



Presentations for May 9, 2024 Board of Directors Meeting





Item 5a(ii): Pilot Service Committee

PILOT SERVICE COMMITTEE

April 2024



San Francisco Bay Ferry

KEY ROLES OF PILOT SERVICE COMMITTEE

- Prioritize the types of projects and partnerships that WETA should pursue.
- Direct staff efforts through confirmation of proposed work program.
- Review statement of goals and objectives prior to pilot service launch.
- Review draft assessment upon pilot service completion.
- Ensure projects provide opportunity for crews to gain training and operating experience.
- Provide recommendations to the full WETA Board, as necessary.



PILOT SERVICE PROGRAM

Five-Year **Regional Measure 3** Operating Plan:

- Funds provided to leverage additional investment from potential public and private partners.

Expenditure	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Pilots	\$2,737,741	\$2,000,000	\$4,500,000	\$4,635,000	\$4,774,050

2050 Service Vision **Pilot Service Program** (proposed):

- Program Goals
 - Implement limited term projects to supplement and/or inform project feasibility studies
 - Build partnerships
- New Technology
 - Test new vessel technologies and business operating models
- Emerging Markets
 - Partner with engaged and interested organizations to test emerging ferry markets

The background features a vertical blue gradient from light at the top to dark at the bottom. Overlaid on this are several large, semi-transparent, light blue abstract shapes that resemble overlapping waves or stylized hills, creating a sense of movement and depth.

WORK PROGRAM

FY 2025

OAKLAND ALAMEDA WATER SHUTTLE - FY 2025

➤ Key Goals

- Assess rider demand and estimate costs for long-term permanent service
- Optimize operations by iterating service plan

➤ Vessel

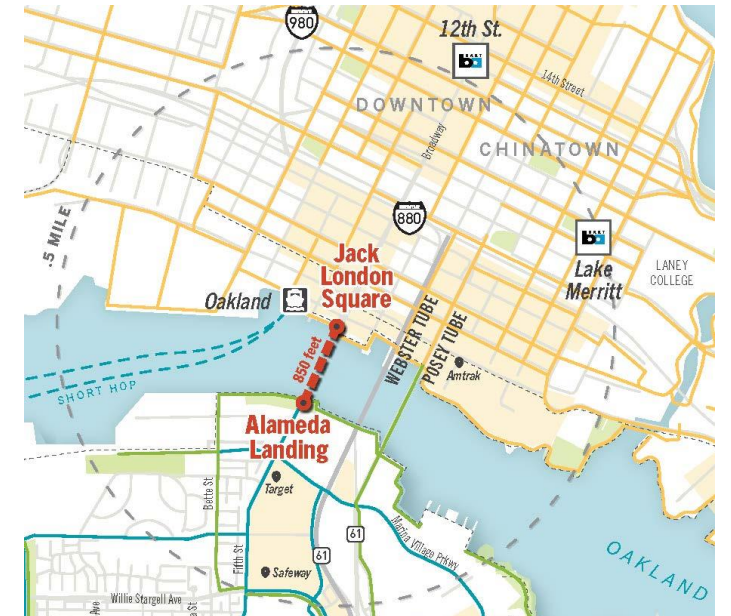
- Woodstock vessel was purchased by project partner
- WETA staff designed and delivered vessel modifications to support service

➤ Service Description

- 4-5 days/week, depending on season
- 9-12 hour/day, depending on season
- Duration: July 2024 – May 2026

➤ Funding/Cost

- Estimated cost: \$1.5 - \$2 million annually
- Multiple partners provided public and private funding (City of Alameda, Alameda TMA, Jack London Square (CIM))
- WETA staff time provided on in-kind basis



REDWOOD CITY BALLPARK SERVICE - FY 2025

➤ Key Goals

- Build community support for future Redwood City ferry service
- Field test key operating assumptions

➤ Vessel

- WETA vessels (349-445 pax) are available to support weekend service
- Use both jet and propeller vessels to test operational performance

➤ Service Description

- Five Sunday game day trips, 1:05pm start times
- Both pre- and post-game service trips provided
- Port of Redwood City to provide landing facility and parking spaces

