revenue Miles November 2020	1,521	2,100		8,991	12,612
	Farebox Recovery Year-To-Date	4%	2%		6%	4%
	Cost per Available Seat Mile – November 2020	\$1.01	\$0.65		\$0.38	\$0.48
	Average peak hour utilization, AM – November 2020	12%	7%		14%	11%
	Average peak hour utilization, PM – November 2020	16%	8%		20%	15%
	Fuel Used (gallons) – November 2020	12,437	20,597		82,642	115,676
	Avg Cost per gallon – November 2020	\$1.89	\$1.89		\$1.85	\$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 Five Months
Ending November 30, 2020

Recommendation

There is no recommendation associated with this informational item.

Summary

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

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$10,958,752	\$870,583	\$573,077
Federal - CARES Act	-	6,350,584	9,107,147
Bridge Toll Revenues	6,778,640	8,692,125	3,191,346
Contra Costa Measure J	1,231,953	1,495,208	1,302,317
Alameda Measure B/BB	-	650,542	-
Alameda Tax & Assessment		1,610,708	-
Other Revenues	21,312	-	-
Total Operating Revenues	\$18,990,657	\$19,669,750	\$14,173,887
Expenses - Year To Date:			
Planning & Administration	\$878,113	\$1,250,000	\$1,152,176
Ferry Services	18,112,545	18,419,750	13,021,711
Total Operating Expenses	\$18,990,657	\$19,669,750	\$14,173,887
System-Wide Farebox Recovery %	61%	5%	4%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2020/21 Budget
Revenues:		
Federal Funds	\$1,152,274	
State Funds	7,244,806	
Bridge Toll Revenues	121,746	
Other Revenues	599,928	
Total Capital Revenues	\$9,118,753	24.55%
Expenses:		
Total Capital Expenses	\$9,118,753	24.55%

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 Five Months Ending 11/30/2020

% of Year Elapsed 42%

	Nov-20 Actual	Year - To - Date			Total FY2020/21 Budget	% of Total Budget
		FY2019/20 Actual	FY2020/21 Budget	FY2020/21 Actual		
OPERATING EXPENSES						
FERRY OPERATIONS:						
Harbor Bay FerryService (AHBF)						
Purchased Transportation	\$102,579	\$912,184	\$893,958	\$495,277	\$2,145,500	23.1%
Fuel - Diesel & Urea	-	248,443	205,292	-	492,700	0.0%
Other Direct Operating Expenses	16,747	218,830	354,875	131,725	851,700	15.5%
Admin Overhead Expense Transfer	-	45,975	53,458	-	128,300	0.0%
Total Harbor Bay Farebox Recovery - AHBF	\$119,326 0%	\$1,425,432 48%	\$1,507,583 4%	\$627,003 0%	\$3,618,200 4%	17.3%
Alameda/Oakland Ferry Service (AOFS)						
Purchased Transportation	\$445,969	\$3,703,745	\$3,194,792	\$2,831,567	\$7,667,500	36.9%
Fuel - Diesel & Urea	23,490	917,259	676,542	120,505	1,623,700	7.4%
Other Direct Operating Expenses	124,638	788,826	985,500	659,961	2,365,200	27.9%
Admin Overhead Expense Transfer	23,328	187,253	168,792	125,143	405,100	30.9%
Total Alameda/Oakland Farebox Recovery - AOFS	\$617,424 0%	\$5,597,083 70%	\$5,025,625 4%	\$3,737,176 4%	\$12,061,500 4%	31.0%
Vallejo FerryService (Vallejo)						
Purchased Transportation	\$1,133,157	\$4,740,507	\$4,255,583	\$4,510,382	\$10,213,400	44.2%
Fuel - Diesel & Urea	152,832	2,351,178	1,598,667	701,824	3,836,800	18.3%
Other Direct Operating Expenses	198,357	742,392	1,196,583	964,803	2,871,800	33.6%
Admin Overhead Expense Transfer	40,909	141,284	186,458	188,827	447,500	42.2%
Total Vallejo Farebox Recovery - Vallejo	\$1,525,254 2%	\$7,975,361 66%	\$7,237,292 7%	\$6,365,836 6%	\$17,369,500 7%	36.6%
South San Francisco FerryService (SSF)						
Purchased Transportation	\$85,919	\$927,873	\$727,833	\$416,065	\$1,746,800	23.8%
Fuel - Diesel & Urea	-	182,261	117,375	-	281,700	0.0%
Other Direct Operating Expenses	18,446	163,360	199,167	91,373	478,000	19.1%
Admin Overhead Expense Transfer	-	20,075	7,417	-	17,800	0.0%
Total South San Francisco Farebox Recovery - SSF	\$104,365 0%	\$1,293,568 38%	\$1,051,792 1%	\$507,437 0%	\$2,524,300 1%	20.1%
Richmond FerryService (Richmond)						
Purchased Transportation	\$208,894	\$1,393,826	\$1,411,292	\$1,392,581	\$3,387,100	41.1%
Fuel - Diesel & Urea	38,902	217,128	244,708	115,630	587,300	19.7%
Other Direct Operating Expenses	51,230	186,881	274,125	225,073	657,900	34.2%
Admin Overhead Expense Transfer	6,700	23,265	16,417	26,123	39,400	66.3%
Total Richmond Farebox Recovery - Richmond	\$305,726 1%	\$1,821,100 32%	\$1,946,542 1%	\$1,759,406 2%	\$4,671,700 1%	37.7%
Seaplane Lagoon FerryService (SPL)						
Purchased Transportation	\$0	\$0	\$1,078,042	\$0	\$2,587,300	0.0%
Fuel - Diesel & Urea	-	-	165,917	-	398,200	0.0%
Other Direct Operating Expenses	4,403	-	336,625	24,853	807,900	3.1%
Admin Overhead Expense Transfer	-	-	70,333	-	168,800	0.0%
Total Seaplane Lagoon Farebox Recovery - SPL	\$4,403 0%	\$0 0%	\$1,650,917 5%	\$24,853 0%	\$3,962,200 9%	0.6%
Sub-Total Ferry Operations	\$2,676,497	\$18,112,545	\$18,419,750	\$13,021,711	\$44,207,400	29.5%
FAREBOX RECOVERY - SYSTEMWIDE	1%	61%	5%	4%	5%	
PLANNING & GENERAL ADMIN:						
Wages and Fringe Benefits	\$135,470	\$613,989	\$781,125	\$710,785	\$1,874,700	37.9%
Services	107,790	478,621	731,792	603,034	1,756,300	34.3%
Materials and Supplies	160	3,182	15,583	(6,720)	37,400	-18.0%
Utilities	5	18,605	22,042	16,894	52,900	31.9%
Insurance	-	1,046	11,667	582	28,000	2.1%
Miscellaneous	1,264	18,503	27,167	3,949	65,200	6.1%
Leases and Rentals	33,710	162,019	163,500	163,744	392,400	41.7%
Admin Overhead Expense Transfer	(70,937)	(417,852)	(502,875)	(340,093)	(1,206,900)	28.2%
Sub-Total Planning & Gen Admin	\$207,462	\$878,113	\$1,250,000	\$1,152,176	\$3,000,000	38.4%
Total Operating Expenses	\$2,883,959	\$18,990,657	\$19,669,750	\$14,173,887	\$47,207,400	30.0%
OPERATING REVENUES						
Fare Revenue	\$32,073	\$10,958,752	\$870,583	\$573,077	\$2,089,400	27.4%
Federal Operating Assistance	2,036,251	-	6,350,584	9,107,147	15,241,400	59.8%
Regional - Bridge Toll	602,498	6,778,640	8,692,125	3,191,346	20,861,100	15.3%
Regional - Contra Costa Measure J	213,137	1,231,953	1,495,208	1,302,317	3,588,500	36.3%
Regional - Alameda Measure B/BB	-	-	650,542	-	1,561,300	0.0%
Regional - Alameda Tax & Assessment	-	-	1,610,708	-	3,865,700	0.0%
Other Revenue	-	21,312	-	-	-	0.0%
Total Operating Revenues	2,883,959	\$18,990,657	\$19,669,750	\$14,173,887	\$47,207,400	30.0%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2020/21 Statement of Revenues and Expenses
For Five Months Ending 11/30/2020

