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

Thursday, February 4, 2021 at 1:30 p.m.

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AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. REPORT OF BOARD CHAIR **Information**
 - a. Chair's Verbal Report
4. REPORTS OF DIRECTORS **Information**

Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.
5. REPORTS OF STAFF **Information**
 - a. Executive Director's Report on Agency Projects, Activities and Services
 - b. Monthly Review of Financial Statements
 - c. Federal Legislative Update
 - d. State Legislative Update
 - e. Monthly Ridership and Recovery Report
6. CONSENT CALENDAR **Action**
 - a. Board Meeting Minutes – January 14, 2021
7. BAY AREA TRANSIT OPERATOR COORDINATION, BLUE RIBBON TASK FORCE UPDATE **Information**
8. ADOPT FISCAL YEAR 2022 PANDEMIC RECOVERY PROGRAM CORE PRINCIPLES **Action**

Water Emergency Transportation Authority
February 4, 2021 Meeting of the Board of Directors

9. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

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

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 3
REPORT OF BOARD CHAIR

AGENDA ITEM 4
REPORTS OF DIRECTORS

NO MATERIALS

TO: WETA Board Members

FROM: Seamus Murphy, Executive Director

DATE: February 4, 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 mid-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

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 early February. 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.

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. The Redwood City

Council on January 11 received the report and directed the staff to develop a business plan consistent with San Mateo Transportation Authority requirements.

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 kicked off on January 21 with a community workshop, the first of many opportunities for the public to provide input on the project and planning process. The City of Berkeley will host a City Council Work Session in February 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. WETA continues to contact SFCTA staff at regular intervals inquiring about the start of work on the study.

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 towards 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 has assembled subcommittees to develop a Problem Statement and a proposed Solution Program for consideration at the February Task Force meetings. WETA staff is participating in the Problem Statement Committee. The next Task Force meeting is scheduled to take place on February 22, 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:

- 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 December 2020 is provided as **Attachment A**.

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

On January 20, Thomas Hall participated in the monthly meeting of the Visit Vallejo Board of Directors.

On January 21, Kevin Connolly, Michael Gougherty, and Taylor Rutsch participated in the first community workshop for the Berkeley Recreational Pier and Ferry Terminal project.

On January 21, Thomas Hall participated in the bimonthly meeting of Clipper Customer Education, Service, and Distribution workgroup.

On February 2 & 3, Seamus Murphy, Lauren Gulate and WETA's state legislative representatives met with Secretary David Kim and California State Transportation Agency representatives, Assemblymember Grayson, Assemblymember Chiu and Assemblymember Marc Berman to provide an update on WETA and discuss the upcoming California Air Resources Board's Commercial Harbor Craft draft proposed regulations.

OTHER BUSINESS

COVID-19 Federal Relief Funding

In response to the Novel Coronavirus Disease 2019 (COVID-19), Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was signed into law in March 2020. This relief package provided WETA a total of \$18.8 in relief funding from two distributions from the Metropolitan Transportation Commission (MTC). When approving the second distribution last July, the MTC Commission directed staff to conduct a "true-up" of CARES Act funding so that operators that received less CARES funding than they should have due to inaccurate revenue loss forecasts would be compensated with future allocation of federal dollars for pandemic relief.

In December 2020, Congress approved and the President signed a combined \$2.3 trillion COVID relief package, Coronavirus Response and Relief Appropriations Act of 2021 (CRRSAA), and the FY 2020/21 Appropriations bill. The CRRASS provides \$14 billion in supplemental funding to public transit to offset the massive drop in revenue resulting from the pandemic. The Bay Area will receive about \$982 million to assist the region's transit operators.

MTC staff has recalculated the \$1.3 billion CARES allocation for all operators using actual revenue losses from March through December, and determined five Bay Area operations, including WETA, received less than their share of CARES Act funding. On January 27, MTC Commission approved the allocation of approximately \$180 million – including \$4.9 million to WETA - of CRRSAA funding to Bay Area transit operators that received insufficient shares of CARES Act funding. WETA will use \$2.0 million of the new funds to balance this year's Operating Budget and put the rest toward next year's deficit.

In the coming weeks, MTC staff and Bay Area transit operators will be developing alternative distribution scenarios for the approximately \$803 million remaining CRRSAA funds. The proposal will take into account anticipated revenue losses resulting from the pandemic, operator budgetary expenses, and service needs of transit dependent riders.

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. In January 2021, the CPUC reassigned this matter from Commissioner Randolph, who is no longer on the commission, to President Batjer.

Staff is continuing to monitor this proceeding. The likely next step is a proposed decision from the CPUC. The parties will then have the opportunity to provide comments on the proposed decision, which the CPUC will then finalize. The CPUC's scoping memo for this matter initially scheduled the proposed decision for no later than July 1, 2020. The CPUC has been behind schedule on a number of matters since the onset of the pandemic.

END

Attachment A

Monthly Operating Statistics Report December 2020

			Alameda/ Oakland	Harbor Bay †	Richmond	South San Francisco †	Vallejo	Systemwide
Boardings	vs. last month	Total Passengers December 2020	5,562		1,319		7,937	14,818
		Total Passengers November 2020	7,676		2,184		12,970	22,830
		Percent change	-27.54%		-39.61%		-38.80%	-35.09%
	vs. same month last year	Total Passengers December 2020	5,562		1,319		7,937	14,818
		Total Passengers December 2019	90,402	23,691	13,320	9,292	76,696	213,401
		Percent change	-93.85%	-100.00%	-90.10%	-100.00%	-89.65%	-93.06%
	vs. prior FY to date	Total Passengers Current FY To Date	36,138		10,104		61,560	107,802
		Total Passengers Last FY To Date	768,597	176,597	115,735	73,661	578,082	1,712,672
		Percent change	-95.30%	-100.00%	-91.27%	-100.00%	-89.35%	-93.71%
		Avg Weekday Ridership December 2020	253		60		361	674
Ops Stats		Passengers Per Hour December 2020	39		10		23	24
		Revenue Hours December 2020	143		128		348	619
		Revenue Miles December 2020	1,951		2,310		9,771	14,032
		Farebox Recovery Year-To-Date	4%		2%		6%	4%
		Cost per Available Seat Mile – December 2020	\$0.87		\$0.63		\$0.30	\$0.41
		Average peak hour utilization, AM – December 2020	7%		4%		10%	7%
		Average peak hour utilization, PM – December 2020	10%		5%		12%	9%
	Fuel Used (gallons) – December 2020	11,283		18,686		75,413	105,382	
	Avg Cost per gallon – December 2020	\$2.05		\$2.05		\$2.01	\$2.02	

† 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 Six Months
Ending December 31, 2020

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2020/21 Financial Statements for six months ending December 31, 2020.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$12,492,679	\$1,044,700	\$697,791
Federal - CARES Act	-	7,620,700	11,043,195
Bridge Toll Revenues	8,678,907	10,430,550	3,656,151
Contra Costa Measure J	1,428,529	1,794,250	1,525,753
Alameda Measure B/BB	-	780,650	-
Alameda Tax & Assessment		1,932,850	-
Other Revenues	22,600	-	-
Total Operating Revenues	\$22,622,715	\$23,603,700	\$16,922,890
Expenses - Year To Date:			
Planning & Administration	\$1,066,924	\$1,500,000	\$1,310,374
Ferry Services	21,555,791	22,103,700	15,612,516
Total Operating Expenses	\$22,622,715	\$23,603,700	\$16,922,890
System-Wide Farebox Recovery %	58%	5%	4%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2020/21 Budget
Revenues:		
Federal Funds	\$1,654,659	
State Funds	7,326,692	
Bridge Toll Revenues	248,817	
Other Revenues	601,596	
Total Capital Revenues	\$9,831,764	26.46%
Expenses:		
Total Capital Expenses	\$9,831,764	26.46%

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

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San Francisco Bay Area Water Emergency Transportation Authority
FY 2020/21 Statement of Revenues and Expenses
For Six Months Ending 12/31/2020

