

Members of the Board

James Wunderman, Chair
Monique Moyer, Vice Chair
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Jeffrey DelBono
Pippin Dew

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

Thursday, August 8, 2024 at 1:00 p.m.

**Port Commission Hearing Room
Ferry Building, Second Floor
San Francisco, CA**

and

Videoconference

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AGENDA

1. CALL TO ORDER
2. ROLL CALL/PLEDGE OF ALLEGIANCE
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
 - i. Pilot Service Update
 - ii. Electric Vessel Procurement
 - iii. FTA Triennial Review
 - iv. Plan Bay Area 2050+
 - b. Monthly Review of Financial Statements
 - c. Federal Legislative Update
 - d. State Legislative Update
 - e. Monthly Operations, Ridership, and Recovery Report
6. CONSENT CALENDAR **Action**
 - a. Approve Board Meeting Minutes – July 11, 2024
 - b. Authorize the Filing of an Application with the Metropolitan Transportation Commission for \$18,000,000 in Regional Measure 3 Capital Funds
 - c. Approve Sole Source Contract Award to Pacific Power Group, LLC for Main Engine Preventative Maintenance Services

**Water Emergency Transportation Authority
August 8, 2024 Meeting of the Board of Directors**

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|-----|--|--------------------|
| 7. | <u>AUTHORIZE SUBMITTING AN APPLICATION FOR FTA FORMULA FUNDING FOR FISCAL YEARS 2024/25-2028/29 WITH SF BAY FERRY TRANSIT CAPITAL PRIORITIES</u> | Action |
| 8. | <u>ADOPT SUSTAINABILITY POLICY</u> | Action |
| 9. | <u>BOARD WORKSHOP: EXPANDING THE BAY AREA MARITIME INDUSTRY</u> | Information |
| 10. | <u>PUBLIC COMMENTS FOR NON-AGENDA ITEMS</u> | |

ADJOURNMENT

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

PUBLIC COMMENTS WETA welcomes comments from the public.

If you know in advance that you would like to make a public comment during the meeting, 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. Comments will also be accepted in real time. 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 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: August 8, 2024

RE: Executive Director's Report

Pilot Services Update

Redwood City Ballpark Service

The Redwood City Ballpark Service Pilot Project is part of the Pilot Service Program overseen by the Pilot Service Committee (Directors DelBono and Dew). The committee endorsed this project as one of three pilots for FY 2025. This pilot successfully launched on July 28 with service before and after the San Francisco Giants' game against the Colorado Rockies. The service carried a total of 270 fans. The next service is scheduled for August 11. A full report will be produced by staff at the conclusion of the pilot.

Sea Change Hydrogen Ferry

The agency hosted the Sea Change Hydrogen Ferry Demonstration Project launch event on July 12 featuring U.S. Representatives Kevin Mullin and Jared Huffman in addition to state and local elected officials and representatives from project partners. Following this event, which garnered significant media attention, the agency successfully launched public service on the Pier 41 Short Hop route on July 19, with Sea Change carrying several hundred passengers over the first three days of service. A mechanical issue on the vessel forced the temporary suspension of service beginning July 26. A planned drydock beginning August 6 will force suspension of the service for August 9-11. The agency hosted staff onboard from Governor Newsom's administration on July 25 and is scheduling additional tours through the end of summer and into the fall.

Oakland Alameda Water Shuttle

The Oakland Alameda Water Shuttle successfully launched on July 17 with approximately 750 riders onboard the first day of service. Unfortunately, due to damage to the vessel, the shuttle was suspended around 5:30 PM on July 17 so that critical repairs and inspections could be performed. Blue & Gold Fleet staff worked around the clock to make repairs and implement a plan to prevent further damage to the vessel. Service resumed the morning of July 19. More than 3,000 passengers used the shuttle in the first week of service, with approximately half of the trips that week reaching full capacity. Staff continues to work closely with Blue & Gold Fleet personnel and its partners at the City of Alameda, CIM Group and the Alameda TMA to optimize service and terminal information.

Plan Bay Area 2050+

Plan Bay Area 2050+ represents the required four-year update to Plan Bay Area 2050, the long-range, fiscally constrained regional plan for transportation that satisfies the Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) requirements for the nine-county San Francisco Bay Area. At the July 22 meeting of the Regional Network Management Council, MTC presented its proposed network of transit projects to be included in Plan Bay Area 2050+. Of note, the draft network includes electrification and frequency enhancement of SF Bay Ferry's existing services but does not include the Berkeley or Redwood City Ferry Terminal expansion projects. Omission of these projects from the Plan could impact SF Bay Ferry's ability to secure future Federal and state funds for the projects, as well as future regional discretionary funds such as Regional Measure 3. During the July 22

meeting, several Councilmembers and members of the public expressed concern about the omission of the Berkeley and Redwood City projects. Staff has submitted an extensive list of comments and questions to MTC regarding the status of the projects and is awaiting a formal response. Staff will continue to work with MTC staff to ensure that the Berkeley and Redwood City projects receive fair consideration in the final Plan Bay Area 2050+ transit network that is presented to the MTC Planning Committee & ABAG Administrative Committee for adoption in September.