Project Description	Nov-20 Total	Total Project Budget	Total Prior Expense	Total FY2020/21 Budget	Total FY2020/21 Expense	Total Future Year	% of Total Project Budget Spent
CAPITAL EXPENSES:							
FACILITIES:							
Terminal Construction							
Downtown Ferry Terminal Expansion - South Basin	\$89,833	\$98,965,000	\$94,792,877	\$4,172,123	\$771,769	\$0	97%
Operations and Maintenance Facilities							
Ron Cowan Central Bay Operations & Maintenance Facility	515	64,932,400	64,348,080	584,320	6,449	-	99%
North Bay Facility Improvement - Fuel System	1,583	530,450	-	530,450	12,886	-	2%
Terminal Improvement							
Install Mooring Piles - Harbor Bay Terminal	390	446,500	59,927	386,573	340,689	-	90%
Terminal Rehabilitation - Engineering & Design Main Street	-	395,000	-	395,000	509	-	0%
Shoreside Infrastructure for All-Electric Vessel	-	4,760,000	-	2,002,000	-	2,758,000	0%
FERRY VESSELS:							
Vessel Construction							
445-Pax Expansion (Waterjet) Vessels - 2 vessels	-	46,745,000	43,324,292	3,420,708	1,586,886	-	96%
New Commuter Class High-Speed Vessels - 2 vessels	37,433	30,082,500	11,758,345	12,063,155	6,042,749	6,261,000	59%
Vessel Replacement - M/V Bay Breeze & M/V Solano	33,112	34,600,000	251,717	9,158,283	162,330	25,190,000	1%
New All-Electric Vessel	-	4,300,000	-	1,834,000	-	2,466,000	0%
Vessel Rehabilitation and Refurbishment							
Vessel Engine Overhaul - M/V Argo and M/V Carina	-	240,000	125,730	114,270	-	-	52%
Vessel Engine & Reduction Gear Overhaul - M/V Pisces	-	525,200	-	525,200	3,600	-	1%
Vessel Engine & Reduction Gear Overhaul - M/V Bay Breeze	-	491,400	-	491,400	49	-	0%
Vessel Engine & Reduction Gear Overhaul - M/V Peralta	1,732	1,400,000	-	1,400,000	120,554	-	9%
CAPITAL EQUIPMENT / OTHER:							
Purchase Service Vehicles	(1,774)	101,000	28,125	72,875	70,282	-	97%
Total Capital Expenses	\$162,825	\$288,514,450	\$214,689,094	\$37,150,356	\$9,118,753	\$36,675,000	
CAPITAL REVENUES:							
Federal Funds	\$27,876	\$64,819,199	\$34,857,846	\$9,881,250	\$1,152,274	\$20,080,103	56%
State Funds	(112,219)	173,006,690	139,493,840	20,645,693	7,244,806	12,867,157	85%
Regional - Bridge Toll	3,467	43,123,284	39,100,555	965,562	121,746	3,057,166	91%
Regional - Alameda Sales Tax Measure B / BB	3,311	2,489,727	16,926	1,802,228	19,239	670,573	1%
Regional - Alameda TIF / LLAD / HBBPA	390	446,500	59,927	386,573	340,689	-	90%
Regional - San Francisco Sales Tax Prop K	240,000	1,400,000	1,160,000	240,000	240,000	-	100%
Other - Proceeds from Sale of End-of-Life Vessels	-	3,229,050	-	3,229,050	-	-	0%
Total Capital Revenues	\$162,825	\$288,514,450	\$214,689,094	\$37,150,356	\$9,118,753	\$36,675,000	

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – January 2021

This report covers the following topics:

1. What the results of the 2020 Election Cycle Mean for the 117th Congress
2. Opportunities for WETA in the 117th Congress
 - a. Additional Funding for Federal Ferry Grant Programs
 - b. Emergency Funding for Transit
 - c. Emergency Funding for Maritime Transportation
3. Repurposing Unspent Earmarks

What the Results of the 2020 Election Cycle Mean for the 117th Congress

Given the election results in Georgia, we have a bit more clarity into what the first half of 2021 will look like from a legislative perspective. While Democrats control the White House, Senate and House of Representatives, it does not mean that President Joe Biden and Congressional Democrats will be able to pass whatever legislation they want. The Senate will continue to be a limiting factor given that the Democratic majority in that chamber is as slim as possible – the Democrat-Republican split is 50-50 with the Democrats having the majority by virtue of the fact that Vice President Kamala Harris will serve as the tie-breaking vote.

One of the values of being in the majority means that the majority leader decides what legislation will receive a vote and when. With that being said, while Senate Majority Leader Chuck Schumer (D-NY) will decide what legislation receives a vote, passage of any legislation will still require 60 votes to pass. While there has been much talk about the possibility of Democrats eliminating the filibuster, the fact is that moderate Democrats oppose this move and will most likely prevent it from happening. The result is that in order for the Democrats to pass legislation, they will need at least ten Republicans to vote with them (assuming unity in the Democratic caucus), and that will require legislation to be bipartisan. That is not to mention that the Democrats' 11-seat majority in the House is the smallest margin in that Chamber since 2001 when Republicans had a 9-seat majority under President George W. Bush.

While the Senate majority will likely speed up the process of confirming Joe Biden's picks to lead federal government departments and agencies and although Democrats will be able to use a legislative process called "Reconciliation" to pare back the Trump tax cuts and address certain health care-related issues, the fact is that the slim majorities in the House and Senate likely mean that Democrats will be limited in what they are able to do this year. Recall that when President Obama took office in 2009, Democrats had a 79-seat majority in the House and a filibuster-proof majority in the Senate (60 seats) and still only managed to push through two of the President's key priorities: the stimulus bill and the Affordable Care Act. The political realities of 2021 could mean few big pieces of legislation will be signed into law and early action in Congress may be limited to another COVID relief bill and possibly an infrastructure package.

Opportunities for WETA in the 117th Congress

Two of the first items the 117th Congress could bring up – and possibly the only two big-ticket items that will have enough bipartisan support to get through the House and Senate – are

another COVID relief bill and an infrastructure package. This could mean additional emergency funding for transit and other maritime transportation interests and could provide us with an opportunity to increase funding for the two federal grant programs dedicated exclusively to public ferry systems: the Federal Highway Administration (FHWA) ferry formula program and the Federal Transit Administration (FTA) discretionary grant program.

Additional Funding for Federal Ferry Grant Programs

We will continue advocating for additional funding for public ferries, including funding for the FHWA ferry formula program and the FTA discretionary grant program. We will specifically work to build upon funding increases we secured last summer in the House-passed infrastructure bill and Senate EPW-passed surface transportation 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.

Note that even if Congress doesn't take up and pass an economic stimulus bill in early 2021, the Fixing America's Surface Transportation (FAST) Act, which is the current surface transportation authorization – which provides funding for transit, roads, bridges and freight projects – expires on September 30 and will need to be reauthorized. Reauthorization of the FAST Act will provide another opportunity to seek increased funding for the FHWA and FTA ferry programs.

Emergency Funding for Transit

In one of the final actions taken by the 116th Congress, the House and Senate passed an end-of-year legislative package that included a full-year spending bill, COVID relief, and a number of other issues. Included in the COVID relief section was \$45 billion for transportation, including \$14 billion for transit. Given that this level of funding falls far short of what is needed from a national perspective, we will be supporting efforts to secure additional emergency funding for transit in 2021.

The remaining \$31 billion from the COVID relief bill from December went to Amtrak; airline payroll support; airline contractor payrolls; airports and airport concessionaires; state departments of transportation; and private motorcoach, school bus, and ferry industries. Note that WETA may also benefit from this additional funding as part of the latter group – we are waiting for additional guidance on this.

Emergency Funding for Maritime Transportation

The National Defense Authorization Act (NDAA), which became law by virtue of the House and Senate overriding a Presidential veto, contains the Maritime Transportation System Emergency Relief Act (MTSERA), which authorizes the Maritime Administration (MARAD) to stand up a program to flow money to maritime interests – including public ferry systems – in time of emergency. A limiting factor in our efforts to gain additional emergency funding for ferry systems and other maritime interests has been the lack of a process for flowing such money. With MTSERA finally signed into law, we will continue pushing for such funding as part of future COVID relief bills.

Repurposing Unspent Earmarks

WETA obtained funding (earmarks) for ferry service from Berkeley to downtown San Francisco through the annual appropriations process in FY08 (\$642,346), FY09 (\$475,000), and FY10 (\$1,000,000). This funding could not be utilized at the time and because of the rules attached to this funding, the money could not be re-allocated without an act of Congress, which itself, would have been considered an earmark. For the past several years we have worked with the Congressional delegation to have language included in annual appropriations bills to allow

earmark recipients to repurpose unspent earmarks if those funds are more than ten years old (a length of time that was decided by Congressional leadership). These efforts have allowed WETA to begin the process of repurposing the FY08 and FY09 earmarks. Thanks to language in the recently enacted FY21 Transportation-Housing and Urban Development (Transportation-HUD) Appropriations bill, WETA will be able to initiate the repurposing process for the FY10 earmark as soon as later this year.