% of Year Elapsed 50%

	Dec-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	\$124,562	\$1,182,380	\$1,072,750	\$619,839	\$2,145,500	28.9%
Fuel - Diesel & Urea	-	288,551	246,350	-	492,700	0.0%
Other Direct Operating Expenses	16,879	256,796	425,850	148,605	851,700	17.4%
Admin Overhead Expense Transfer	-	54,168	64,150	-	128,300	0.0%
Total Harbor Bay Farebox Recovery - AHBF	\$141,441	\$1,781,895	\$1,809,100	\$768,444	\$3,618,200	21.2%
	0%	45%	4%	0%	4%	
Alameda/Oakland Ferry Service (AOFS)						
Purchased Transportation	\$533,069	\$4,510,229	\$3,833,750	\$3,364,636	\$7,667,500	43.9%
Fuel - Diesel & Urea	23,166	1,064,832	811,850	143,671	1,623,700	8.8%
Other Direct Operating Expenses	99,067	940,669	1,182,600	759,028	2,365,200	32.1%
Admin Overhead Expense Transfer	22,092	220,629	202,550	147,235	405,100	36.3%
Total Alameda/Oakland Farebox Recovery - AOFS	\$677,394	\$6,736,359	\$6,030,750	\$4,414,570	\$12,061,500	36.6%
	4%	66%	4%	4%	4%	
Vallejo FerryService (Vallejo)						
Purchased Transportation	\$922,652	\$5,639,367	\$5,106,700	\$5,433,034	\$10,213,400	53.2%
Fuel - Diesel & Urea	151,832	2,726,679	1,918,400	853,656	3,836,800	22.2%
Other Direct Operating Expenses	203,113	905,850	1,435,900	1,167,916	2,871,800	40.7%
Admin Overhead Expense Transfer	37,648	166,465	223,750	226,475	447,500	50.6%
Total Vallejo Farebox Recovery - Vallejo	\$1,315,245	\$9,438,360	\$8,684,750	\$7,681,080	\$17,369,500	44.2%
	7%	64%	7%	6%	7%	
South San Francisco FerryService (SSF)						
Purchased Transportation	\$102,896	\$1,078,942	\$873,400	\$518,961	\$1,746,800	29.7%
Fuel - Diesel & Urea	-	211,869	140,850	-	281,700	0.0%
Other Direct Operating Expenses	15,528	201,758	239,000	106,901	478,000	22.4%
Admin Overhead Expense Transfer	-	23,651	8,900	-	17,800	0.0%
Total South San Francisco Farebox Recovery - SSF	\$118,425	\$1,516,220	\$1,262,150	\$625,862	\$2,524,300	24.8%
	0%	37%	1%	0%	1%	
Richmond FerryService (Richmond)						
Purchased Transportation	\$239,399	\$1,590,326	\$1,693,550	\$1,631,980	\$3,387,100	48.2%
Fuel - Diesel & Urea	38,367	252,311	293,650	153,997	587,300	26.2%
Other Direct Operating Expenses	44,624	212,910	328,950	269,697	657,900	41.0%
Admin Overhead Expense Transfer	6,177	27,409	19,700	32,300	39,400	82.0%
Total Richmond Farebox Recovery - Richmond	\$328,568	\$2,082,956	\$2,335,850	\$2,087,974	\$4,671,700	44.7%
	2%	31%	1%	2%	1%	
Seaplane Lagoon FerryService (SPL)						
Purchased Transportation	\$0	\$0	\$1,293,650	\$0	\$2,587,300	0.0%
Fuel - Diesel & Urea	-	-	199,100	-	398,200	0.0%
Other Direct Operating Expenses	9,732	-	403,950	34,585	807,900	4.3%
Admin Overhead Expense Transfer	-	-	84,400	-	168,800	0.0%
Total Seaplane Lagoon Farebox Recovery - SPL	\$9,732	\$0	\$1,981,100	\$34,585	\$3,962,200	0.9%
	0%	0%	5%	0%	91%	
Sub-Total Ferry Operations	\$2,590,805	\$21,555,791	\$22,103,700	\$15,612,516	\$44,207,400	35.3%
FAREBOX RECOVERY - SYSTEMWIDE	5%	58%	5%	4%	5%	
PLANNING & GENERAL ADMIN:						
Wages and Fringe Benefits	\$134,094	\$746,345	\$937,350	\$844,880	\$1,874,700	45.1%
Services	41,037	555,589	878,150	644,072	1,756,300	36.7%
Materials and Supplies	464	3,679	18,700	(6,257)	37,400	-16.7%
Utilities	6,678	22,424	26,450	23,572	52,900	44.6%
Insurance	-	1,046	14,000	582	28,000	2.1%
Miscellaneous	8,208	36,237	32,600	12,157	65,200	18.6%
Leases and Rentals	33,634	193,927	196,200	197,378	392,400	50.3%
Admin Overhead Expense Transfer	(65,917)	(492,322)	(603,450)	(406,010)	(1,206,900)	33.6%
Sub-Total Planning & Gen Admin	\$158,197	\$1,066,924	\$1,500,000	\$1,310,374	\$3,000,000	43.7%
Total Operating Expenses	\$2,749,002	\$22,622,715	\$23,603,700	\$16,922,890	\$47,207,400	35.8%
OPERATING REVENUES						
Fare Revenue	\$124,714	\$12,492,679	\$1,044,700	\$697,791	\$2,089,400	33.4%
Federal Operating Assistance	1,936,048	-	7,620,700	11,043,195	15,241,400	72.5%
Regional - Bridge Toll	464,804	8,678,907	10,430,550	3,656,151	20,861,100	17.5%
Regional - Contra Costa Measure J	223,436	1,428,529	1,794,250	1,525,753	3,588,500	42.5%
Regional - Alameda Measure B/BB	-	-	780,650	-	1,561,300	0.0%
Regional - Alameda Tax & Assessment	-	-	1,932,850	-	3,865,700	0.0%
Other Revenue	-	22,600	-	-	-	0.0%
Total Operating Revenues	\$2,749,002	\$22,622,715	\$23,603,700	\$16,922,890	\$47,207,400	35.8%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2020/21 Statement of Revenues and Expenses
For Six Months Ending 12/31/2020

Project Description	Dec-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	\$77,354	\$98,965,000	\$94,792,877	\$4,172,123	\$849,123	\$0	97%
Operations and Maintenance Facilities							
Ron Cowan Central Bay Operations & Maintenance Facility	720	64,932,400	64,348,080	584,320	7,169	-	99%
North Bay Facility Improvement - Fuel System	1,823	530,450	-	530,450	14,709	-	3%
Terminal Improvement							
Install Mooring Piles - Harbor Bay Terminal	-	446,500	59,927	386,573	340,689	-	90%
Terminal Rehabilitation - Engineering & Design Main Street	1,325	395,000	-	395,000	1,834	-	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	3,812	30,082,500	11,758,345	12,063,155	6,046,561	6,261,000	59%
Vessel Replacement - M/V Bay Breeze & MV Solano	3,449	34,600,000	251,717	9,158,283	165,779	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 - MV Pisces	-	525,200	-	525,200	3,600	-	1%
Vessel Engine & Reduction Gear Overhaul - MV Bay Breeze	-	491,400	-	491,400	49	-	0%
Vessel Engine & Reduction Gear Overhaul - MV Peralta	624,528	1,400,000	-	1,400,000	745,082	-	53%
CAPITAL EQUIPMENT / OTHER:							
Purchase Service Vehicles	-	101,000	28,125	72,875	70,282	-	97%
Total Capital Expenses	\$713,011	\$288,514,450	\$214,689,094	\$37,150,356	\$9,831,764	\$36,675,000	
CAPITAL REVENUES:							
Federal Funds	\$502,385	\$64,819,199	\$34,857,846	\$9,881,250	\$1,654,659	\$20,080,103	56%
State Funds	81,886	173,006,690	139,493,840	20,645,693	7,326,692	12,867,157	85%
Regional - Bridge Toll	127,072	43,123,284	39,100,555	965,562	248,817	3,057,166	91%
Regional - Alameda Sales Tax Measure B / BB	1,668	2,489,727	16,926	1,802,228	20,907	670,573	2%
Regional - Alameda TIF / LLAD / HBBPA	-	446,500	59,927	386,573	340,689	-	90%
Regional - San Francisco Sales Tax Prop K	-	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	\$713,011	\$288,514,450	\$214,689,094	\$37,150,356	\$9,831,764	\$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 – February 2021

This report covers the following topics:

1. Additional Funding for FTA Grant Program for FY21
2. Advocating for Emergency Funding for Public Ferry Systems
3. Discussions Underway for Additional COVID Relief, But Process Could Take Time
4. How Will Congress Pass COVID Relief and Stimulus?