Electric Vessel Procurement

On April 11, 2024, the board authorized the release of a request for proposal (RFP) for design and construction of three 149 passenger battery electric vessels. Staff released the RFP on July 12, 2024. On July 22, 2024 staff held a virtual pre-proposal conference and received interest from several qualified vendors and shipyards. The conference provided a valuable opportunity to clarify RFP requirements and address bidder questions and concerns. The open dialogue and constructive feedback we received will undoubtedly strengthen the process. Staff will continue to support potential bidders throughout the process, answering questions and clarifying requirements. Proposals are due on September 17, 2024 with an estimated board recommendation in October 2024.

TIRCP Cycle 7 Application

On July 23, staff submitted an application to the TIRCP program for the current Cycle 7. The Application requested \$12.5 million to support electrification of the Harbor Bay Terminal as part of a \$21.5 million program that has initial funding allocated from the California Energy Commission of \$4.9 million. The project would construct an electrified universal charging float and battery, electrical infrastructure system for both ferry vessels and automobiles as well as provide for facility modernization of the Harbor Bay Ferry Terminal in Alameda.

END

MEMORANDUM

TO: Board Members

**FROM: Seamus Murphy, Executive Director
Erin McGrath, Chief Financial Officer**

SUBJECT: Review of FY 2023/24 Financial Statements Ending June 30, 2024

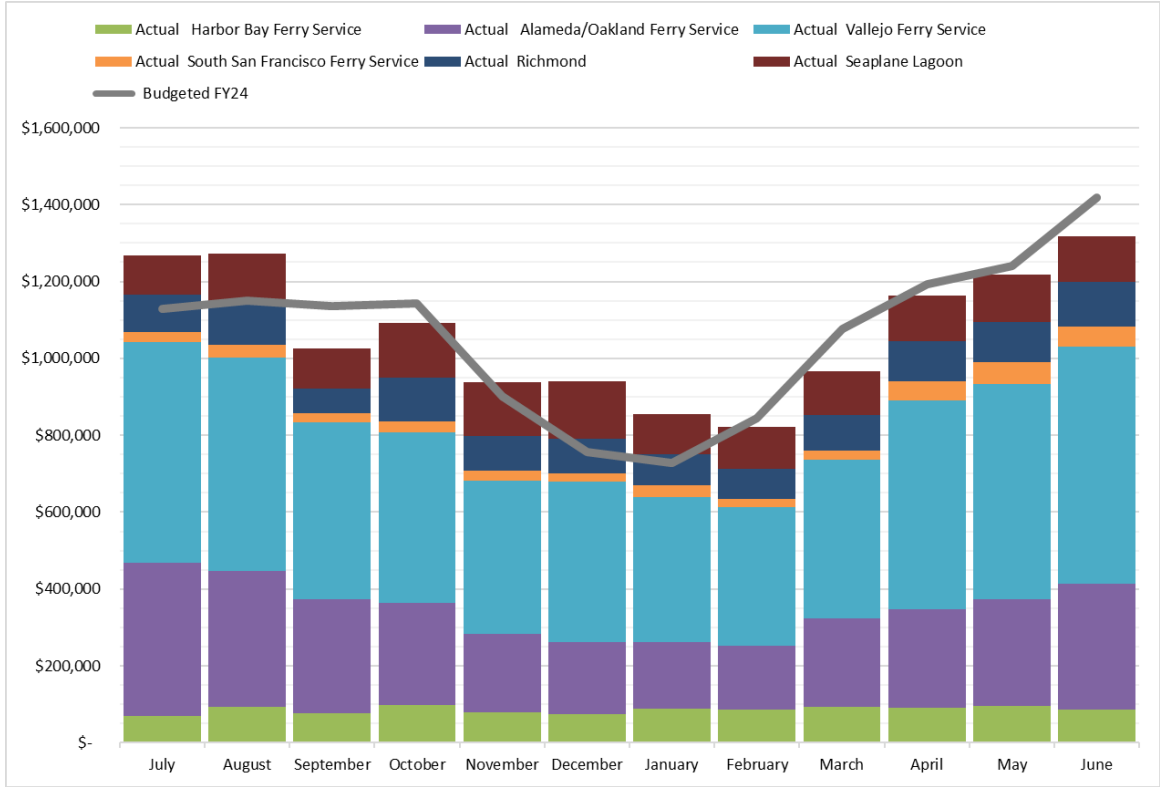
Recommendation

There is no recommendation associated with this informational item.