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: January 5, 2021

RE: January 2021 - Legislative Update

Legislative Preview

The Legislature reconvened for the 2021 session on Monday, December 7, 2020. Since then, roughly 127 Assembly bills and 102 Senate bills have been introduced – none impacting WETA. The legislature is scheduled to resume session on January 11 but that date could be delayed due to COVID concerns. Legislators have until January 22 to submit bill ideas to legislative counsel and February 22 is the deadline to introduce new legislation for 2021.

Meet & Greets with New Executive Director and Legislators, Key Administration Officials

During January and February, we will be hosting meet & greet zooms with WETA's new Executive Director and state delegation legislators as well as key administration officials.

COVID Vaccine Distribution Plan

On January 4, Governor Newsom reiterated that the state's recommendations for the Phase 1B distribution of the COVID-19 vaccine will include transportation / logistics workers. On January 6, the Community Vaccine Advisory Committee (CVAC) will receive an informational update from the Drafting Guidelines Workgroup on the state's recommendations for Phase 1B.

State Budget Update

Governor Newsom will unveil his 2021/2022 budget on Friday, January 8. So far he's already announced \$2 billion to help fund school re-openings, \$3 Billion for COVID related business assistance and \$1.5 billion to help support California's transition to zero emission vehicles (funds will support purchases of clean trucks, buses, off-road freight equipment, and Clean Cars 4 All programs as well as job-creating construction of electric charging and hydrogen fueling stations necessary to accelerate zero-emission vehicle adoption).

Federal Stimulus Dollars to Help California Transit Agencies

On December 27, President Trump signed the Consolidated Appropriations Act of 2021, which includes \$14 billion for transit agencies nationwide, including approximately \$2 billion for California's transit agencies. It has yet to be determined how much of this will flow to WETA.

WETA Dollar Days

We helped promote WETA's Dollar Days by sharing information with legislative offices so they could get the word to their constituents through social media and e-mail newsletters. We continually share important updates with the state legislative delegation such as the completion of the downtown SF Ferry Terminal and requests for support such as our recent grant applications for zero-emission projects.

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

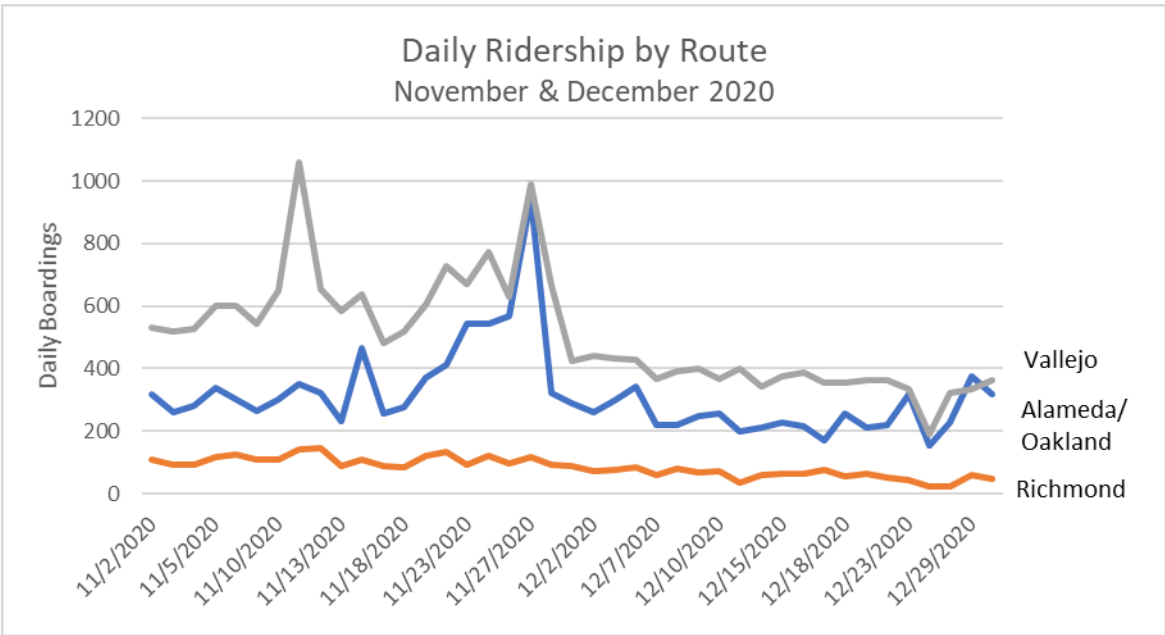
The WETA Ferry Service Recovery Plan (Plan) states that ferry service will restart at minimum levels to match expected reduced demand. Modifications in service will generally follow state guidelines for reopening the economy and subsequent changes in demand. The Plan calls for a monthly evaluation of 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

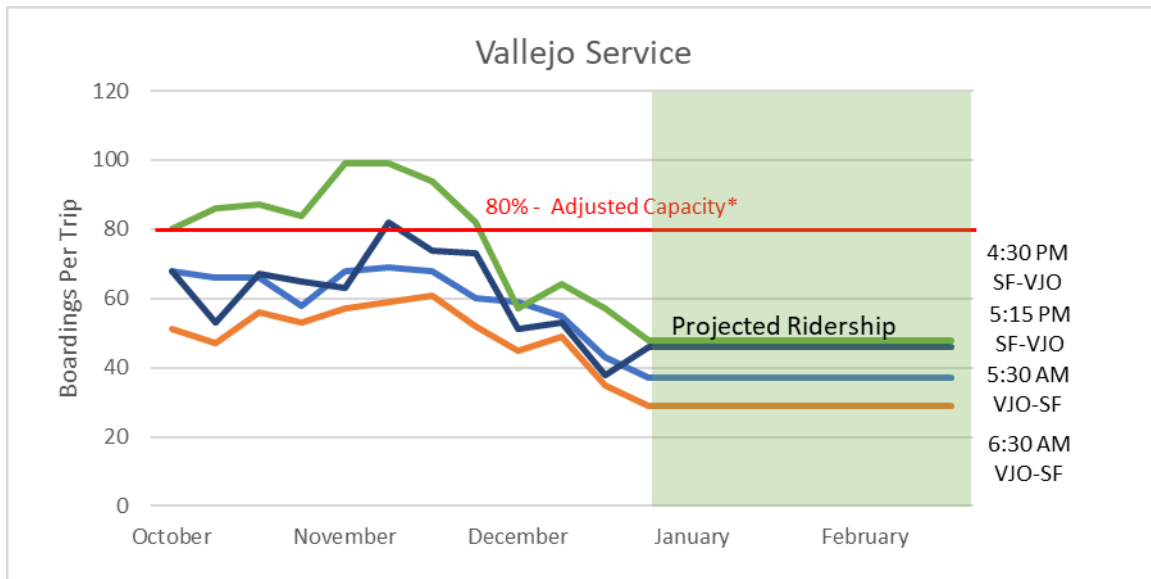
Systemwide

Systemwide average daily boardings decreased 41percent from 1,142 in November to 674 in December following the statewide shutdowns in response to a growing number of COVID-19 cases. December is also typically WETA’s slowest month due to the holidays, colder weather, and fewer hours of sunlight.