Additional Funding for FTA Grant Program for FY21

The FY21 Transportation-HUD (THUD) Appropriations bill, which was recently signed into law, increases the amount of money that will be available through the Federal Transit Administration (FTA) grant program for FY21 awards. While \$30 million is normally available through the FTA program, the THUD Appropriations bill allocates an additional \$8 million, of which \$4 million is available for “low or zero-emission ferries or ferries using electric battery or fuel cell components or the infrastructure to support such ferries.” We expect the Notice of Funding Opportunity (NOFO) to be released by FTA in the coming weeks.

Given this precedent, we are exploring seeking a similar “plus-up” for the FTA grant program as part of the FY22 THUD Appropriations bill. The House and Senate will likely initiate the FY22 appropriations process in late February / early March. This is in addition to our work to permanently increase funding for the FTA program and Federal Highway Administration (FHWA) formula program through any infrastructure bill or surface transportation bill that is taken up by the House and Senate in the coming months.

Note that the additional FY21 funding for the FTA grant program was included in the THUD Appropriations bill at the request of Washington Congressman Rick Larsen (D-WA), who has a record of supporting WETA projects given the shipbuilding presence in his Congressional district. Larsen worked to include similar language for low or zero-emission ferries in the Moving Forward Act, which is the infrastructure bill that was taken up and passed by the House last June. We believe that Rep Larsen is seeking to introduce legislation in the coming weeks to stand up a separate grant program for low or zero-emission ferries – we will be providing input to the Congressman and his staff on behalf of WETA.

Advocating for Emergency Funding for Public Ferry Systems

As Congressional leaders negotiate with the Biden Administration and amongst themselves on COVID relief, we are continuing to advocate for additional emergency transit funding to be included in any COVID relief bill that is put forth. We are also talking with key Congressional offices about building support for the Maritime Transportation System Emergency Relief Act (MTSERA). As we discussed in last month’s report, MTSERA was signed into law as part of the end-of-year legislative package and creates a new program at MARAD to flow emergency funding to maritime interests (public ferry systems are specifically eligible). Unfortunately, MTSERA did not include new funding, which is why we are pushing to have MTSERA funded as part of the COVID relief bill.

Discussions Underway for Additional COVID Relief, But Process Could Take Time

President Biden is asking Congress to take up and pass a \$1.9 trillion COVID relief package, which among other things, includes \$20 billion for transit. Other major items included in the Biden proposal are funding for expanding COVID testing, accelerating vaccine deployment, reopening schools, as well as money for direct payments to taxpayers, extended unemployment insurance, and housing and nutrition.

While Biden has made additional COVID relief a major priority, his proposal is not being received with open arms on Capitol Hill. In fact, House and Senate Democrats have their own ideas about which programs should be funded – there will be a lot of negotiation on those points – and many Congressional Republicans believe the level of funding included in the Biden proposal is too high. As a result, it could take weeks for Congress to put together a COVID relief package that preserves many of Biden's priorities while also garnering enough support to pass the House and the Senate.

How Will Congress Pass COVID Relief and Stimulus?

There has been a lot of discussion about *how* Congress will pass a COVID relief bill and/or stimulus bill (i.e. infrastructure) in the face of Republican opposition to President Biden's priorities and a lack of unity amongst Democrats.

President Biden continues to indicate that he would like Congress to go through regular order, but this would mean that 60 votes would be needed in the Senate to cut off debate before they can move to a vote on any COVID or stimulus legislation. That would require 10 Republicans to vote with the Democrats (and it would mean that all 50 Democrats – including moderate Democrats that don't support all of President Biden's priorities – would need to vote together). Getting at least 10 Republicans on board for COVID relief and stimulus would require changes to the legislation that could be tough to get through the House, where Speaker Pelosi will need to keep progressive members of her caucus happy with any bill that is sent to the President.

Another option being discussed for COVID relief and stimulus is a process called budget reconciliation. This is a complicated procedure that only requires 51 votes but again, relies on a unified Democratic caucus (and would likely require the Vice President to deliver the 51st vote), and which can only be used a limited number of times. There are also strict rules about the type of legislation that can be passed using this procedure, which means that budget reconciliation can't be used for all of President Biden's proposals.

The final option that is potentially on the table is eliminating the filibuster. Changing Senate rules requires a simple majority (51 votes); however, at least a few moderate Democrats continue to oppose eliminating the filibuster, and no Republicans support doing so. This means that getting 51 votes to make this rule change could be impossible.

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 25, 2021

RE: January / February 2021 - Legislative Update

Legislative Preview

The Legislature reconvened for the 2021 session on Monday, December 7, 2020. Since then roughly 500 bills have been introduced – none directly impacting WETA. Legislators have until February 19 to introduce new legislation for 2021.

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

Several meetings have been scheduled with WETA's new Executive Director, legislators, and key administration officials during the month of February to provide a general update on WETA as well as to discuss the California Air Resources Board's Commercial Harbor Craft draft proposed regulations.

COVID Vaccine Distribution Plan - Updated

On January 4, Governor Newsom reiterated that the state's recommendations for the Phase 1B distribution of the COVID-19 vaccine include transportation / logistics workers. However, on January 25, Governor Newsom announced the state's plan to transition away from a sector-based distribution of the COVID-19 vaccine to an age-based system. Under this plan the state would complete vaccine distribution for the current phases, Phase 1A and Phase 1B – Tier 1, inclusive of individuals 65 years of age and older, healthcare workers, long-term care residents, teachers and childcare workers, first responders, and food and agriculture workers; then, turn to an age-based distribution system. This plan would eliminate Phase 1B – Tier 2, which included transit frontline workers under "Transportation and Logistics" as well as Phase 1C. However, local public health offices are expected to retain some discretion on prioritization. We will continue to work closely with the California Transit Association, concurrently with WETA staff's efforts to work through departments of public health at the county level, to determine if transit workers will be prioritized for the vaccine.

State Budget Update

Governor Newsom introduced his 2021/2022 budget proposal on Friday, January 8. Highlights include:

- \$20.6 billion for the State Transportation Agency – a majority of this funding supports projects to repair and improve the state's transportation infrastructure
 - \$3 billion in fuel excise tax revenues will go to cities and counties for local streets and roads
 - The Transportation Agency is working with Caltrans, Transportation Commission, Finance, and other state agencies to develop the Climate Action Plan for Transportation Infrastructure by July 15, 2021
- Transit overview: While transit agency budgets have been strained, the Budget continues to address the limited mobility options throughout the state by including nearly \$1.3 billion to support transit and rail—including \$667 million in State Transit Assistance, \$487 million for the Transit and Intercity Rail Capital Program, and \$107 million for the Low Carbon Transit Operations Program. To assist transit agencies and support economic recovery, the Administration continues to quickly allocate CARES Act funding, expedite rural distributions, and work with the federal government to obtain ongoing federal support.

The recent federal COVID-19 relief bill is expected to provide more than \$2 billion in additional funding directly to local transit agencies. In addition, the Administration is recommending regulatory and reporting relief related to the Transportation Development Act on a permanent basis, allowing agencies to plan with more certainty and flexibility for the expenditure of state transit resources. These efforts will allow transit agencies to prevent additional furloughs and service reductions, while providing resource certainty that will make planning for recovery and rehiring of workers more certain. The Administration is also supporting future cost savings and ridership increases for transit and rail systems through its support of contactless payments across California through the California Integrated Mobility Program at Caltrans.