Financial Statements Summary

This report provides a summary of financial activity for Fiscal Year 2023/24. Actual revenue and expense are reflected as of June 30 against the Fiscal Year 2023/24 budget.

Revenue and expense to date for operations is \$60.9 million and is within the approved budget. Expenses closed below budget and fare revenue at year end was slightly higher than budget. The result is preservation of the use of RM3 in the year which will be available for next year. Fare revenue for the year is shown in the chart below:



The table below shows a summary of overall expense and revenue, with 100% of the fiscal year completed. Detail on year-end spending by category and route is included in the monthly financial reports attached.

Operating Budget vs. Actual	Year - To - Date		Annual	
	FY2022/23 Actual	FY2023/24 Actual	FY2023/24 Approved Budget	% of FY 2023/24 Budget
	Prior YTD	Current YTD		
Revenue:				
Fare Revenue	\$ 10,908,981	\$ 12,874,614	\$ 12,757,159	101%
Federal - COVID-19 Relief Funds	25,707,221	23,240,684	20,214,365	115%
Bridge Toll Revenues	14,994,243	17,065,945	25,759,450	66%
State Operating Assistance	42,000	2,946,748	3,238,254	91%
Contra Costa Measure J	3,709,053	3,761,720	3,761,720	100%
Other Revenue	279,070	1,018,806	2,696,074	38%
Total Operating Revenues	\$ 55,640,567	60,908,518	\$ 68,427,022	89%
Expense:				
Ferry Services (all)	\$ 52,989,040	\$ 57,744,751	\$ 64,481,828	90%
Planning & Administration	2,651,526	3,163,767	3,945,194	80%
Total Operatings Expenses	\$ 55,640,567	\$ 60,908,518	\$ 68,427,022	89%
Farebox Recovery % (Regular Service)	21%	23%		

Capital Budget expenses, as shown below, are \$30.3 million to date. This past month expenses were incurred on the vessel replacements for the Bay Breeze and Solano, vessel component overhauls, design work on float electrification, and final payments related to the Alameda Main Street project.

Capital Budget vs. Actual	FY2023/24 Actual Current YTD	FY2023/24 Approved Budget	% of FY 2023/24 Budget
Revenue:			
Federal Funds	\$ 16,473,909	\$ 30,251,481	54%
State Funds	3,707,451	21,511,714	17%
Bridge Toll Revenues	6,083,452	17,896,391	34%
Other Revenues	4,003,618	4,471,710	90%
Total Capital Revenues	\$ 30,268,430	\$ 74,131,297	41%
Expense:			
Total Capital Expenses	\$ 30,268,430	\$ 74,131,297	41%

Investment Report

The total monthly balance held in both the Local Agency Investment Fund (LAIF) and our commercial bank as of June 30 is \$23,279,719. Attached to this report is the Quarterly Statement of Interest from LAIF showing the return on funds held in that account.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

San Francisco Bay Area Water Emergency Transportation Authority
FY 2023-24 Operating & Administration Revenue and Expense
Through the Month Ending 6/30/24