Vallejo

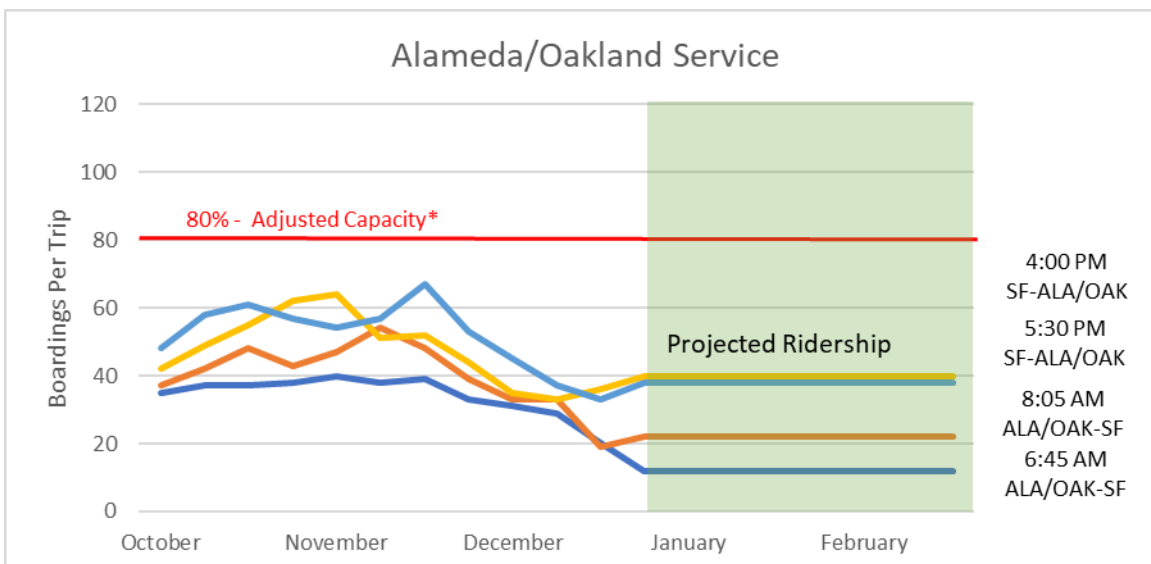
Ridership dropped steadily in December before flattening out during the last two weeks of the month. Vallejo ridership is projected to grow 0 percent, based on its rolling ridership average.



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

Alameda/Oakland

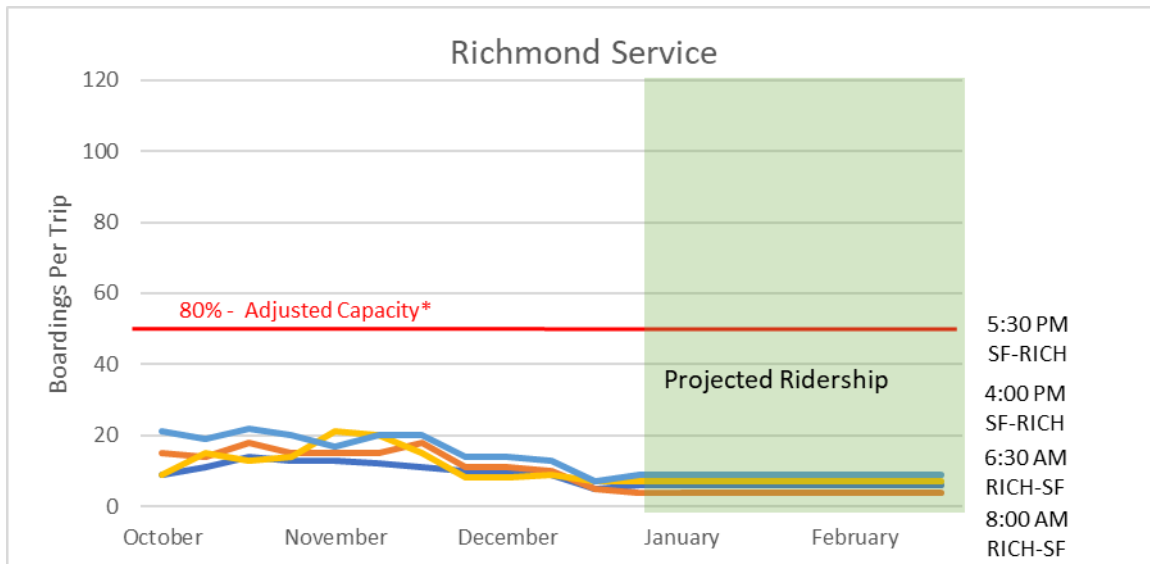
Alameda/Oakland ridership has experienced a similar pattern as Vallejo, with ridership growing in November in response to the Dollar Days promotion before falling steadily in December. The Alameda/Oakland service does not have any trips that are currently at risk of reaching the adjusted capacity threshold over the next two months. Alameda/Oakland ridership is now projected to less than 1 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

Richmond

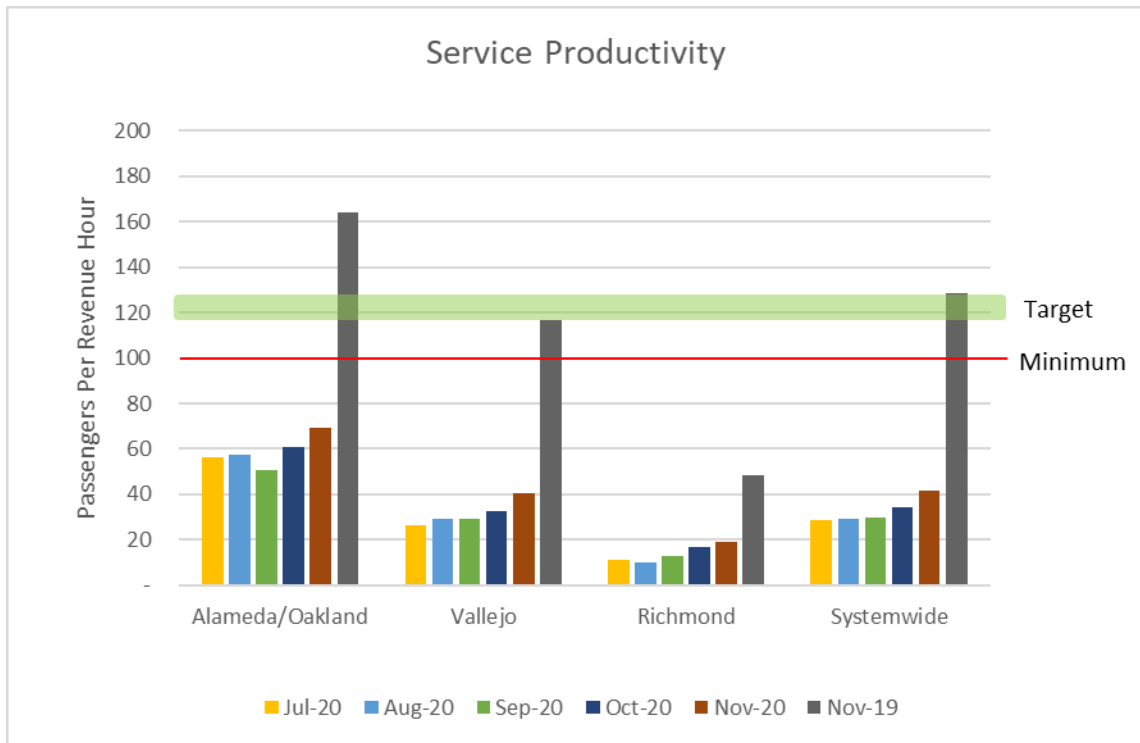
Richmond ridership saw similar trends to Vallejo and Alameda/Oakland. Richmond ridership is now projected to grow less than 1 percent per week, based on its rolling ridership average.



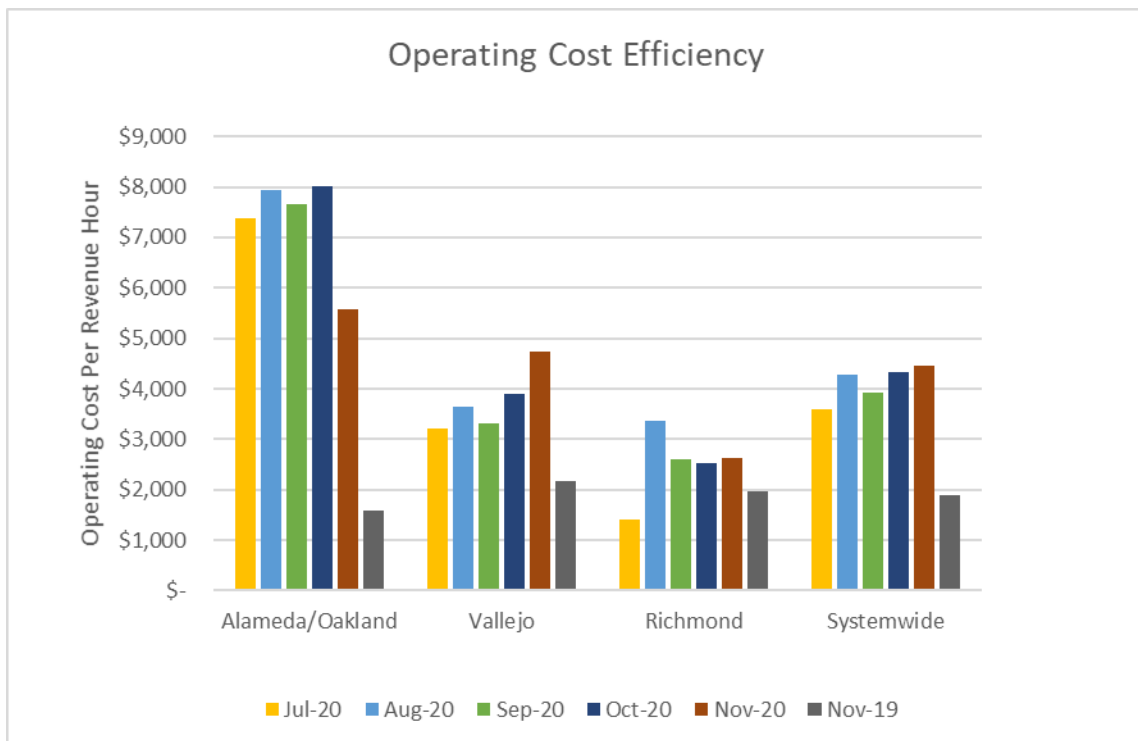
*Adjusted capacity assumes the vessels will be limited to about 25% capacity due to physical distancing requirements