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Kevin Connolly, Planning & Development Manager
Taylor Rutsch, Transportation Planner

SUBJECT: Monthly Ridership and Recovery Report

Background

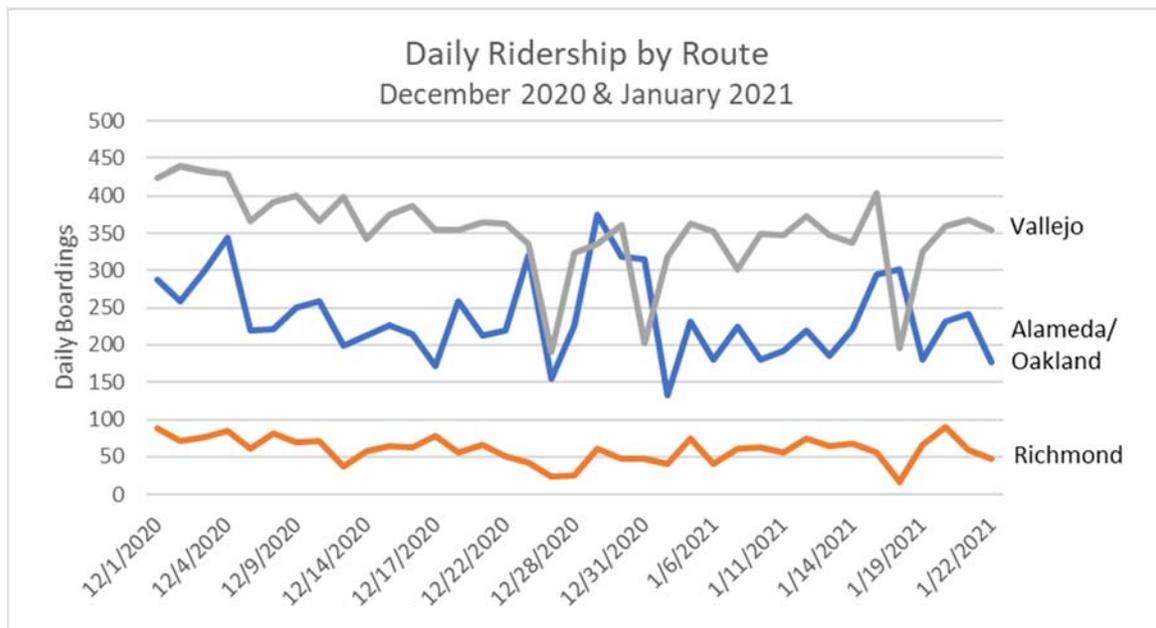
The WETA Ferry Service Recovery Plan (Plan) states that ferry service will restart at minimum levels to match expected reduced demand. Modifications in service will generally follow state guidelines for reopening the economy and subsequent changes in demand. The Plan calls for a monthly evaluation of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

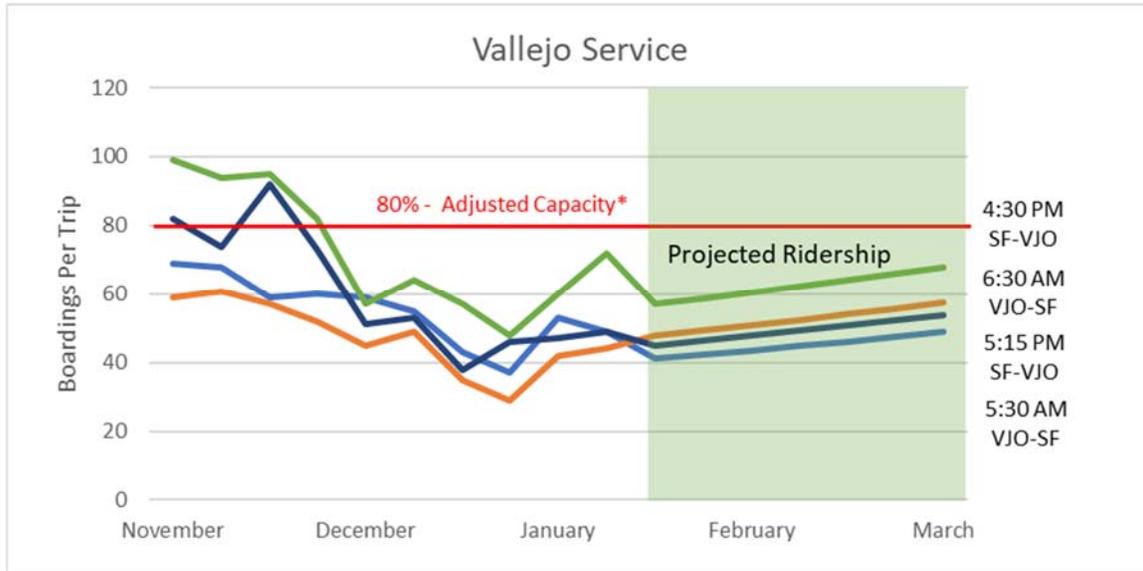
Systemwide

Systemwide average daily boardings decreased 9 percent from 674 in December to 611 in January as the statewide lockdowns remained in place for most of the month.



Vallejo

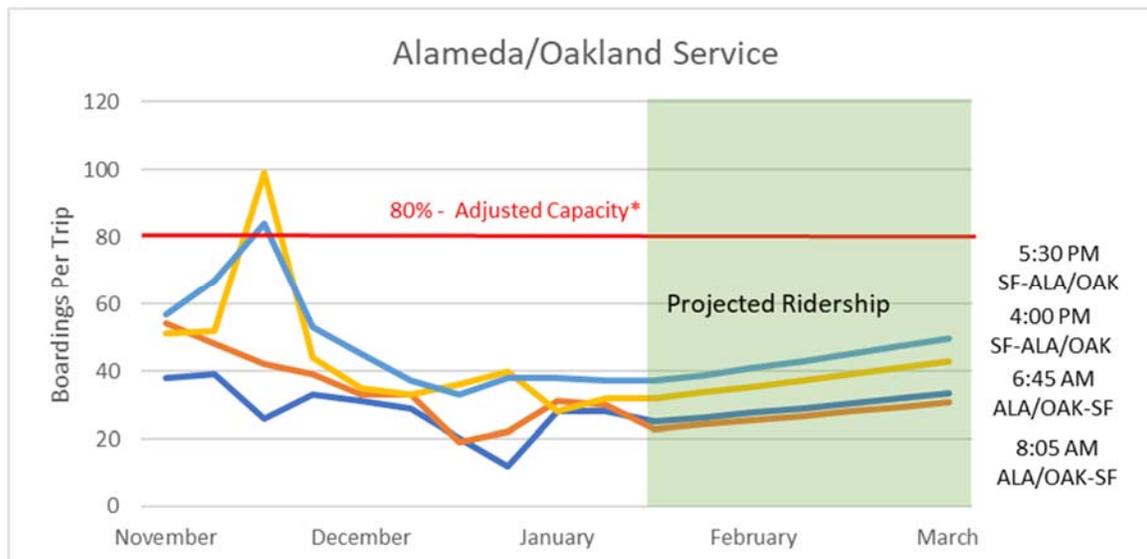
Ridership in Vallejo grew slightly in early January after bottoming out at the end of December. Vallejo ridership is projected to grow 3 percent weekly, based on its rolling ridership average and the ending of statewide lockdowns announced on 1/25/2021.



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

Alameda/Oakland

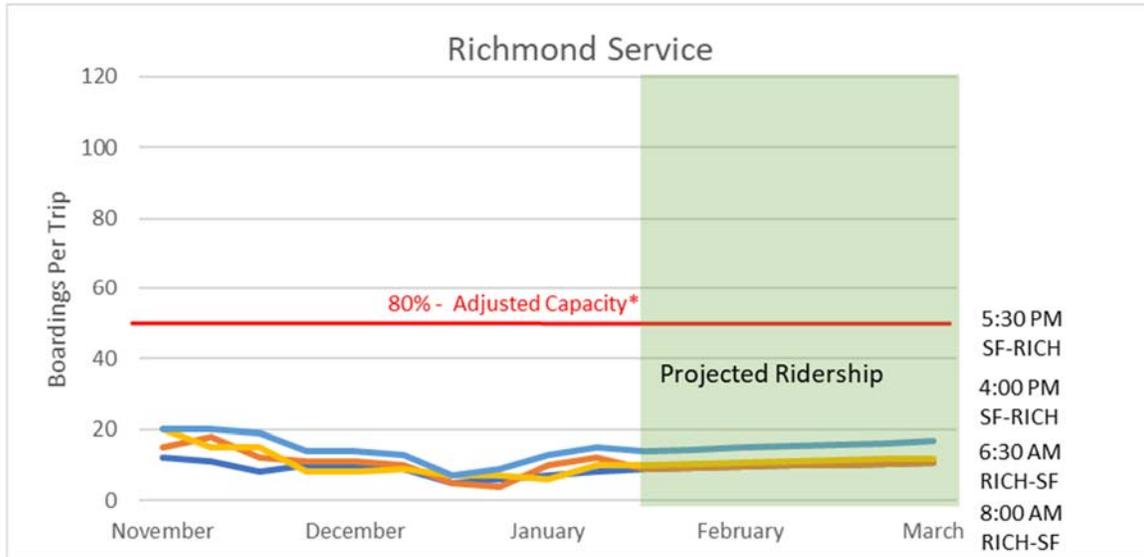
Alameda/Oakland ridership has experienced a similar pattern as Vallejo, with ridership growing slightly in January after bottoming out in December. Alameda/Oakland ridership is now projected to grow 5 percent per week, based on its rolling ridership average and the ending of statewide lockdowns announced on 1/25/2021.