➤ Funding/Cost

- Estimated cost: \$45,000
- Fares same as VJO special events, expected to cover costs
- Tickets reserved through Anchor ticketing system
- Port of Redwood City to provide ticket scholarship program

Date	Opponent
July 14 th	Twins
July 28 th	Rockies
August 11 th	Tigers
Sept 1 st	Marlins
Sept 15 th	Padres

SEACHANGE ZERO EMISSION FUEL CELL DEMONSTRATION PROJECT - FY 2025

➤ Goals

- Understand the challenges and opportunities associated with operating a hydrogen-powered vessel
- Provide crews with onboard electric systems training in anticipation of WETA-owned battery electric vessel arrival
- Incentivize the development of green hydrogen production and availability

➤ Vessel

- Sea Change – First H2 passenger-only ferry

➤ Service Concept

- Six months of daily service on Pier 41 Short Hop, special events

➤ Cost/Funding

- \$2m total project cost
- \$1.5m raised through private sector sponsorships
- WETA staff time provided on in-kind basis



FUTURE PROJECTS

➤ Ferry Building to Pier 48.5

- Create segment of broader SF Waterfront Service
- Partner with local employers to build market demand
- Seek proposals from private operators to provide vessel

➤ Contra Costa County Pilot Service

- Leverage work from CCTA Ferry Expansion Study
- Explore connection from new terminal to Richmond
- Assess market demand for permanent service

➤ Vallejo

- Test new vessel technologies that reduce SF travel time
- Enhanced local water shuttle service to Mare Island
- New transbay connections (ie. Larkspur, Oakland) serving commuter and/or recreational riders

➤ Larkspur

- New transbay connections (ie. VJO or Oakland)
- Mutual aid program with Golden Gate Ferry





Item 7: Redwood City Ballpark Service Pilot

REDWOOD CITY BALLPARK SERVICE PILOT

May 9, 2024



San Francisco Bay Ferry

BACKGROUND

- Pilot Service Committee established principles for considering new pilot services
- Agency has worked to study ferry feasibility in Redwood City for several years in collaboration with the Port of RWC
- Redwood City service is included in the 2050 Service Vision
- Mutual interest in testing RWC ferry service using SF Bay Ferry vessels and crews
- Focusing on special service limited to certain weekends avoids major operational constraints

PLAN

- Offer five round trips for weekend afternoon Giants games at Oracle Park
- Expected travel times similar to Vallejo ballpark service (~60 minutes each way)
- Port of RWC to make minor upgrades to F-Dock, the most suitable berthing location
- SF Bay Ferry to sell reservation-based tickets using Anchor system, set at Vallejo ballpark fares
- Port of RWC to work with sponsors and City to potentially offset some costs and lower fares or provide some free/low-cost tickets

PLAN

- Pilot service is intended to be cost-neutral
- Roughly \$45,000 included in draft FY25 budget for operational costs, including fit-ups and marketing
- Estimated to recover those costs based on proposed ticket price and expected high demand
- Timing of pilot dates will avoid dock conflicts at Oracle Park (Ballpark Short Hop will be running)
- Vessel selection will help inform future service assumptions

RECOMMENDATION

- Berthing agreement with Port of RWC
- Fit-ups and transit time test (mid-May)
- Dock improvements (May/June)
- Additional fit-ups (June if needed)
- Ticket sales (May/June)
- Marketing (June)
- Proposed first game: Sunday, July 14 vs. Twins

THANK YOU



Item 13: Proposed FY25 Budget



FISCAL YEAR 2024/25 BUDGET PRESENTATION

BOARD OF DIRECTORS MEETING
MAY 9, 2024



San Francisco Bay Ferry

BUDGET ACTIONS

May meeting

- Presentation and Review of Draft

June meeting: Approval of Fiscal Year 2024/25 Budget

- Includes required resolutions
- Authorizations for funding agencies

OVERVIEW

Expense Authorization: \$157.6 million

FY 2024/25 Proposed Budget (in millions)	
Operating Budget Expenditures	\$ 74.7
<i>Ferry Service (Ongoing)</i>	65.7
<i>Demonstration Services</i>	3.5
<i>Planning and Administration</i>	5.5
Capital Projects	82.9
Total Budget Expense	\$ 157.6