2. Service Productivity and Efficiency

Systemwide passengers per revenue hour increased from 34 to 41 from October to November.



Systemwide operating cost per revenue hour increased by 3 percent from October to November.



3. Regional Context

The table below shows how each of WETA’s service areas are impacted by the coronavirus. The Bay Area has continued to regress in state performance measures. All Bay Area counties that WETA serves have remained in the Purple tier throughout December.

County	14-Day Change Total (Positive Cases)	14-Day Change % (Positive Cases)	State Tier Rating
Alameda	11,409	27%	Widespread
Contra Costa	7,672	22%	Widespread
San Francisco	3,771	18%	Widespread
San Mateo	5,090	25%	Widespread
Solano	4,601	30%	Widespread

From November to December 2020 WETA ridership dropped while BART ridership and bridge traffic remained flat. Transit ridership has lagged significantly behind bridge traffic in the Bay Area since the pandemic began.

Agency	% of normal ridership/traffic levels December 2020
WETA	7%
BART	14%
BATA Bridges (7-total)	90%

4. Outlook and Recommendations

Most of the December ridership decrease is attributed to the restrictions imposed by Bay Area county health officials in response to the significant rise in COVID-19 cases. It is likely that ridership will remain flat until these restrictions are rescinded. For the remainder of January, staff recommends no change to the current services. However, staff will continue to monitor ridership levels to be prepared for service increases that may be warranted in early 2021.

END

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

(December 10, 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 1:32 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. RECESS INTO CLOSED SESSION

Chair Wunderman proposed moving the closed session agenda item ahead of all other items for immediate discussion. The Directors agreed and recessed into closed session at 1:35 p.m.

- a. Conference with Legal Counsel – Anticipated Litigation
Pursuant to Government Code Section 54956.9 (d)(2)
One potential case

- b. Public Employee Appointment and Conference with Labor Negotiator
Pursuant to Government Code Sections 54957(b)(1), 54957.6
Title: Executive Director
Agency Representative: Steven Miller

4. REPORT OF ACTIVITY IN CLOSED SESSION

The Directors returned to the meeting at 1:41 p.m.

Chair Wunderman called for public comments on the closed session and there were none.

Chair Wunderman reported that pursuant to Government Code Section 54956.9 (d)(2), Conference with Legal Counsel, the Board gave direction to legal counsel with no further reportable action.

Pursuant to Government Code Sections 54957 (b)(1) and 54957.6, Public Employee Appointment and Conference with Labor Negotiator, Chair Wunderman reported that the Board confirmed the appointment of Seamus Murphy as the next Executive Director of WETA.

Chair Wunderman made a motion to adopt a resolution to appoint Seamus Murphy as the WETA's next Executive Director for a three-year term effective January 4, 2021 at an annual salary of \$271,500.

The Directors thanked KL2 Connects LLC (KL2) for their professionalism and their thoroughness in the recruiting process.

Chair Wunderman called for public comments and there were none.

Director Intintoli seconded the motion and the item passed unanimously.

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

Chair Wunderman welcomed Mr. Murphy and invited him to introduce himself. Mr. Murphy thanked the Board and said he was excited to join the team, looked forward to meeting everyone, and work together to address the challenges ahead.

5. REPORT OF BOARD CHAIR

Chair Wunderman reported that there were debates and bipartisan proposals to get through the pandemic following the Coronavirus Aid, Relief, and Economic Security (CARES) Act and hoped that money for transit would come through a vote on a lame duck bill.

6. REPORTS OF DIRECTORS

Director DelBono said that he had ridden the ferry a couple of times during the Dollar Days on the Bay promotion and reported that it was the most diverse ridership that he had ever seen and said that there were families who would normally not be able to afford to take the ferry. He stated that he was disappointed that the promotion was suspended and said that the Board needed to put a priority on making the ferry affordable for everybody.

Director Moyer thanked everyone for their advocacy and the Metropolitan Transportation Commission (MTC) staff for amending the strategies to reduce greenhouse gas emissions in Plan Bay Area 2050 (Plan) by emphasizing public transit. She expressed her appreciation of staff, the creative initiatives brought forward, the captains and crew for continued smooth operations, and wished everyone safe and healthy holidays and better horizons for 2021.

7. REPORTS OF STAFF

Executive Director Nina Rannells provided six written reports to Directors and said that she had no new project updates but said she had a staffing report. Ms. Rannells announced that she had received two retirement notices from Operations & Maintenance Manager Keith Stahnke and Program Specialist Scott Houston in addition to Finance & Grants Manager Lynne Yu who had given notice previously. She stated that WETA was looking at integrating the Program Specialist duties within the existing staff and that recruiting had started for the Operations & Maintenance Manager position but that the final decision to fill the position would be determined by Mr. Murphy.

For the federal report, Ms. Rannells stated that MTC is seeking to coordinate efforts and create a regional list going through Caltrans and the Bay Area delegation for a federal infrastructure package. For the state report, Ms. Rannells reported that many delegates had been reelected and that Josh Becker was elected to the Senate representing the 13th Senate District in San Mateo County, replacing termed out Senator Jerry Hill.

Ms. Rannells said that she received notice through WETA lobbyists and MTC that State Transit Assistance (STA) funds were estimated to be down by 39 percent next year but that these funds were typically reserved for capital projects and were not a source for supporting operations.

Lastly, Ms. Rannells reported that WETA had submitted a Blueprint for Medium-and-Heavy-Duty Zero Emission Vehicle Infrastructure grant to the California Energy Commission and thanked Program Manager/Analyst Lauren Gularte and Mr. Stahnke and his staff for their efforts. She added that, if funded, this grant would support the development of an infrastructure blueprint for a future zero-emission ferry fleet.

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 shared his presentation and said that except for the Richmond service, the trend was positive throughout the fall and that there was a significant bump in ridership because of the November Dollar Days on the Bay promotion with a high during Thanksgiving week followed by a 50 percent drop the following two weeks.

Mr. Connolly said that there was hope that the Dollars Days on the Bay promotion would jumpstart ridership on the Richmond service and said that WETA would work with partner West Contra Costa Transportation Advisory Committee (WCCTAC) to discuss next steps for the service.

Mr. Connolly offered to answer any questions and introduced Public Information & Marketing Manager Thomas Hall who provided an updated overview on the reduced fare promotion.

Mr. Hall said that Dollar Days on the Bay was a big success and saw significant ridership increases late morning, midday, and evening with post-March highs on Veteran's Day and Thanksgiving week. He noted that WETA staged backup vessels to minimize disruption to existing commuters who were appreciative of the discount but expressed concern about greater than normal ridership as the outbreak numbers started to worsen as the month went along.

As nonessential business was being discouraged, Mr. Hall said Ms. Rannells reached out to Chair Wunderman and it was decided that the promotion would be suspended effective December 1. He said passengers were notified and had received refunds for prepaid tickets by December 1 and credited Hopthru for their work on it to ensure minimal passenger frustration.

Mr. Hall said that staff had planned to resume a fare promotion at a future date and take various factors into consideration and that it was good timing to launch right into the Clipper START program.

Ms. Rannells thanked Blue & Gold Fleet staff for their amazing work in rolling out the program and added that she and Director Intintoli had given a presentation about WETA and the status of the services to the Solano Transportation Authority earlier that week and that Vallejo Mayor Bob Sampayan was ecstatic about the Dollar Days promotion and its ability to connect local residents to the Vallejo ferry.