% of Year Elapsed 100%

	Jun-24 Actual	Year - To - Date		Total FY2023-24 Budget	Total Budget
		FY2022-23 Actual	FY2023-24 Actual		
OPERATING EXPENSE					
FERRY OPERATIONS:					
Harbor Bay Ferry Service (AHBF)					
Vessel Crew Labor	\$117,691	\$1,546,531	1,673,221	\$1,825,501	92%
Vessel Fuel	78,206	1,019,962	1,022,978	1,087,800	94%
Vessel Operations & Maintenance	155,547	515,134	836,633	830,241	101%
Facility Operations & Maintenance	65,430	636,861	784,438	798,286	98%
System Expense	99,240	743,366	793,151	1,008,100	79%
Total Harbor Bay Farebox Recovery - AHBF	\$ 516,113 17%	\$ 4,461,855 17%	\$ 5,110,422 20%	\$ 5,549,929 15%	92%
Alameda/Oakland Ferry Service (AOFS)					
Vessel Crew Labor	\$326,758	\$4,136,091	\$4,027,804	\$4,381,204	92%
Vessel Fuel	195,515	2,939,068	2,747,279	2,952,600	93%
Vessel Operations & Maintenance	214,018	1,101,444	1,218,986	1,169,544	104%
Facility Operations & Maintenance	174,908	1,762,394	2,039,478	2,056,349	99%
System Expense	273,805	2,190,878	2,140,308	2,545,914	84%
Total Alameda/Oakland Farebox Recovery - AOFS	\$ 1,185,004 28%	\$ 12,129,875 24%	\$ 12,173,854 26%	\$ 13,105,611 26%	93%
Vallejo Ferry Service (Vallejo)					
Vessel Crew Labor	\$366,069	\$4,621,024	\$4,665,307	\$4,928,854	95%
Vessel Fuel	430,132	6,697,510	6,299,587	\$7,148,400	88%
Vessel Operations & Maintenance	161,214	1,570,656	1,523,983	\$1,290,015	118%
Facility Operations & Maintenance	364,255	3,668,800	4,004,898	4,687,016	85%
System Expense	329,547	2,403,084	2,600,592	3,141,546	83%
Total Vallejo Farebox Recovery - Vallejo	\$ 1,651,217 37%	\$ 18,961,074 26%	\$ 19,094,367 30%	\$ 21,195,831 28%	90%
South San Francisco Ferry Service (SSF)					
Vessel Crew Labor	\$104,856	\$1,390,785	\$1,544,419	\$1,642,951	94%
Vessel Fuel	58,654	837,034	867,088	777,000	112%
Vessel Operations & Maintenance	195,853	439,701	1,065,620	929,482	115%
Facility Operations & Maintenance	60,162	634,452	745,968	761,156	98%
System Expense	80,127	425,179	583,478	860,610	68%
Total South San Francisco Farebox Recovery - SSF	\$ 499,652 10%	\$ 3,727,151 7%	\$ 4,806,572 8%	\$ 4,971,200 6%	97%
Richmond Ferry Service (Richmond)					
Vessel Crew Labor	\$235,382	\$3,121,836	\$3,088,581	\$3,285,903	94%
Vessel Fuel	127,084	2,038,239	1,885,573	2,175,600	87%
Vessel Operations & Maintenance	217,000	662,026	1,184,799	1,136,367	104%
Facility Operations & Maintenance	141,492	1,279,900	1,686,791	1,720,952	98%
System Expense	191,197	1,007,138	1,379,279	1,898,232	73%
Total Richmond Farebox Recovery - Richmond	\$ 912,155 13%	\$ 8,109,139 11%	\$ 9,225,023 12%	\$ 10,217,053 10%	90%

(continued on next page)

San Francisco Bay Area Water Emergency Transportation Authority
FY 2023-24 Operating & Administration Revenue and Expense
Through the Month Ending 6/30/24

% of Year Elapsed 100%

	Jun-24 Actual	Year - To - Date		Total FY2023-24 Budget	Total Budget
		FY2022-23 Actual	FY2023-24 Actual		
OPERATING EXPENSE (continued)					
Seaplane Lagoon Ferry Service (SPL)					
Vessel Crew Labor	\$156,921	\$1,978,454	\$2,159,454	\$2,190,602	99%
Vessel Fuel	87,982	1,368,851	1,327,761	1,398,600	95%
Vessel Operations & Maintenance	143,178	573,895	778,414	745,262	104%
Facility Operations & Maintenance	87,588	621,273	1,050,742	1,018,718	103%
System Expense	130,149	861,920	1,028,603	1,351,283	76%
Total Seaplane Lagoon Farebox Recovery - SPL	\$ 605,818	\$ 5,404,393	\$ 6,344,974	\$ 6,704,465	95%
	20%	20%	23%	18%	
Sub-Total Ferry Operations (Ongoing Service)	\$ 5,369,958	\$ 52,793,487	\$ 56,755,212	\$ 61,744,087	92%
<i>Farebox Recovery</i>	25%	21%	23%	21%	
Hydrogen Demonstration Project (Sea Change)	\$365,336.64	195,554	\$ 921,987	\$1,737,741	53%
Oakland Estuary Demonstration Project	\$20,858	N/A	67,552	\$1,000,000	7%
Subtotal Ferry Operations (All)	\$ 5,756,153	\$ 52,989,040	\$ 57,744,751	\$ 64,481,828	90%
PLANNING & ADMINISTRATION:					
Wages and Fringe Benefits	\$156,879	\$1,974,990	\$2,235,259	\$2,437,349	92%
Professional & Other Services	165,581	1,351,232	1,371,903	2,046,600	67%
Information Tech., Office, Supplies	310	65,959	39,297	148,800	26%
Utilities/Communications	1,865	36,766	21,614	31,700	68%
Insurance	1,929	23,718	27,177	25,508	107%
Dues, Memberships, Misc.	16,798	70,463	159,868	123,440	130%
Leases and Rentals	21,478	247,013	257,140	267,040	96%
Admin Overhead Expense Transfer	(62,989)	(1,118,615)	(948,491)	(1,135,242)	84%
Sub-Total Planning & Gen Admin	\$ 301,851	\$ 2,651,526	\$ 3,163,767	\$ 3,945,194	80%
Total Operating Expense	\$ 6,058,004	\$ 55,640,567	\$ 60,908,518	\$ 68,427,022	89%
OPERATING REVENUE					
Fare Revenue	\$1,318,137	\$10,908,981	\$12,874,614	\$12,757,159	101%
Federal Operating Assistance	-	25,707,221	23,240,684	20,214,365	115%
Regional - Bridge Toll	2,690,500	14,994,243	17,065,945	25,759,450	66%
State Operating Assistance	1,346,694	\$42,000	2,946,748	3,238,254	91%
Regional - Contra Costa Measure J	313,478	3,709,053	3,761,720	3,761,720	100%
Other Revenue	389,195	279,070	1,018,806	2,696,074	38%
Total Operating Revenue	\$ 6,058,004	\$ 55,640,567	\$ 60,908,518	\$ 68,427,022	89%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2023/24 Capital Revenue and Expense
Through the Month Ending 6/30/24