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

Richmond

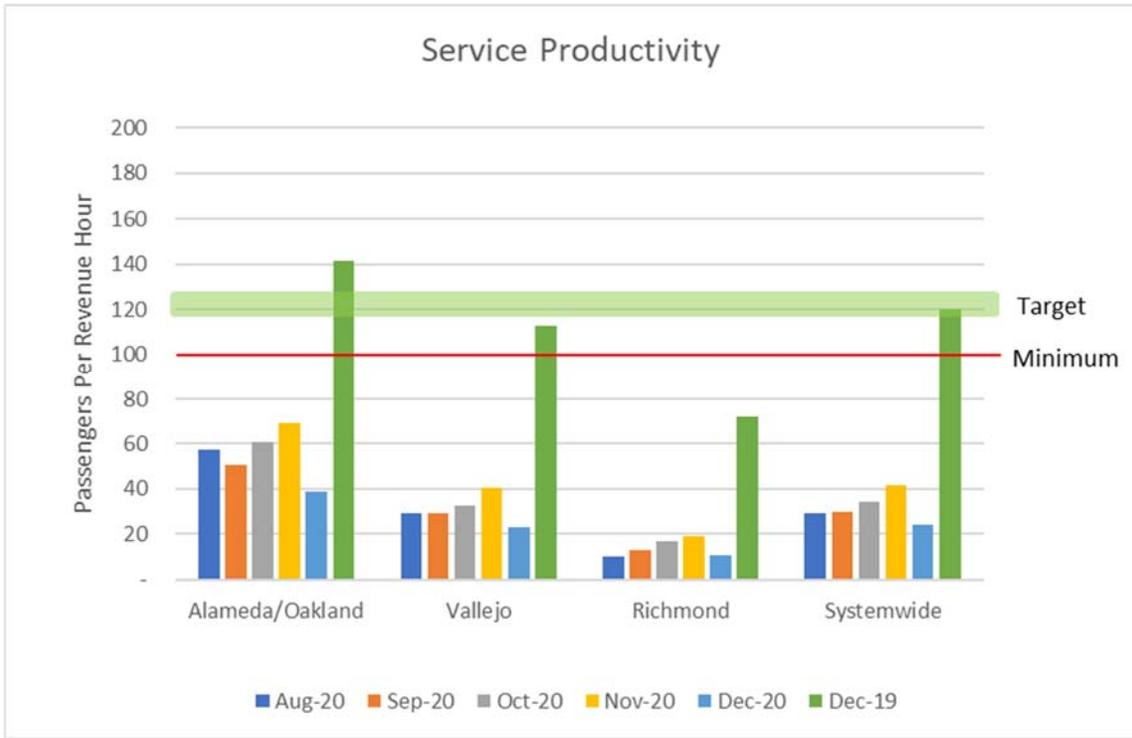
Richmond ridership also saw similar trends to Vallejo and Alameda/Oakland. Richmond ridership is now projected to grow 3 percent per week, based on its rolling ridership average and the ending of statewide lockdowns announced on 1/25/2021.



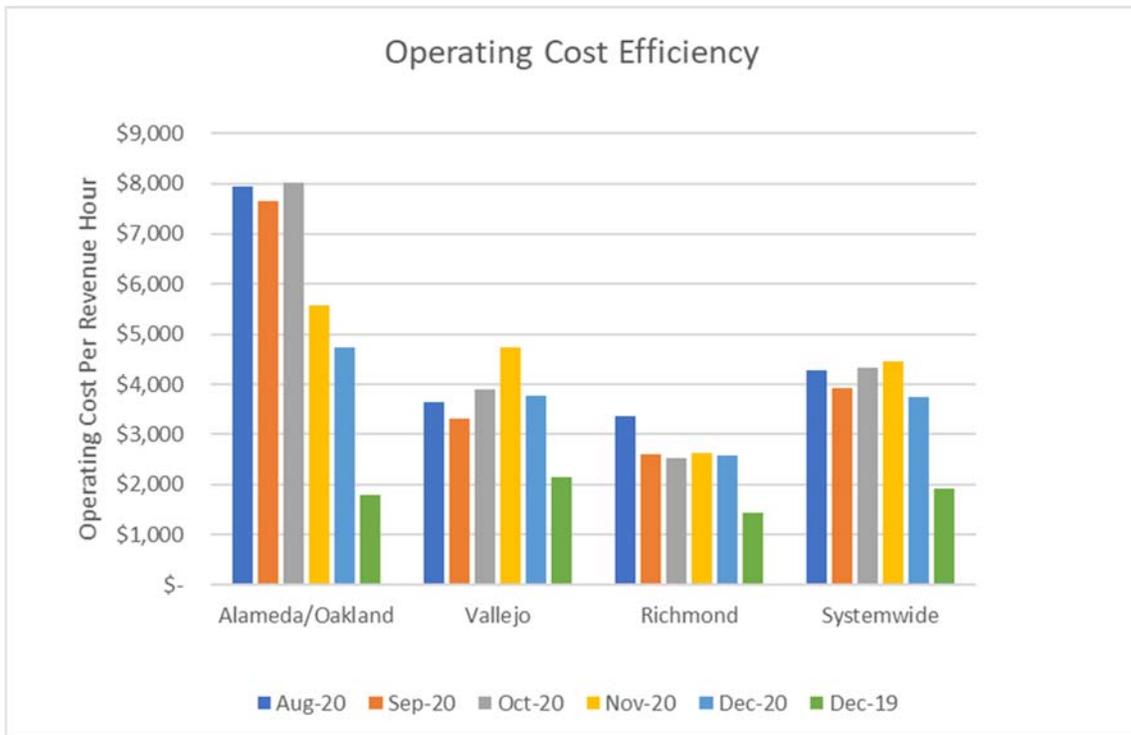
*Adjusted capacity assumes the vessels will be limited to about 25% capacity due to physical distancing requirements

2. Service Productivity and Efficiency

Systemwide passengers per revenue hour decreased from 41 to 24 from November to December.



Systemwide operating cost per revenue hour increased by 16 percent from November to December.



3. Regional Context

The table below shows how each of WETA's service areas are impacted by the coronavirus. The entire State went into lockdown in early December and lasted until the restrictions were lifted on 1/25/2021. The whole Bay Area is in the Purple Tier as many businesses will now be allowed to reopen with restrictions.

County	14-Day Change Total (Positive Cases)	14-Day Change % (Positive Cases)	State Tier Rating
Alameda	9,712	16%	Widespread
Contra Costa	7,585	16%	Widespread
San Francisco	3,505	13%	Widespread
San Mateo	4,984	17%	Widespread
Solano	3,894	17%	Widespread

WETA ridership and bridge traffic has remained mostly flat over the last month while BART ridership dropped slightly. Transit ridership has lagged significantly behind bridge traffic in the Bay Area since the pandemic began.

Agency	% of normal ridership/traffic levels January 2021
WETA	7%
BART	12%
BATA Bridges (7-total)	90%

4. Outlook and Recommendations

As expected, ridership remained flat in January as the state remained in lockdown for most of the month. However, on 1/25 the Governor lifted the lockdown, allowing for some businesses to reopen with restrictions. It is likely that ridership will grow because of the lifted lockdown. For the remainder of February, 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 soon.