OVERVIEW

Sources: \$157.6 million

- Federal funding = Capital Only
- Bridge Tolls = Higher Level of Support thanks to RM3
- Fare Revenue = Growth anticipated will build reserves

FY 2024/25 Revenues (in millions)	
Bridge Tolls	\$ 65.8
Federal Funds	43.7
State Funds	34.9
Local Funds	5.0
Passenger Fares	5.6
Other Funds	2.5
Total Budget Revenue	\$ 157.6

OVERVIEW

- No significant service changes in regular service; additional special event service to Redwood City
- Anticipated pilots: Hydrogen SeaChange and Oakland Alameda Shuttle
- Initiatives including
 - Electrification Capital Program Growth
 - Increased State of Good Repair program
 - Pilot service program growth and management
 - Passenger Initiatives and Marketing
 - New Staffing and Financial Reserves

OVERVIEW

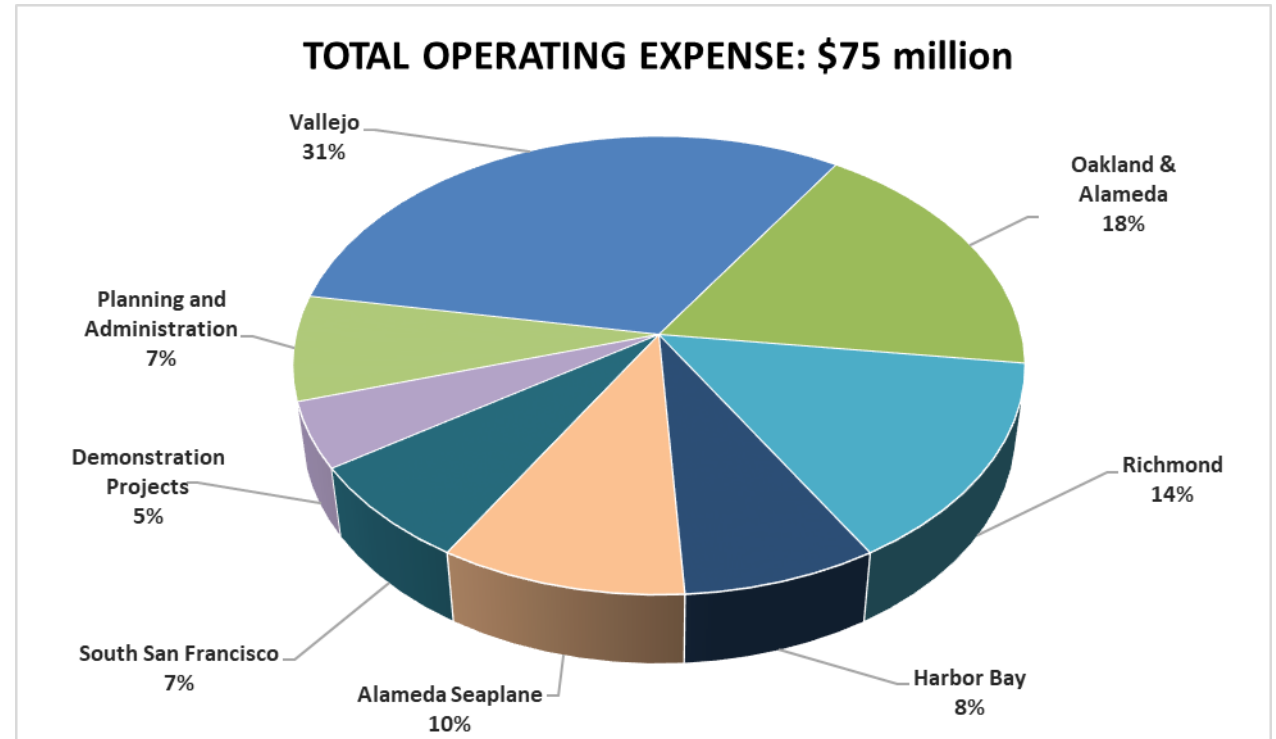
Also ...