Project Description	Jun-24 Total	Total Project Budget	Prior Year Expense	Total FY2023/24 Budget	Year-To-Date FY2023/24 Actual	Total Future Year	% of Total Project Budget
CAPITAL EXPENSES:							
FACILITIES:							
Electrification							
Zero Emission Float Electrification	\$ 107,582	\$ 15,055,880	\$ 276,292	\$ 13,007,000	\$ 524,556	\$ 1,772,588	5%
Shoreside Electrical Initiative (Planning Phase)	5,793	2,541,685		2,417,000	48,030	124,685	2%
Terminal Improvement							
Terminal Rehabilitation - Alameda Main Street	530,407	9,760,000	1,779,132	7,980,868	8,040,524	0	101%
Passenger Float Rehabilitation - South San Francisco	2,322	908,500	601,192	190,250	35,174	117,058	70%
Terminal Dredging - Vallejo	2,798	2,842,000	-	2,842,000	2,280,170	-	80%
Terminal Reconfiguration - Vallejo	42,640	16,696,000	62,059	440,117	389,604	16,193,824	3%
Central Bay Terminal Expansion	2,537	1,849,000	937	550,000	7,104	1,298,063	0%
Passenger Float Rehabilitation - Pier 9		1,362,000	-	1,362,000	-	-	0%
Mission Bay Ferry Landing Project	6,688	6,000,000	-	6,000,000	57,285	-	1%
Berkeley Pier/Ferry Project		3,000,000	-	3,000,000	-	-	0%
Oakland Expansion Feasibility		900,000	-	900,000	-	-	0%
Temporary Floats (emergency)		445,000	-	445,000	-	-	0%
FERRY VESSELS:							
Vessel Construction							
New Commuter Class High-Speed Vessels - (Two)*		30,420,100	26,449,977	3,643,651	3,639,651	326,472	99%
All Electric Expansion Small Vessels	15,034	13,250,450	106,893	2,000,000	277,638	11,143,557	3%
Replacement Vessels - MV Bay Breeze and Solano*	1,531,067	37,902,400	11,652,246	13,571,957	9,718,893	12,678,197	56%
Replacement Vessel - MV Intintoli *	90,789	26,446,700	377,522	323,311	579,200	25,745,867	4%
Replacement Vessel - MV Mare Island*	5,639	26,500,000	-	20,000	28,540	26,480,000	0%
Vessel Acquisition - 28' Workboat		240,000	-	240,000	-	-	0%
Vessel Rehabilitation and Refurbishment							
Vessel Engines Conversion - Gemini Class Vessels **	39,086	N/A**	-	N/A**	127,659	-	0%
Vessel Mid-Life Refurbishment - MV Gemini	8,296	4,488,000	-	4,488,000	20,275	-	0%
Vessel Waterjet System Upgrade - Pyxis Class Vessels		700,000	-	350,000	214,429	350,000	31%
Vessel Mid-Life Refurbishment & Engine Overhaul - MV Pisces		4,679,000	-	4,354,000	8,381	325,000	0%
Vessel Quarter Life Refurbishment - MV Hydrus		2,252,000	-	238,700	-	2,013,300	0%
Engine Overhauls - FY22/FY23	364,190	2,235,000	907,191	1,129,943	913,382	197,867	81%
Engine Overhauls - FY24	542,092	2,010,000	-	1,900,000	1,715,684	110,000	85%
Major Waterjet Projects	7,820	1,404,500	-	1,404,500	1,128,808	-	80%
Spare Parts	95,590	1,333,000	-	1,333,000	513,443	-	39%
Total Capital Expenses	\$3,400,370	\$215,221,215	\$42,213,440	\$74,131,297	\$30,268,430	\$98,876,477	
CAPITAL REVENUES:							
Federal Funds	\$ 2,073,026	\$ 112,197,402	\$ 12,109,513	\$ 30,251,481	\$ 16,473,909	\$ 69,836,408	25%
State Funds	446,989	54,168,310	22,276,784	21,511,714	3,707,451	10,379,812	48%
Regional - Bridge Toll	308,324	43,183,154	6,626,505	17,896,391	6,083,452	18,660,258	29%
Local	572,031	5,672,349	1,200,638	4,471,710	4,003,618	0	92%
Total Capital Revenues	\$ 3,400,370	\$ 215,221,215	\$ 42,213,440	\$ 74,131,297	\$ 30,268,430	\$ 98,876,477	