END

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

(January 14, 2021)

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 1:38 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. ADOPT RESOLUTIONS OF RECOGNITION FOR RETIRING STAFF

Chair Wunderman introduced this special order of business in recognition of retiring WETA staff and introduced Executive Director Nina Rannells who presented the item recommending the adoption of resolutions in recognition of Operations & Maintenance Manager Keith Stahnke and Finance & Administration Manager Lynne Yu.

Ms. Rannells said this item provides well-deserved recognition to Mr. Stahnke and Ms. Yu who will both be retiring within the next few weeks. She stated that everybody's contributions count, especially in a small organization and that she could not have led the agency to accomplish much without them by her side adding that it was a privilege to have them as her partners.

Ms. Rannells commended Mr. Stahnke for the operations and maintenance of the facilities, terminals, and vessels noting that under his leadership, WETA has built the cleanest passenger ferry vessels in the nation. She thanked Mr. Stahnke for his support and leadership, for bringing the maritime expertise to WETA, and for creating nurturing partnerships with WETA's passengers and the maritime workforce.

Mr. Stahnke thanked Ms. Rannells for the nice words and stated that he was proud of all that had been accomplished.

Ms. Rannells then recognized Ms. Yu. Ms. Rannells stated that when she was promoted to Executive Director, her first step was to bring in Ms. Yu in as the Finance & Administration Manager having worked with her at the Golden Gate Bridge, Highway and Transportation District.

Ms. Rannells said that Ms. Yu had navigated the very complex world of transportation and funding managing to secure almost \$500 million in federal, state, and local monies to expand ferry service in the Bay Area. Ms. Rannells praised Ms. Yu for maximizing the value of every dollar secured and

spent to the benefit of the public noting that under Ms. Yu, WETA has been lauded for its financial performance, stability, and transparency. Ms. Rannells thanked Ms. Yu for providing a strong example of responsible and effective government, her dedication, and wished her happiness in her retirement.

Ms. Yu thanked Ms. Rannells for her kind words and for the opportunity, challenges, and growth while at WETA.

Chair Wunderman thanked Mr. Stahnke and Ms. Yu for their career of dedication and service to the WETA and wished them all the best.

Chair Wunderman invited Public Information & Marketing Manager Thomas Hall to cue up a video highlighting Ms. Rannells' accomplishments as Executive Director with testimonials offered by past and present Board Members and various maritime community stakeholders.

Chair Wunderman complemented the team for putting the video together and capturing many of Ms. Rannells' contributions which reminded him how proud he was of the organization.

The Directors expressed their appreciation of the staff and thanked them for their hard work, dedication, and contributions and thanked Ms. Rannells for her leadership, support, friendship, for building a strong foundation for the WETA, and for teaching everyone how to do a peaceful transfer of power.

Ms. Rannells reflected on her 15-year career at the WETA stating that it was the best job in Bay Area transportation as the Executive Director which enabled her to plan and build a whole new service. She warmly acknowledged WTA's first Board Chair, the late Charlene Haught Johnson who took a chance and gave her the opportunity to step into the job.

Ms. Rannells thanked the Board for their kind words, support, and for recognizing and acknowledging all the hard work that she and her team have delivered. She thanked Blue & Gold Fleet (Blue & Gold), the unions, and all WETA's partners including the cities and staff for their work and support.

Ms. Rannells said she felt could leave knowing that Executive Director Designate Seamus Murphy was going to be at the helm.

PUBLIC COMMENT

Various maritime stakeholders including union representatives, private partners, and staff offered their congratulations and best wishes to all and thanked Ms. Rannells for her leadership, integrity, friendship, for being an inspiration, and leaving a legacy.

PUBLIC COMMENT

Inlandboatmen's Union (IBU) of the Pacific Regional Director Robert Estrada read a resolution recognizing Ms. Rannells for her invaluable contributions and dedication to the creation of expanded ferry service on San Francisco Bay and wished her great success in the future which he said would be presented for passage at the next IBU Executive Committee meeting.

Director Moyer made a motion to adopt the resolutions:

- a. Adopt Resolutions in Recognition of Keith Stahnke and Lynne Yu

Director DelBono seconded the motion and the item passed unanimously.

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

Director Intintoli made a motion to adopt the resolution:

- b. Adopt Resolution in Commendation of Nina Rannells

Director Moyer seconded the motion and the item passed unanimously.

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

4. REPORT OF BOARD CHAIR

Chair Wunderman reported that the pandemic has caused everyone to put their lives in society on hold and that he personally, has lost a couple of close family members and friends to the disease which has deeply affected him. He added that it was about the future and felt confident that the vaccination program was going to take effect and enable people to return to work.

5. REPORTS OF DIRECTORS

The Directors reoffered their congratulations and best wishes to retiring staff and welcomed Mr. Murphy onboard.

Director Alba reported that she had attended the Redwood City City Council Meeting with WETA staff and was happy to say that the Redwood City Ferry Financial Feasibility Study & Cost-Benefit and Economic Impact Analyses Report was approved by the Port of Redwood City and the City of Redwood City noting that an equity component had been added to the study.

6. REPORTS OF STAFF

Executive Director Nina Rannells provided six written reports to Directors and said that she was working with Blue & Gold and other Bay Area transit operators to get the frontline workers vaccinated.

Ms. Rannells reported that additional federal money was coming to the Bay Area in the amount of \$819 million and that the Metropolitan Transportation Commission (MTC) had planned to allocate the money in two steps, one in January and the bulk in February and that MTC had committed to making any corrections to the assumptions MTC made with the distribution of the Coronavirus Aid, Relief, and Economic Security (CARES) Act money.

Ms. Rannells stated that WETA's Planning & Development staff was beginning to work on public and stakeholder outreach meetings regarding Berkeley ferry service that will begin in January and carryover into the coming months.

Ms. Rannells reported the new Gemini Class, Emission Reduction project which would replace the 2008 - 2009 Gemini class Tier 2 engines with current Environmental Protection Agency (EPA) Tier 4 standards. She recognized Engineering & Maintenance Administrator Tim Hanners for taking the opportunity to successfully seek \$1 million in Carl Moyer money for this vessel repower project and for working on the application to seek additional money for the other Gemini class vessels.

Director Alba thanked Mr. Hanners for being proactive and taking the opportunity to find grant funding.

Chair Wunderman commented that it was hard to envision any improvements on a new modern boat when the MV *Gemini* was received and thanked Mr. Hanners for leading the effort.

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 prefaced his presentation by saying that in any normal year, ridership was the lowest at the end of December to the beginning of January.

Mr. Connolly said that there was a big spike during Thanksgiving week, but that ridership has since declined noting that WETA had experienced capacity concerns in October and November.

Mr. Connolly recommended no change in service levels and said that WETA would be meeting in February with partner West Contra Costa Transportation Advisory Committee (WCCTAC) to discuss a way forward for the Richmond service.

7. CONSENT CALENDAR

Director DelBono made a motion to approve the consent calendar:

- a. Board Meeting Minutes – December 10, 2020

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

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

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

8. APPROVE EMPLOYMENT OF LYNNE YU FOR A LIMITED DURATION APPOINTMENT

Ms. Rannells presented this item recommending approval of the part-time employment of Ms. Yu as a retired annuitant for a limited duration who would help with the transition to temporarily fill the needs of the Finance department and train staff. She introduced newly hired Accountant Deborah Tragsiel-Seidenberg.

Ms. Rannells said the item would authorize WETA to employ Ms. Yu consistent with the requirements of CalPERS and expected a duration of up to one year.

Chair Wunderman confirmed that this item was agreeable to Ms. Yu. Ms. Yu said she was committed to a smooth transition and would assist in the recruitment of the next Finance & Administration Manager.

Chair Wunderman welcomed Ms. Tragsiel-Seidenberg aboard.

Director Intintoli made a motion to approve the item.

Chair Wunderman called for public comments and there were none.

Director DelBono seconded the motion and the item passed unanimously.

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

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

Mr. Stahnke presented this item recommending approval of the 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.

Ms. Rannells reminded the Board that WETA had hoped to be able to sell the MV *Solano*; however, she said that this option to transfer a good asset that was unusable in California to a sister agency for passenger service in Washington was a win win.