- Ridership growth: Anticipated 12% over current budget
- Ridership recovery is anticipated to be 80% of 2019 levels, up from 71% projected in FY 2023/24
- First budget since the pandemic without federal operating funds; no fiscal crises thanks to RM3

OPERATIONS BUDGET

\$75 Million Proposed

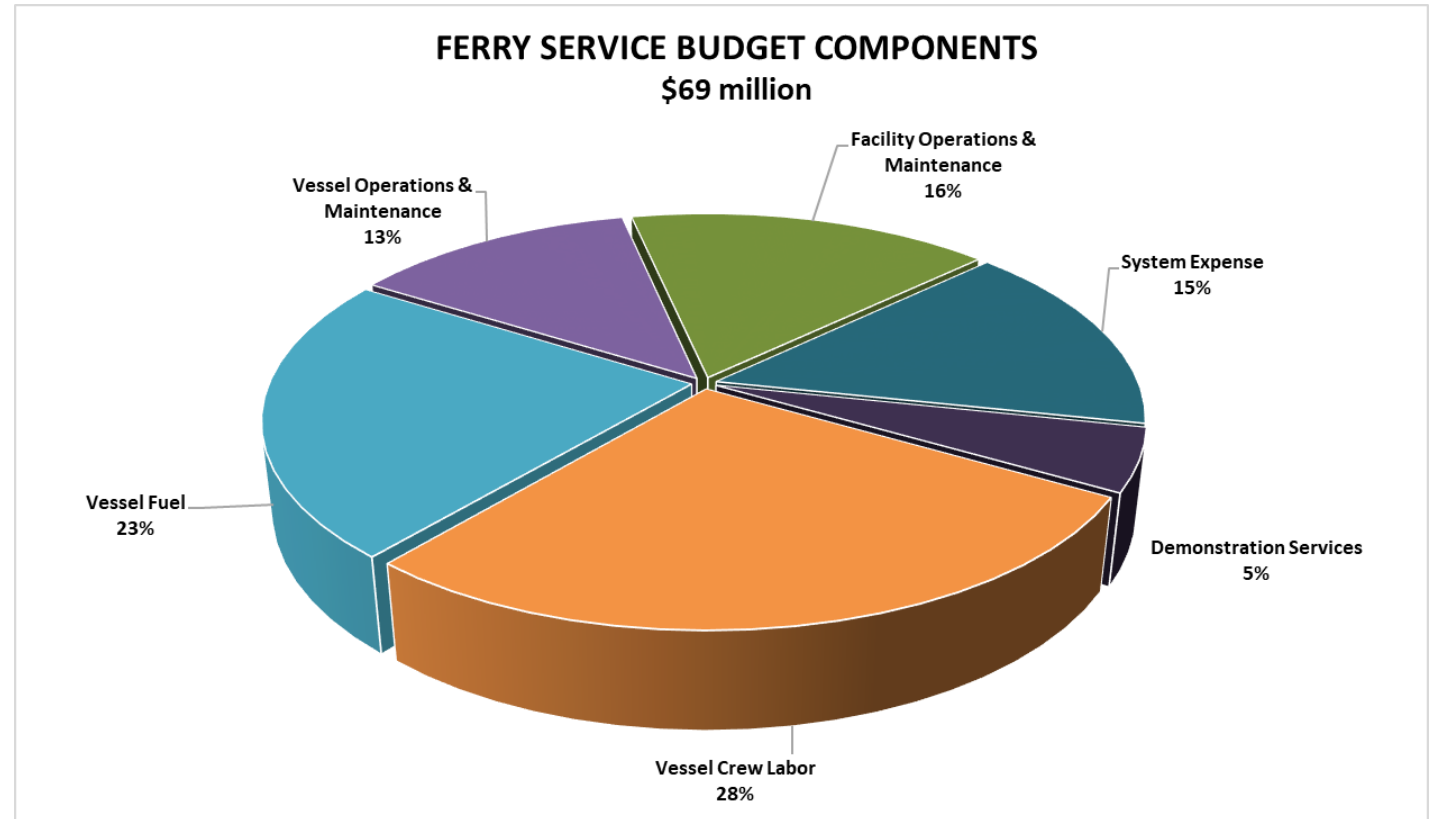
- \$69 million Ferry Service
- \$5.5 million Planning & Administration
- 88% for ongoing service routes