Chair Wunderman thanked the staff for their reports and thanked Director DelBono for the idea and hoped that the promotion could be reinstated in the future.

8. CONSENT CALENDAR

Director Moyer made a motion to approve the consent calendar:

- a. Board Meeting Minutes – November 5, 2020

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.

Having handled Items 7 and 8 earlier in the meeting, Chair Wunderman moved on to Item 9.

**9. RECEIVE THE INDEPENDENT AUDITORS' REPORTS FOR THE FISCAL YEAR ENDING
June 30, 2020**

Maze & Associates Vice-President (Audit) David Alvey introduced himself and briefly explained the following reports:

- A. Memorandum on Internal Control and Required Communications;
- B. Basic Financial Statements;
- C. Single Audit Report;
- D. Measure B Fund Financial Statements; and
- E. Measure BB Fund Financial Statements.

Mr. Alvey was pleased to report that WETA had passed its audit and that there were no findings and no disagreements with management and that the audit opinions were clean and unmodified – the highest assurance that a CPA firm can give an entity.

Mr. Alvey thanked Ms. Yu for her work in completing the audit virtually, commended WETA on its internal controls, and offered to answer any questions.

Director Moyer asked for clarification on reconciling numbers and confirmation of the capital contributions received in 2020. Ms. Rannells confirmed that Director Moyer was correct.

Director Intintoli made a motion to receive the reports.

Chair Wunderman called for public comments and there were none.

Director Alba seconded the motion and the item passed unanimously.

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

10. RECEIVE FINAL WETA HOVERCRAFT FEASIBILITY STUDY

Chair Wunderman reminded the Board that he participated in a trip along with Ms. Rannells on a trip organized by his organization, Bay Area Council, to the United Kingdom to visit a hovercraft operation there connecting Portsmouth to the Isle of Wight. He said that he was impressed and asked the Board to look at the opportunities a hovercraft could provide.

Mr. Connolly introduced the item and began by recognizing and acknowledging all the people who participated and provided input including the two committees, cities, regulatory agencies, environmental advocacy groups, industry representatives, major employers, Senior Planner/Project Manager Chad Mason, and Transportation Planner Taylor Rutsch.

Mr. Connolly thanked all the participants and invited AECOM consultants Mark Sisson, Krystle McBride, and Emily Schwimmer to share their presentation. Mr. Sisson began by thanking Mr. Connolly, Mr. Mason, and Mr. Taylor for providing guidance and introduced Project Manager Krystle McBride who gave an overview on the presentation.

Ms. McBride stated that the purpose of the Hovercraft Feasibility Study was to provide the Board with the information needed to determine whether hovercraft passenger service is feasible. Ms. McBride and Ms. Schwimmer presented the study including the study process and stakeholder engagement; hovercraft technology, routes, and terminals; environmental considerations; ridership and fares; hovercraft operating and capital cost; funding and financing; and key findings.

Ms. Rannells said that taking a deeper look into hovercraft had its challenges but that there were opportunities and potential to reach a wider part of the Bay if WETA was able to find funding and partners to help offset the costs.

Chair Wunderman spoke about the opportunities and advantages the hovercraft offered in their flexibility, versatility, and emergency response capability. He said that he was interested in the public private partnership element with companies looking for alternative ways to get their employees to work.

Director Intintoli offered a motion to receive the report. He thanked the consultants and stated that he appreciated their best professional advice and their thoroughness.

PUBLIC COMMENT

Citizens Committee to Complete the Refuge (Refuge) Co-Chair Gail Raabe speaking on behalf of the Refuge, San Francisco Baykeeper, Sierra Club-Loma Prieta Chapter, and the Center for Biological Diversity followed up on their written comments and expressed their concerns that public transit projects be environmentally sound, financially responsible, and socially equitable.

PUBLIC COMMENT

Sierra Club-Loma Prieta Chapter Peninsula Regional Group Susan Lessin referenced some of the environmental and financial impacts from the study and asked that no additional funding be allocated to further this study and urged WETA to focus resources to sustaining existing ferry services.

PUBLIC COMMENT

Bay Area Council Policy Manager Kelly Obranowicz voiced her support of hovercraft service, asked the Board to take the necessary steps towards the deployment of hovercraft services in consideration of incorporating all information into the analysis, and offered assistance with stakeholder input and feedback.

PUBLIC COMMENT

Griffon Hoverwork Marketing and Sales Director Nick MacLeod-Ash followed up on his written comments supporting hovercraft as a ferry solution stating that several conclusions in the report were incomplete and not supported by data that he has related to such items as environmental impact, training and maintenance, and ridership efficiency.

Director DelBono thanked AECOM for the thorough report and stated that his interest and goal was figuring out more ways to move people on mass transit.

Director Moyer appreciated all the participants and engagement of the community noting participation by one emergency response agency, U.S. Coast Guard. She asked if other emergency response agencies were invited and if they provided any feedback on the report.

Mr. Connolly responded that consistent with other projects, feasibility is evaluated from a transit dynamic and that emergency response would be a bonus if the project is determined to be

feasible. He added that it was a point that has been made before and that it may be an area for future exploration.

Director Alba thanked the project team for putting together the report and noted appreciation of the written comments that were provided. She requested clarification on the significant difference comparing the hovercraft and the catamaran on the CO₂e emissions and confirmation of land use development in the report.

Mr. Sisson responded that he did not know which engines were used in the comparison for the study and offered to review the information.

Director Alba commented that the report was prohibitively conservative and said she hated to dismiss the technology based on the report without having been tested in the United States and questioned the initial investment required adding that hovercraft should be given a fair chance potentially reaching inaccessible areas around the Bay.

Mr. Connolly noted that the study analysis was based upon estimated service demand and the use of a smaller, proven passenger hovercraft.

Chair Wunderman reminded the Board that it was the mission of the WETA to try to develop the kind of system outlined in the Strategic Plan recognizing that access to some locations was limited. He said that he thought that it would make sense to figure out some priorities, think about a pilot program, test it out, and learn as you go not unlike determining the vessels WETA uses today.

Even with the findings and many challenges, the Directors agreed that more information was needed and understood that there were potential opportunities and applications where a hovercraft would make sense especially from in an emergency response perspective.

Director Moyer wished everybody a Happy Holiday and left the meeting at 4:25 p.m.

Director Intintoli repeated his motion to receive the report.

Director Alba seconded the motion and the item passed unanimously.

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

Ms. Rannells said that staff would work to develop next steps for discussion at a future board meeting.

11. FY 2020-21 BUDGET OVERVIEW, YEAR-TO-DATE AND YEAR-END PROJECTION

Ms. Rannells presented this informational item with background information on the budget process and some of the steps WETA took to reduce expenses while retaining crews and staff. She reported that for the first four months of the fiscal year WETA had underspent the budget by \$4.4 million due to the continued low level of service demand and resulting slow ramp-up of services. Ms. Rannells noted that WETA's service approach, which matches service levels with demand, had allowed WETA to minimize expenses during the pandemic. She further noted that, accounting for planned service ramp-up in 2021, anticipated expenses should remain within or below the budget for the year.

Chair Wunderman said that he was proud that WETA was in a positive position without having to sacrifice the interests of the workers. He thanked Ms. Rannells for the report, Ms. Yu for her work, and Director DelBono for pushing to maintain staff during this difficult time.

**12. CONSIDER AUTHORIZING A COST-OF-LIVING PAY ADJUSTMENT EFFECTIVE
JANUARY 1, 2021**

Ms. Rannells presented this item to consider authorizing implementation of a 2.9 percent cost-of-living pay adjustment (COLA) for staff beginning January 1, 2021.

Ms. Rannells reminded the Board that the Board generally authorized COLA's annually as part of the adoption of the agency's annual operating budget and that these would normally go into effect on July 1 of each new fiscal year. Due to the pandemic and unknown financial situation for the year, the Board had directed Ms. Rannells to defer the implementation of the COLA to no earlier than January 1, 2021.

Director DelBono stated that he was committed to providing staff with the COLA, as promised, and made a motion to approve the item and thanked staff for their patience and hard work.

Chair Wunderman called for public comments and there were none and thanked staff for their commitment.

Director Intintoli seconded the motion and the item passed unanimously.

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

13. UPGRADE ACCOUNTING SPECIALIST POSITION TO ACCOUNTANT

Ms. Rannells presented this item recommending upgrading the Accounting Specialist position in the organizational chart to an Accountant with a pay range of \$85,570 to \$122,250.