* Within project budget but exceeds FY24 projected payments; will be adjusted as part of FY25 reporting

** Retention Payments from Authorized FY23 Project Occuring after Close of FY23

San Francisco Bay Area Water Emergency
Transportation Authority
June 2024 Investment Report

	Jun-24
Bank of America (Checking)	\$ 1,117,371
Bank of America (Measure B/BB)	6,729,183
Local Agency Investment Fund (LAIF)	15,433,165
Total	\$ 23,279,719



MALIA M. COHEN
California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name SAN FRANCISCO BAY AREA WATER

Account Number



As of 07/15/2024, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 06/30/2024.

Earnings Ratio		.00012419067099490
Interest Rate		4.55%
Dollar Day Total	\$	1,579,266,512.42
Quarter End Principal Balance	\$	15,433,164.70
Quarterly Interest Earned	\$	196,130.17

TO: SF Bay Ferry Board Members

**FROM: Peter Friedmann, SF Bay Ferry Federal Legislative Representative
Ray Bucheger, SF Bay Ferry Federal Legislative Representative
Madison Hite, SF Bay Ferry Federal Legislative Representative**

SUBJECT: SF Bay Ferry Federal Legislative Board Report – August 2024

This report covers the following topics:

- EPA Clean Ports Grant Program Calls of Support
- FTA Ferry Passenger Grant Program Letters of Support
- FY25 Appropriations Bills

EPA Clean Ports Program Letters of Support

SF Bay Ferry worked with the Bay Area Congressional Delegation to garner letters of support for the joint application with the Port of San Francisco requesting \$55 million from the Environmental Protection Agency's Clean Ports Grant program for the San Francisco Zero Emission Ferry Project. We received letters from the Bay Area Congressional delegation, including Senator Padilla, Senator Butler, Congresswoman Eshoo, Congressman Huffman, Congressman Mullin, Speaker Emerita Pelosi, Congresswoman Lee, and Congressman Garamendi. We are currently working to get key members of the delegation to make calls to EPA Administrator Michael Regan in support of the project. We expect EPA to announce awards later this summer.

FTA Ferry Passenger Grant Program Letters of Support

SF Bay Ferry is working with the Bay Area Congressional Delegation to garner letters of support for SF Bay Ferry's \$11.5 million application for funding from the FTA's Ferry Passenger Grant program to increase passenger capacity on two electric ferry vessels. To date, we have received letters of support from Congressman Garamendi, Speaker Emerita Pelosi, Congresswoman Lee, Congressman Mullin, Congressman Huffman, Congressman Thompson, and Congressman DeSaulnier. We have requests pending with Senators Padilla and Butler. We are continuing to connect with the delegation to ensure that all members understand the importance of the project and continue to support the project.

FY25 Appropriations Bills

The House and Senate Appropriations Committees have taken up and passed most of the 12 appropriations bills that fund federal government agencies and departments. While the Transportation-HUD bills have not made it to the floor in either chamber, we could see House

and/or Senate action in September, after the August Congressional work period (Congress will reconvene after Labor Day).

While the new federal fiscal year begins on October 1, we do not expect Congress to finish work on any of the appropriations bills. Rather, we fully expect Congress to take up and pass a Continuing Resolution (CR) to ensure federal government agencies can continue carrying out their duties. While we expect the CR to extend into the post-election lame duck session of Congress in December, it is not clear if Congress will be able to complete work on the FY25 appropriations process by the end of the year.