OPERATIONS BUDGET: FERRY SERVICES

Proposed Expense: \$69 million

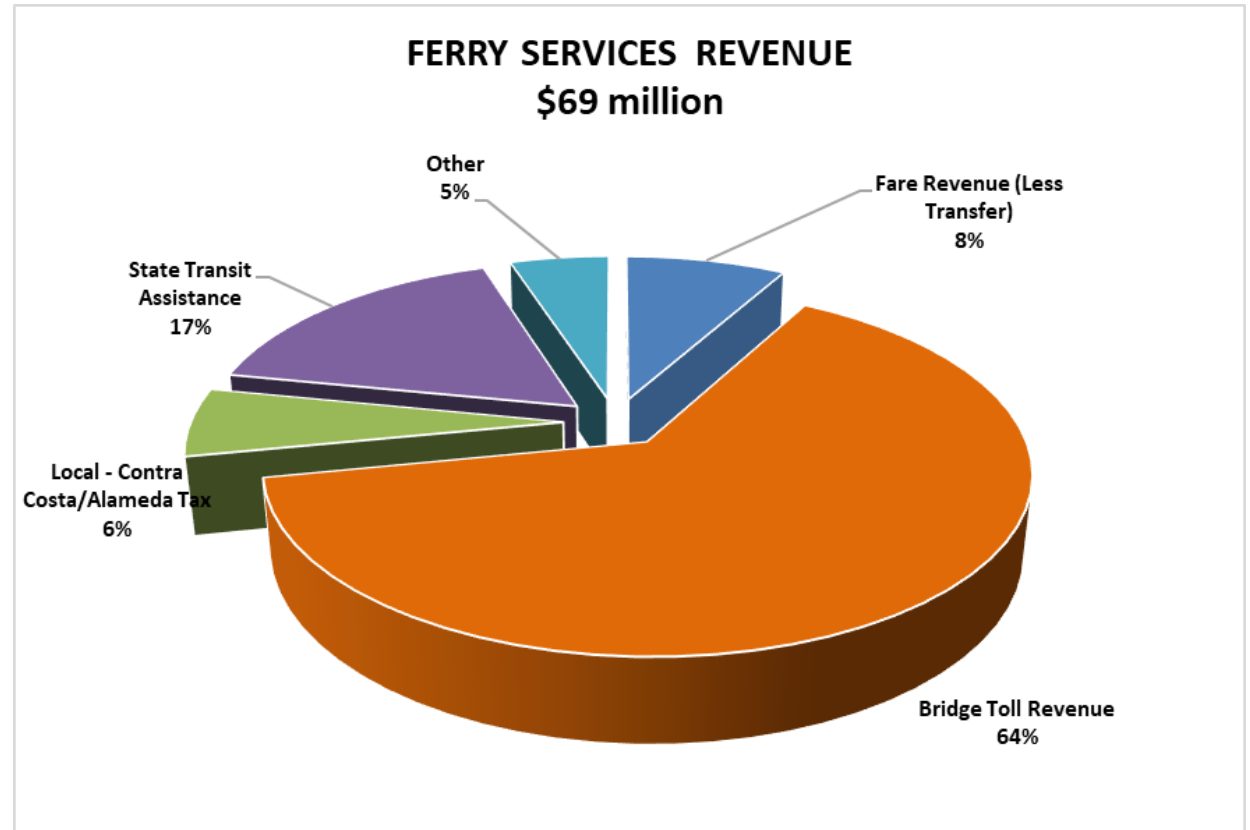
- Excludes planning and administration
- \$65.7 million for six current service routes
- \$3.5 million for pilot/demonstrations
 - Sea Change Hydrogen
 - Oakland Alameda Shuttle
- Increase of 6% over prior year for ongoing routes



OPERATIONS BUDGET: FERRY SERVICES

Revenue Sources: \$69 million

- Federal support replaced by RM3 support: Bridge Tolls \$44 million
- Fare revenue anticipated to be \$14.1 million (11% over prior year)
 - 60% transferred into reserves (\$8.4 million)
- State Transit Assistance will provide more support