Director Alba questioned whether there were any restrictions for use of the funds received, and Ms. Rannells confirmed that no restrictions existed.

Chair Wunderman said he was uneasy about the circumstances and not being able to fully benefit from the intended 25-year life noting that the vessel was going to produce the same emissions no matter where it was being operated. He added that he was concerned about the utilization of public money and not being able to get the full value as expected but was glad that the MV Solano could be used by Kitsap County.

Mr. Stanhke stated that this has been a five-year project and that the other options previously considered were not practical.

Director Intintoli agreed with Chair Wunderman and hoped that WETA would be able to address the regulations in the future.

Chair Wunderman said that he and Ms. Rannells had a meeting with the Former Chair of the California Air Resources Board (CARB) to express their concern about future regulations. He said that WETA needed to be mindful of protecting the public interest in the investments while trying to accomplish state emissions reductions.

Director Alba made a motion to approve the item.

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. Absent: None.

10. BAY AREA TRANSIT AGENCY COORDINATION, BLUE RIBBON TASK FORCE UPDATE

Mr. Murphy presented this informational item on the efforts of the MTC Blue Ribbon Transit Recovery Task Force (Task Force) to improve the region's public transportation network.

Mr. Murphy invited Mr. Connolly to discuss the details of the coordination efforts of the operators.

Chair Wunderman thanked Mr. Murphy and Mr. Connolly for the presentation and provided some background on the FASTER Bay Area.

Director Alba thanked Mr. Connolly for making the point about the efficient two-hour Zoom meetings with lots of collaboration in pushing transit forward. She recognized that the implementation of policies required new revenue sources and thanked everyone for their work.

The Directors expressed their support of the concept and the work emphasizing that revenue needed to be identified to make this possible without increasing fares.

Chair Wunderman thought that there may be an opportunity with a stimulus package and thanked MTC Commissioner and Solano County Supervisor Jim Spering for his efforts.

PUBLIC COMMENT

Transbay Coalition and Seamless Bay Area Volunteer Roan Kattouw thanked the Board for adopting the Seamless Bay Area transit principles.

PUBLIC COMMENT

Coastcommute.org Community Advocate Rick Nahass expressed his support for Seamless Bay Area.

Chair Wunderman said that these efforts were important for the future thanked the speakers for their comments.

11. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

PUBLIC COMMENT

Griffon Hoverwork (Griffon) Managing Director Adrian Went provided additional information on hovercraft and offered the support of Griffon to provide information to fill in the gaps in the analysis.

Chair Wunderman thanked Mr. Went for his comments.

Director Alba said she looked forward to continuing exploring and understanding the challenges.

PUBLIC COMMENT

Jerry Bellows thanked Mr. Stahnke for being a great spokesman in educating the public on WETA and wished him, Ms. Yu, and Ms. Rannells the best in retirement.

With all business concluded, Chair Wunderman adjourned the meeting at 4:13 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

**FROM: Seamus Murphy, Executive Director
Kevin Connolly, Planning & Development Manager
Mike Gougherty, Senior Planner/Project 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) 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:

1. Recovery - Recognizing critical recovery challenges facing transit agencies.
2. Advancing Equity – Integrating equity in policy, service delivery and advocacy.
3. Network Management & Governance – Identifying near-term actions to implement beneficial long-term network management and governance reforms.
4. Current Initiatives – Establishing how current MTC and state transit initiatives should integrate with network management and governance reforms.

Discussion

Efforts to prioritize recovery (Action Goal 1) have been on-going and were the subject of last month's update to the Board. The focus of this item is to provide an update related to the three remaining action goals adopted to guide the Transformation Action Plan, which the Task Force is aiming to adopt at its final meeting in June. A major outcome of the Transformation Action Plan could be the development of a transit network manager, which would have a potentially major impact for transit agencies, including WETA.

Current Initiatives (Action Plan Goal 4)

WETA is participating in various weekly meetings with other operators and MTC staff that have brought about an unprecedented level of interagency transit coordination. These efforts have focused not only on addressing immediate short-term needs during the pandemic but also on longer-term regional initiatives that individual operators can collaborate on to improve regional connectivity, such as fare coordination, schedule coordination, and signage and wayfinding standards. The Task Force will consider how these initiatives can be integrated into the Action Plan and how they may relate to the responsibilities of a transit network manager.

Advancing Equity (Action Plan Goal 2)

This month the Task Force adopted a set of equity principles to guide development of the Transformation Action Plan. The principles were developed based on input from the Task Force, MTC staff, and feedback from stakeholders. The five major principles are to invest equitably, increase accessibility, be inclusive, use data to inform decisions, and advance health & safety. To date, the Task Force has had a deliberate focus on equity in its proceedings and decision-making. The adoption of these principles will serve to formalize this consideration as a Transformation Action Plan is developed and the role of a transit network manager is defined.

Transit Network Management & Governance (Action Plan Goal 3)

In January 2020, an ad hoc working group was established to “develop a clear Problem Statement that addresses what issues or problems Network Management reforms seek to resolve.” The working group included transit operator representatives from San Francisco Municipal Transportation Agency (SFMTA), Alameda-Contra Costa (AC) Transit, Caltrain, County Connection, and WETA, as well as representatives from MTC, California State Transportation Agency (CalSTA), and advocacy groups participating on the Task Force. On January 25, the Task Force provided comments on the draft statement and is scheduled to consider approval of a final statement next month. General topics of the draft problem statement include organizational/institutional challenges, customer experience, past and current disparities, and transit costs and funding.

Once adopted by the Task Force, the Problem Statement will serve as the basis for another ad hoc working group to develop a recommendation for addressing the Problem Statement. A basic concept underlying the recommendation could be to shift some decision-making authority from individual transit agencies to a regional transit network management entity. Transit operator representatives on the ad hoc working group will include SFMTA, Caltrain, AC Transit, County Connection, and Marin Transit. Once the working group has prepared a proposal, a consultant hired by MTC will conduct an analysis and propose additional options, if necessary.

Next Steps

As the Task Force continues working toward development of a Transformation Action Plan, interim work items such as the problem statement and equity principles could be used to inform future legislation. Assemblymember David Chiu has indicated plans to introduce a spot bill for upcoming state legislative session to help facilitate recommendations from the Task Force. Staff will continue to participate closely in the work of the Task Force to help ensure that the emerging proposals for a transit network manager maximize potential benefit to WETA.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

MEMORANDUM

TO: Board Members

**FROM: Seamus Murphy, Executive Director
Kevin Connolly, Planning & Development Manager
Mike Gougherty, Senior Planner/Project Manager**

SUBJECT: Adopt Fiscal Year 2022 Pandemic Recovery Program Core Principles

Recommendation

Adopt the core principles guiding the development of a Fiscal Year (FY) 2022 Pandemic Recovery Program.

Background

The onset of the COVID-19 pandemic has decimated transit ridership across the country. WETA's success over the last decade in methodically building ridership was erased almost overnight when shelter-in-place orders were issued and work trips into San Francisco were curtailed. What was a five-route system serving nearly 12,000 riders per day has been reduced to a three-route system serving hundreds of riders that continue to rely on the system for essential travel. This loss of ridership has corresponded to a precipitous drop in fare revenues, which have traditionally covered more than half of WETA's systemwide operating costs. The loss of fare revenue (and to a lesser extent other funding sources) led to WETA's decision to control costs by reducing or suspending services. Altogether, service on two routes have been suspended, the launch of the Seaplane Lagoon service was deferred, and minimal or sub-minimal service has remained on WETA's remaining three routes.

WETA's financial losses have been replaced by federal funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. These funds have been used to keep WETA's inactive crews on payroll and to cover significant fixed costs of maintaining its vessel and terminal assets. While another round of federal funds is imminent, it is unlikely that WETA can rely on continued funding to cover the longer-term impacts of the pandemic. At the same time, as progress to end the pandemic is made, and as the economy continues to reopen, the agency will need to take deliberate steps to rebuild ridership, identify new markets, and operate a service plan that restores the relevance of the system to the region.