Congressionally Directed Spending

The FY25 Transportation-HUD bills did not include funding SF Bay Ferry requested for Treasure Island Grid Connection. While this is disappointing, the lack of funding this year is likely due to the fact that SF Bay Ferry secured Congressionally Directed Spending the previous two fiscal years. Because there is so much demand for Congressionally Directed Spending (CDS) and because the California Congressional delegation receives such a large number of requests, most organizations don't receive funding in consecutive years.

Additional Funding Included for FTA Ferry Program

The Senate Transportation-HUD Appropriations bill includes an additional \$33 million for the Section 5307(h) FTA Ferry Boat Program. The bill requires that at least \$10 million be available for low or zero emission ferries. This is on top of the \$30 million that is available through the surface transportation bill. This funding was included in the bill in part because of our continued advocacy on the Hill – we worked with the California Congressional delegation to encourage Senate Appropriations Committee Chair Patty Murray (D-WA) to include this funding and we encouraged other public ferry operators to lobby their own members of Congress. The more funding that is available through this program, the more likely we are to be able to direct funding back to SF Bay Ferry.

The House Transportation-Hud bill did not include additional funding for any programs under the Transportation Infrastructure Grants (transit grants) account, which is not entirely surprising. Similar to last year, Republican leadership implemented major cuts across all the appropriations bills.

Respectfully Submitted,
Peter Friedmann, Ray Bucheger and Madison Hite



1415 L Street
Suite 1000
Sacramento
CA, 95814
916-446-4656

July 29, 2024

TO: Board of Directors - San Francisco Bay Area Water Emergency Transportation Authority

FM: Matt Robinson, Partner
Michael Pimentel, Legislative Advocate

RE: **STATE LEGISLATIVE UPDATE – August 2024**

General Update

July 3 marked the last day for policy committees to hear bills in the final year of the 2023-24 Legislative Session. Upon adjournment of session on July 3, the Legislature entered its Summer Recess. This break in the legislative session will afford legislators with the opportunity to return to their districts for regional and local events and to participate in domestic and international study missions on issues of importance to Californians. During this break, no bill hearings or floor votes will be held. The Legislature will reconvene from Summer Recess on August 5.

Upon the Legislature's return to the Capitol, hearings in the Legislature's fiscal committees will resume; these committees will have until August 16 to hear and report bills to the floors of each house. After the fiscal deadline and two weeks of Floor session, the Legislature will break for its Final Recess of the 2023-24 Legislative Session on August 31. For more information about key legislative and budget deadlines, see the adopted 2024 Legislative Calendar available [here](#).

Update on Spending Freeze

As we reported last month, on June 29, Governor Newsom signed [SB 108 \(Wiener\) \[Chapter 35, Statutes of 2024\]](#), the Budget Bill Jr. of 2024, and a series of trailer bills to implement policy provisions related to the budget. SB 108 amends [AB 107 \(Gabriel\) \[Chapter 22, Statutes of 2024\]](#), the earlier budget bill sent to the Governor by the Legislature on June 13 and signed on June 26, to reflect final negotiations and agreement between Governor Newsom and the Legislature. Additionally, on July 2, the Governor signed [AB 173 \(Gabriel\) \[Chapter 53, Statutes of 2024\]](#), the transportation trailer bill, which includes language prioritizing funding for previously awarded grade separations projects as well as language establishing new reporting requirements for agencies to be eligible for SB 125 funds in future budget years, and language authorizing additional opportunities for CalSTA to update the SB 125 guidelines.

With the Budget Act of 2024 adopted, and funding for the formula-based Transit and Intercity Rail Capital Program and Zero-Emission Transit Capital Program affirmed in it, on July 8, Governor Newsom announced the lifting of the temporary state spending freeze, implemented on April 29. As you will recall, this spending freeze had paused the release of the first tranche of formula-based TIRCP and

ZETCP funding approved in the Budget Act of 2024. This funding totaled \$2.4 billion and was scheduled to be released no later than April 30.

As of the drafting of this report, the California State Transportation Agency has processed \$1.9 billion of this \$2.4 billion total, including \$534.75 million for the Metropolitan Transportation Commission. The remaining portion of this funding is expected to be released to regional entities statewide no later than August 31, 2024.

Update on Sponsored Legislation

[AB 2061 \(Wilson\)](#) is set for hearing in the Senate Appropriations Committee for August 12. As a reminder, this bill would create through January 1, 2030, a sales and use tax exemption for zero-emission ferries purchased by public transit agencies.

In advance of this hearing, we are working with WETA staff to secure meetings with committee leadership, members, staff and to secure and file letters of support from the bill's co-sponsors and supporters.