She advised the Board that the Accounting Specialist position, which is a mid-level accounting support position with a pay range of \$68,770 to \$98,240, had been approved and included in the FY 2020/21 and past year budgets but that the position has never been filled. She indicated that with Lynne Yu, the Finance and Administration Manager, retiring it will be important to have a professional with senior-level experience and qualifications to support the finance function of the organization. She indicated that this would require upgrading the Accounting Specialist position to an Accountant position with a new, higher, pay range. She noted that the pay level recommended was consistent with the pay of other experienced public sector accountants in San Francisco and aligned with other positions at WETA with similar levels of responsibility to support internal pay equity.

Director Intintoli made a motion to approve the item.

Chair Wunderman called for public comments and there were none.

Director Alba seconded the motion and the item passed unanimously.

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

**14. REVIEW AND CONSIDER ADOPTING A RESOLUTION OF SUPPORT FOR SEAMLESS
TRANSIT PRINCIPLES**

Mr. Connolly presented this item recommending review of and considering adoption of a resolution to support Seamless Transit Principles as developed by Seamless Bay Area, which Director Alba brought to WETA's attention.

Mr. Connolly reviewed the seven principles Seamless Bay Area is asking the region's public agencies to support. He noted that these principles have been adopted by the Bay Area Rapid Transit (BART), the San Francisco County Transportation Authority, and a handful of cities.

Director Alba made a motion to adopt a resolution of support for Seamless Transit Principles as developed by Seamless Bay Area.

Director Alba said that these principles had been implemented in many regions across the world and that it was time that something similar be implemented here noting that the focus was on coordinating the different agencies to provide a better experience for the rider.

Ms. Rannells thanked Mr. Connolly and his staff for supporting this conversation with the Blue Ribbon Task Force and for working to advance these principles in planning the WETA system.

PUBLIC COMMENT

Seamless Bay Area Policy Director Ian Griffiths thanked the Board for considering a resolution of support adding that the WETA would be the second Bay Area transit agency if adopted.

Chair Wunderman thanked Mr. Griffiths for his leadership

Director DelBono seconded the motion and the item passed unanimously.

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

15. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

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

He thanked Ms. Rannells for helping WETA through a tough year, the work of the staff, the teamwork of the Directors, and participation and comments from the stakeholders and wished everyone a safe and happy holiday.

With all business concluded, Chair Wunderman adjourned the meeting at 5:02 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Seamus Murphy, Executive Director Designate

SUBJECT: Approve Employment of Lynne Yu for a Limited Duration Appointment

Recommendation

Approve the part-time employment of Lynne Yu as a retired annuitant for a limited duration.

Background/Discussion

Lynne Yu is retiring as WETA's Finance & Administration Manager on January 31, 2021 after 11 ½ years with the Authority. With the Executive Director transition just beginning, WETA has a need for continued coverage for critical functions performed by the Finance & Administration Manager so that work can continue during a transition period that may include both a recruitment process and a limited period of orientation once a new Finance & Administration Manager is hired. Lynne is willing to provide continued services to WETA for a limited period of time; however, Board action is necessary to approve her employment in order to comply with CalPERS and Government Code requirements.

WETA is a CalPERS employer. Ordinarily, CalPERS law prohibits a retired annuitant from employment with a CalPERS employer unless she is reinstated from retirement. California Government Code sections 7522.56 and 21224, however, allows a retired annuitant to work for a public agency employer such as WETA, without reinstatement into CalPERS and loss or interruption of the retiree's CalPERS benefits, if the retiree is employed by appointment that:

1. Is either (i) in an emergency to prevent stoppage of work, or (ii) because she has special skills needed to perform work of "limited duration";
2. Does not exceed 960 hours in any fiscal year;
3. Provides for an hourly rate of pay that is neither less than the minimum nor more than the maximum monthly base salary paid by the employer to other employees who perform comparable duties, as listed on a publicly available pay schedule, divided by 173.33; and
4. Does not provide for any other benefit, incentive, compensation in lieu of benefits, or other form of compensation.

Under this exception, the retiree generally cannot be employed within 180 days of her retirement, however, a COVID-19 related emergency order has suspended the 180-day rule as long as the Governor's COVID-19 emergency declaration is in place. Even without that emergency suspension, there is an exception to this waiting period that likely applies here because:

1. The retiree did not receive any incentive to retire,
2. The appointment is necessary to fill a critically-needed position before 180 days has passed, and is approved by the employer's governing body at a public meeting, and

3. The retiree has not received any unemployment compensation arising out her prior employment during the 12-month period preceding the appointment.

If the Board approves this item, Ms. Yu will work with the new Executive Director on a transition schedule and work plan so that WETA will continue to receive the critical services that Ms. Yu provides on a temporary basis.

Fiscal Impact

Sufficient funds are included in the FY 2020/21 Operating Budget to support this agreement as the cost of work completed under the agreement would be covered with budget savings from the vacant Finance & Administration Manager position.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2021-04

**APPROVE EMPLOYMENT OF LYNNE YU
FOR A LIMITED DURATION APPOINTMENT**

WHEREAS, Lynne Yu will be retiring as the San Francisco Bay Area Water Emergency Transportation Authority's (WETA) Finance & Administration Manager effective February 1, 2021; and

WHEREAS, WETA has a need for coverage for critical functions performed by the Finance & Administration Manager so that work can continue during the period of recruitment and allow for a limited period of orientation for the new Finance & Administration Manager once hired; and

WHEREAS, the Executive Director recommends the temporary appointment of Lynne Yu (the "Appointee") to the temporary position of Finance & Administration Manager; and

WHEREAS, the Appointee is a retired annuitant entitled to receive retirement benefit payments under the California Public Employees' Retirement System (PERS), which benefits she accrued based on service with multiple PERS-covered agencies, including WETA; and

WHEREAS, WETA contracts with PERS to provide retirement benefits to its eligible employees; and

WHEREAS, the Appointee will be performing similar duties to those performed by individuals who have held or are currently holding the position of Finance & Administration Manager; and

WHEREAS, the California Government Code (Code) generally requires that a retired PERS annuitant be reinstated to active PERS membership upon employment by a PERS-covered agency, unless he or she is temporarily appointed by the agency's appointing authority under sections 7522.56 and 21224 of the Code, which exempt a retired PERS annuitant from the reinstatement requirement if (i) he or she is temporarily appointed because he or she has specialized skills needed in performing work of limited duration, (ii) he or she works no more than 960 hours per fiscal year for all PERS-covered employers, (iii) his or her hourly rate of pay is neither less than nor more than the monthly base salary paid by the agency to any of its other employees who perform comparable duties, divided by 173.333, (iv) he or she will not receive any other benefit, incentive, compensation in lieu of benefits, or other form of compensation in excess of such hourly rate, (v) he or she is not reemployed within 180 days of retirement, and (vi) he or she has not received unemployment compensation arising out of any prior employment subject to these requirements with the same employer during the 12-month period preceding his appointment; and

WHEREAS, Code section 7522.56 provides for an exception to the required 180-day waiting period without reemployment following retirement described above if the hiring employer certifies the nature of the employment and that the appointment is necessary to fill a critically needed position before 180 days have passed and the appointment has been approved by the governing body of the employer in a public meeting and the appointment was not placed on a consent calendar; and

WHEREAS, pursuant to Executive Orders N-25-20 and N-35-20 the 180-day waiting period and the 960-hour limit applicable under Code sections 7522.56 and 21224 are suspended during the duration of the State of Emergency declared by the Governor with respect to COVID-19; and

WHEREAS, the Board of Directors have determined that the Appointee has the specialized skills and experience necessary to fill the immediate critical need for certain financial and administrative services to maintain the operations of WETA during the limited duration of a period of recruitment and orientation of a new Finance & Administration Manager, that the specialized skills of the Appointee in this position shall be needed only for a limited term of no more than one year, and that the Appointee's appointment to the position of Acting Finance & Administration Manager for such term is intended to meet all applicable requirements of sections 7522.56 and 21224 of the Code; now, therefore, be it

RESOLVED, that the Board of Directors approves, subject to the San Francisco Bay Area Water Emergency Transportation Authority's customary employment practices and the specific terms and conditions of any offer of employment by the San Francisco Bay Area Water Emergency Transportation Authority to the Appointee in connection therewith, the appointment of the Appointee to the position of Acting Finance & Administration Manager for up to a one-year term; and be it further