OPERATIONS BUDGET: FERRY SERVICES

Labor and Fuel: \$35 million (regular routes)

- Combined comprises over 50% of service budget
- Fuel cost relatively stable at \$4.20/gallon (no further increases)
- Labor contracts resulted in 6% increase (\$1 million) for salaries plus benefits pickups
- Consistent staffing plans from prior year

OPERATIONS BUDGET: FERRY SERVICES

Vessel Maintenance and Repair: \$8.8 million

- \$2.7 million increase over prior year (22%)
- \$1 million reclassification of costs from facility category
- Ongoing maintenance for more vessels in service – Delphinus
- Investments in gear modifications for Pyxis class, more spare parts and emissions improvements

OPERATIONS BUDGET: FERRY SERVICES

Facilities Expense: \$11 million

- Includes cost of terminals as well as two maintenance facilities
- Small 2% increase due to reclassification of \$1 million costs to vessel category
- Labor increases for engineering and fuelers
- Also includes anticipated increases in property insurance, utilities, IT and other facility expenses

OPERATIONS BUDGET: FERRY SERVICES

System Expenses: \$10.6 million

- Slight 1% decrease from prior year due to elimination of overhead transfers from administration
- Includes contractor administration & profit; marketing and communication, Agency staff, emergency response, Clipper and mobile ticketing, and general engineering

OPERATIONS BUDGET: FERRY SERVICES

Systemwide investments include :

- Launch of new SF Bay Ferry website
- Continued investment in ridership outreach, events, communication efforts
- Kickoff of RFP process related to operating contract renewal by 2026
- Clipper 2.0 = Increased expense prior to customer access in FY25
- Emergency Response work plan increased under new staff

STAFFING PLAN

- Board approval of organization plan and staff expansion in March; Reflected in Salary Chart
- Budget includes 9 new approved positions
- Costs are distributed among divisions
- Capital budget includes project for space needs at Mare Island & Pier 9 to accommodate new staff

Summary of Staff Expense	Salaries	Benefits	TOTAL
	(\$ in millions)		
Planning and Administration	1.79	1.20	2.99
Operations	1.69	1.13	2.82
Capital Projects	1.30	0.87	2.17
TOTAL	\$ 4.78	\$ 3.19	\$ 7.98

PLANNING AND ADMINISTRATION

Proposed Expense: \$5.5 million

- Elimination of \$1.1 million overhead transfers
- Increase over prior year expense 9%
- Additional staff approved by Board
- Current proposed 2.4% COLA tied to CPI
- Increased DBE, Sustainability, and Green Marine Efforts
- IT upgrades including ridership database, financial system