The financial sustainability of WETA and other transit operators is not the only issue at stake as the region begins recovery planning for the post-pandemic era. A national call to action to promote equity and address enduring legacies of systemic discrimination and structural inequality is leading public transit operators to rethink how they design their services. This call has been taken up in broader transit-focused efforts including the Metropolitan Transportation Commission's Blue Ribbon Transit Recovery Task Force, which is tasked with recommending strategies that have potential to transform the way regional transit service is delivered in the Bay Area. These efforts could profoundly impact how regional services are planned, designed, and

operated with the goal of creating a more equitable, coordinated, and integrated regional transit network.

The WETA system that existed before the pandemic was successful in achieving many of its financial sustainability and ridership goals. Historically, WETA services have been positioned as a premium offering designed to appeal to commuters willing to pay a higher fare in exchange for avoiding traffic congestion on the Bay Bridge or crowded BART trains. A booming regional economy with high employment rates created high demand for WETA's services and fostered an environment where the agency could realize both sustained ridership growth and one of the highest farebox recovery rates in the region. However, these requirements also led to a ridership base with higher household income levels than many other transit systems in the Bay Area.

Under these conditions, WETA nearly doubled ridership since 2013. Now, the agency is challenged with the task of rebuilding ridership and restoring financial sustainability under very different conditions. This challenge is also an opportunity to explore and evaluate new strategies that could inform the creation of a more equitable, efficient and accessible system.

The core principles recommended by staff will provide the agency with a flexibility to explore these strategies in a way that responds to a rapidly changing transportation environment as the region recovers. Key factors that will guide the agency's service and fare decisions during recovery include how quickly traffic returns to the Bay Bridge, rider confidence in agency efforts to protect public health, available capacity on BART service operating in the same corridors, and evolving telework strategies affecting commute patterns and demand for transit service.

Discussion

Staff proposes to restart ferry service and develop a companion fare structure that is specifically designed to broaden the appeal of new ferry service to a recovering Bay Area travel market. In the coming months, staff will be bringing a draft service plan and fare proposal for board discussion and public feedback. This Pandemic Recovery Program will be designed to stimulate ridership and broaden the appeal of the ferry to a larger cross section of Bay Area commuters. The Program is temporary, allowing for the Board to revisit ferry service and fare policy as key recovery milestones are met, and to inform the development of more permanent strategies after the Bay Area recovers from the pandemic and its lasting economic impacts. As a first step towards developing this plan, staff has drafted a set of core principles that will communicate policy intentions and guide more detailed development of the program.

Core Principles

- 1. Proceed with phased service increases throughout the WETA system in FY2022, to reflect continued return-to-work and the widespread restart of the Bay Area economy.*
- 2. Set fares to be competitive with comparable regional transit options.*
- 3. Work with other transit operators in the Bay Bridge corridor to explore coordinated fare strategies*

4. *Develop programs and initiatives that complement and reinforce the goals of the Clipper START program, to expand access to the ferry for disadvantaged communities and to enhance equity.*
5. *Pursue options for enhancing service outside of traditional peak periods in recognition that off-peak service can make the system more relevant for a transit dependent market of riders with travel patterns that are not oriented around traditional office work schedules.*
6. *Develop service schedules that could ultimately be expanded to achieve the goals of 15- and 30-minute frequencies systemwide.*
7. *Adapt fare products, fare media, and fare payment processes to reflect shifts in work schedules, travel patterns, and passenger expectations.*
8. *Prioritize ridership growth and acknowledge that systemwide and route-specific farebox recovery targets are unlikely to be met during recovery.*
9. *Improve and encourage better connectivity to local bus service and other feeder services, preserve and expand transfer incentives with local bus services and other first/last mile modes, and coordinate schedules with local operators.*
10. *Explore pilot programs and trial initiatives that may encourage ridership and broaden ferry service to a wider cross section of riders.*
11. *Deliver more for less by maximizing the efficiency of crews, overall system service design, and strategic deployment of vessels.*
12. *Be flexible and continually monitor performance to adjust and modify as demand shifts over time.*
13. *Commit to transparent communication with WETA riders, stakeholders, peer transit operators, and the general public.*

Next Steps

Pending Board approval of the core principles above, staff will develop a detailed service plan and fare structure to implement the FY2022 Pandemic Recovery Program. The proposed draft service plan and fare program would be presented to the Board at its March meeting and staff would request authorization to initiate public outreach efforts. Following public outreach efforts, a final FY2022 Pandemic Recovery Program service plan and fare structure would be presented to the Board for consideration. If approved, the strategies associated with the Program would launch on July 1, 2021, with periodic assessment of their effectiveness throughout FY2022.

Fiscal Impact

There is no fiscal impact associated with this item. A detailed fiscal impact analysis will be undertaken once a detailed service plan and fare program supporting the FY2022 Pandemic Recovery Program are developed and presented to the Board for approval. These impacts will be incorporated into the proposed FY2022 Operating Budget

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2021-06

ADOPT FISCAL YEAR 2022 PANDEMIC RECOVERY PROGRAM CORE PRINCIPLES

WHEREAS, the onset of the COVID-19 pandemic has decimated transit ridership across the country, and WETA specifically;

WHEREAS, WETA ridership loss has corresponded to a precipitous drop in fare revenues, which traditionally covered more than half of WETA's systemwide operating expenses;

WHEREAS, the loss of fare revenue contributed to WETA's decision to control costs by reducing or suspending services;

WHEREAS, WETA's financial losses have been offset by federal funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which have been used to keep WETA's crews on payroll and to cover significant fixed costs to maintain its vessel and terminal assets;

WHEREAS, as progress to end the pandemic is made, and as the economy continues to reopen, WETA will need to take deliberate steps to rebuild ridership, identify new markets, and operate a service plan that restores the relevance of the system to the region;

WHEREAS, a national call to action to promote equity and address enduring legacies of systemic discrimination and structural inequality has led public transit operators in the Bay Area to rethink how they design their services, and the formation of the Metropolitan Transportation Commission's Blue Ribbon Transit Recovery Task Force, which is tasked with recommending strategies that have potential to transform the way regional transit service is delivered in the Bay Area;

WHEREAS, factors that will guide WETA's service and fare decisions during recovery include how quickly traffic returns to the Bay Bridge, rider confidence in agency efforts to protect public health, available capacity on BART service operating in the same corridors, and evolving telework strategies affecting commute patterns and demand for transit service; and

WHEREAS, WETA is confronted with the task of rebuilding ridership and restoring financial sustainability while also meeting the challenge of providing a more equitable service for the Bay Area; now, therefore be it

RESOLVED, the Board of Directors adopts the following core policy principles to guide a more detailed development of WETA's program to restart ferry service and to develop a companion fare structure that is specifically designed to broaden the appeal of new ferry service to a recovering Bay Area travel market:

Core Principles

1. *Proceed with phased service increases throughout the WETA system in FY2022, to reflect continued return-to-work and the widespread restart of the Bay Area economy.*
2. *Set fares to be competitive with comparable regional transit options.*
3. *Work with other transit operators in the Bay Bridge corridor to explore coordinated fare strategies*

4. *Develop programs and initiatives that complement and reinforce the goals of the Clipper START program, to expand access to the ferry for disadvantaged communities and to enhance equity.*
5. *Pursue options for enhancing service outside of traditional peak periods in recognition that off-peak service can make the system more relevant for a transit dependent market of riders with travel patterns that are not oriented around traditional office work schedules.*
6. *Develop service schedules that could ultimately be expanded to achieve the goals of 15- and 30-minute frequencies systemwide.*
7. *Adapt fare products, fare media, and fare payment processes to reflect shifts in work schedules, travel patterns, and passenger expectations.*
8. *Prioritize ridership growth and acknowledge that systemwide and route-specific farebox recovery targets are unlikely to be met during recovery.*
9. *Improve and encourage better connectivity to local bus service and other feeder services, preserve and expand transfer incentives with local bus services and other first/last mile modes, and coordinate schedules with local operators.*
10. *Explore pilot programs and trial initiatives that may encourage ridership and broaden ferry service to a wider cross section of riders.*
11. *Deliver more for less by maximizing the efficiency of crews, overall system service design, and strategic deployment of vessels.*
12. *Be flexible and continually monitor performance to adjust and modify as demand shifts over time.*
13. *Commit to transparent communication with WETA riders, stakeholders, peer transit operators, and the general public.*

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 February 4, 2021.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2021-06

END