RESOLVED, that the Board of Directors approves, and authorizes the Executive Director of the San Francisco Bay Area Water Emergency Transportation Authority to execute an agreement with the Appointee in accordance with this Resolution; and be it further

RESOLVED, that in accordance with sections 7522.56 and 21224 of the Code, including the suspension of certain provisions pursuant to Executive Orders N-25-20 and N-35-20:

1. the Board of Directors hereby finds and certifies that the Appointee possesses extensive, highly specialized skills and experience needed to perform immediate critical finance and administration functions for WETA during the period of recruitment and orientation of a new Finance and Administration Manager;
2. the Appointee's appointment to the position of Acting Finance and Administration Manager will not exceed 960 hours in any fiscal year for all PERS-covered agencies during any period not covered by the suspension of such requirement pursuant to Executive Orders N-25-20 and N-35-20;
3. the Appointee's rate of pay in the position of Acting Finance & Administration Manager will be neither less than nor more than the monthly base salary paid by the agency to any of its other employees who perform comparable duties, divided by 173.333, and she will not receive any other benefit, incentive, compensation in lieu of benefits, or other form of compensation in excess of such hourly rate;
4. the Appointee has not received any unemployment compensation arising out of her prior employment with WETA during the 12-month period preceding her appointment; and
5. subject to WETA's customary employment practices, the appointment of Appointee as Acting Finance and Administration Manager will continue only until the earlier of: (i) the end of the appointment's one-year term, (ii) termination of the Appointee's employment by either the San Francisco Bay Area Water Emergency Transportation Authority or the Appointee for any other reason, or (iii) the successful hiring of a new Finance & Administration Manager and orientation of such new Manager; and be it further

RESOLVED, that the Executive Director is hereby authorized and directed to execute all documents and take all other actions necessary or advisable to affect the purposes of this resolution.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on January 14, 2021.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2021-04

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Keith Stahnke, Operations & Maintenance Manager

SUBJECT: Approve Transfer of the Remaining Federal Interest in the MV *Solano* to Kitsap Transit

Recommendations

Approve transfer of the remaining federal interest in the MV *Solano* to Kitsap Transit as a part of the sale and disposition of this vessel, consistent with Federal Transit Administration requirements.

Background

The MV *Solano* was originally purchased by the City of Vallejo for \$11,165,604 utilizing \$5,873,081 Federal Transit Administration (FTA) funds via grants CA-90-Y130 and CA-90-Y083 and \$5,292,523 in local match funds. This vessel, which was built by Dakota Creek Industries, Inc., was put into Vallejo-to-San Francisco revenue service in June 2004.

As a part of the Vallejo ferry service transfer to WETA, the MV *Solano*, along with its federal grant obligations, was transferred to WETA in 2012 for use to support Vallejo service operation. While the MV *Solano* was built for a 25-year useful life, consistent with the Federal Transit Administration's (FTA) Minimum Useful Life Policy for Rolling Stock and Ferries, WETA was forced to retire this vessel prematurely - on January 1, 2020 - when it could no longer be operated in the State of California due to strict California Air Resources Board (CARB) Commercial Harbor Craft emission regulations requiring the vessel to meet Tier 4 emission standards. WETA previously explored the potential to retrofit the MV *Solano* with Tier 4 engines and determined that this would be cost-prohibitive, exceeding the cost of building a new vessel. As a result, in September 2019, the Board authorized the Executive Director to take all actions necessary to sell the MV *Solano* consistent with all state and federal requirements.

Discussion

While the pandemic has dampened the market for used ferry vessels, staff has now reached agreement with Kitsap Transit, a public transit operator in the state of Washington, for the sale of the MV *Solano*. This includes a payment to WETA in the amount of \$1,017,250 and transfer of the remaining depreciated federal interest in the vessel (valued at \$1,977,271) and associated grant obligations to Kitsap Transit. This arrangement is mutually beneficial as it allows WETA to transfer its FTA federal fund obligation to Kitsap Transit, a fellow FTA grant recipient, in lieu of reimbursing FTA for the remaining federal share, and allows Kitsap Transit to secure this asset for use in public service at a discounted price.

Kitsap Transit recently added passenger ferry services and is in need of additional vessels for their expanded services between the Kitsap peninsula and downtown Seattle. The MV *Solano* would be a suitable vessel and is able to operate in Washington state without restrictions.

Consistent with FTA Circular 5010.1E, the transfer of federal interest in rolling stock between grant recipients requires Board resolutions from each recipient and is subject to FTA approval. WETA and Kitsap staffs are working with their respective FTA Regional Offices to inform them of this transaction and seek their expedited approval.

Fiscal Impact

WETA will receive \$1,017,250 from Kitsap Transit as a part of this transaction, which can be used to support the purchase of the MV *Solano* replacement vessel (under contract) or other WETA needs.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2021-05

**APPROVE TRANSFER OF THE REMAINING FEDERAL INTEREST IN
THE MV SOLANO TO KITSAP TRANSIT**

WHEREAS, the MV Solano (identification #1155022) built at Dakota Creek Industries Inc., was originally purchased by the City of Vallejo for \$11,165,604, with FTA funds in the amount of \$5,873,081 via grants CA-90-Y130 and CA-90-Y083, and \$5,292,523 in local match funds and put into revenue service in June 2004; and

WHEREAS, the WETA assumed control of the MV *Solano* and accepted responsibility for the federal interest in this vessel on July 1, 2012; and

WHEREAS, WETA no longer has a need for the MV *Solano* for the provision of revenue service due to California Air Resources Board Commercial Harbor Craft emission regulations that no longer allow WETA to operate this vessel in the State of California; and

WHEREAS, Kitsap Transit, which is an FTA grantee, has a need for the MV *Solano* for use in revenue service for Kitsap Transit Fast Ferries to provide safe and reliable transportation from the Kitsap Peninsula to downtown Seattle; and

WHEREAS, WETA and Kitsap Transit have agreed upon the terms of the sale and transfer of the MV *Solano* from WETA to Kitsap Transit, which includes a payment to WETA in the amount of \$1,017,250 for WETA's local share of the vessel and a recipient-to-recipient transfer of the remaining federal interest in the vessel (valued at \$1,977,271 in January 2021 based upon straight-line depreciation of the federal share of the vessel over its 25-year life) from WETA to Kitsap Transit, which is allowable with FTA approval per FTA Circular C5010.1E; now, therefore be it

RESOLVED, that the Board of Directors hereby approves transfer of the remaining federal interest in the MV *Solano*, totaling \$1,977,271 in January 2021, from WETA to Kitsap Transit and authorizes staff to seek FTA approval of this transaction.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on January 14, 2021.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2021-05

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Bay Area Transit Agency Coordination, Blue Ribbon Task Force Update

Recommendation

There is no recommendation with this information item.

Background/Discussion

The Metropolitan Transportation Commission (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. As a part of that effort, the Task Force will develop a Transformation Action Plan with recommendations intended to improve the region's public transportation network. The Task Force, chaired by MTC Commissioner and Solano County Supervisor Jim Spring, includes other local elected officials, state representatives, transit operators, business and labor groups, and advocacy organizations. 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.

At the November 2020 meeting, the Task Force adopted a set of goals to guide the development of its Transformation Action Plan that prioritize:

Recovery - Recognizing critical recovery challenges facing transit agencies.

Equity – Integrating equity in policy, service delivery and advocacy.

Network Management & Governance – Identifying near-term actions to implement beneficial long-term network management and governance reforms.

Current Initiatives – Establishing how current MTC and state transit initiatives should integrate with network management and governance reforms.

Under the direction of Chair Spring, the Task Force is currently working to develop a problem statement and to explore network management alternatives designed to address the problem statement. Two working groups have been assembled to support this work over the next few months. WETA Senior Planner/Project Manager Michael Gougherty has been appointed to the first working group, which will meet in January and is responsible for developing the problem statement. The second working group will meet between February and April and will identify network management alternatives for the task force to consider.

WETA is also among the transit agencies participating in weekly coordination meetings focused on how to best integrate the limited transit services being offered during the pandemic. These efforts have made current transit service more effective for the hundreds of thousands of riders that currently depend on the network for essential travel. This work will also help inform the Task Force's discussion about strategies for long-term improvements.

WETA staff has also been participating in pre-pandemic regional initiatives related to these improvements including fare integration, means-based fares, Bay Area Small Operators coordination, and MTC's regional mapping and wayfinding project.

Staff will provide an update on coordination efforts and a summary of the future work of the Task Force.

END