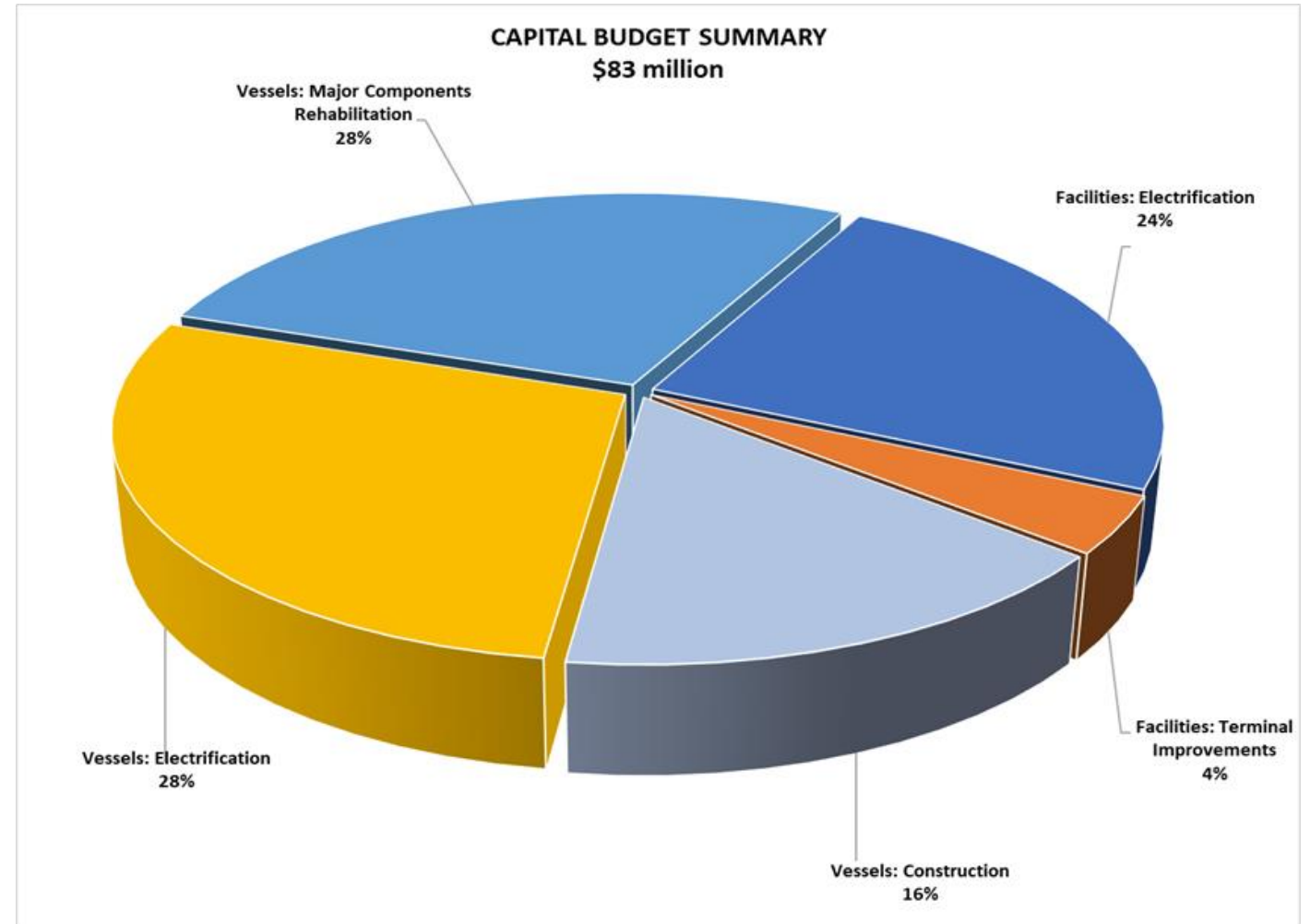
PLANNING AND ADMINISTRATION: WORK PLAN

Budget highlights more than 15 initiatives and areas of focus:

- Pilot project management
- Stepped up emergency response planning
- Passenger experience initiatives
- Business plan and Terminal Access plan
- Workforce development.....and beyond

CAPITAL PROJECTS

- \$83 million in FY25
- \$275 million funded total capital program included



CAPITAL PROJECTS

Funding for FY25:

Capital Revenues	Total	% of Total
	(in Millions)	
Federal Funds	\$ 43.7	53%
State Funds	\$ 23.2	28%
Bridge Tolls	\$ 15.2	18%
Local Dedicated/Other	\$ 0.7	0.9%
Total Revenues	\$ 82.9	

CAPITAL PROJECTS

Proposed spending of \$82 million

- 18 ongoing projects
- 10 additional projects
- \$36.7 million related to Vessels, including new electric vessels
- \$19.6 million for electrification of facilities/terminals
- \$25.5 million investment in state of good repair projects

RESERVES

Budget Implements Approved Policy

- Transfer of Fare Revenue to Reserve Account: \$8.4 million
- Added to \$9.5 million current balance results in internal Operating& Capital reserve of \$17.9 million

	INTERNAL ACCOUNTS		EXTERNAL ACCOUNTS			
	OPERATING AND CAPITAL RESERVE		STA/RM3 BALANCE		RM1 BALANCE	
	Amount	Location	Amount	Location	Amount	Location
Proposal	\$17.9 million	WETA LAIF	\$4.5 million*	STA - MTC	\$12 million	RM1 - MTC
	\$11.9 million + \$6 million	Operating Capital	\$60 million	RM3 - MTC		

THANK YOU