Update on Constitutional Measures – ACA 1 and ACA 10

The California Transit Association (to which WETA belongs) and transit agencies across the state have long-supported [ACA 1 \(Aguiar-Curry\) \[Chapter 173, Statutes of 2023\]](#), which, if passed by the voters on the November 2024 ballot, would have lowered the voter-threshold from two-thirds to 55 percent for local revenue measures, including special taxes, property-related fees, and bonds, to fund housing and public infrastructure, including improvements to transit. ACA 1 passed the Legislature in 2023.

In the final days of session before the Legislature adjourned for summer recess, the Legislature passed [ACA 10 \(Aguiar-Curry\) \[Chapter 134, Statutes of 2024\]](#) by a super-majority in both houses, which will replace ACA 1 on the November 2024 ballot, and if passed by voters, would advance a scaled back version of ACA 1. Specifically, ACA 10 would lower the voter-threshold from two-third to 55 percent for local bonds to fund affordable housing and public infrastructure only, removing all references to special taxes and property-related fees in ACA 1.

CalSTA's Transit Transformation Task Force Holds Fifth Meeting

The California State Transportation Agency will hold its fifth Transit Transformation Task Force meeting on August 29 in Los Angeles. This upcoming meeting is expected to address the topics of workforce recruitment, retention, and development issues and Transportation Development Act reform.

As a reminder, SF Bay Ferry's Chair, Jim Wunderman and Executive Director Seamus Murphy are members of this Task Force. Executive Director Murphy is also informing the Task Force's work through his direct participation and through the California Transit Association (which he helps lead as an Executive Committee member). To support its participation in this meeting and all future meetings, the Association surveyed its members and the members of the California Association for Coordinated Transportation on the challenges / barriers they face in delivering improvements transit service and sought recommendations for breaking past them. This survey covered the topics that will be reviewed by the Task Force over its duration. Before each meeting, the Association works with an internal advisory body, which includes participation by Executive Director Murphy, to review the survey results

and to develop recommendations (on the topics to be covered at the upcoming meeting) for delivery to the Task Force.

The Task Force is subject to the state's open meeting requirements for state bodies, known as Bagley-Keene, and as such, all agenda materials are available on [CalSTA's website](#).

Sponsored Legislation

AB 2061 (Wilson) State Sales Tax Exemption: Zero-Emission Ferries (SPONSOR)

This bill would, through January 1, 2030, exempt the purchase of zero-emission ferries by public transit agencies from the state portion of the sales and use tax.

Legislation of Interest

SB 532 (Wiener) Bridge Toll Increase for Transit Operations

This bill, as currently drafted, would temporarily raise tolls on seven state-owned bridges in the Bay Area by \$1.50 for five years, generating approximately \$180 million annually. SB 532 would direct this revenue to the Metropolitan Transportation Commission to help eligible transit operators avoid service cuts and maintain operations and to transform transit service pursuant to MTC's adopted Transit Transformation Action Plan, or to make specific safety, security, reliability, or cleanliness improvements. SB 532 is co-authored by a group of lawmakers, including Senators Cortese and Becker, and Assembly Members Haney, Ting, Lee, Bonta, and Wicks. **This bill was gutted-and-amended to address a new topic — parking.**

SB 960 (Wiener) Complete Streets Projects on the State Highway System

On complete streets, this bill would require all transportation projects funded or overseen by Caltrans to provide complete streets facilities unless exempt pursuant to the bill. It would also require the targets and performance measures adopted by the California Transportation Commission to include within the SHOPP asset management plan objective targets and measures reflecting state transportation goals and objectives, including for complete streets assets on the state highway system. This bill would also require Caltrans' performance report to include a description of complete streets facilities on each project. Lastly, this bill would require Caltrans to develop and adopt a project intake, evaluation, and encroachment permit review process for complete streets facilities that are sponsored by a local jurisdiction or transit agency. As a part of this process, Caltrans would be required to designate an encroachment permit manager in each district to oversee the review of complete streets facilities applications. Caltrans would then be required to produce a report on the project applications submitted for complete streets facilities.

On transit priority projects, this bill would require the Director of Transportation to, on or before July 1, 2027, adopt a transit priority policy to guide the implementation of transit priority facilities on the state highway system. The bill would also require the Caltrans-prepared State Highway System Management Plan (SHSMP) to include specific and quantifiable accomplishments, goals, objectives, costs, and performance measures for transit priority facilities consistent with SHOPP asset management plan and Caltrans' most recent policy.

SB 1031 (Wiener) Bay Area Transportation Regional Measure / Transit Consolidation

This bill would provide the Metropolitan Transportation Commission with the authority to propose a regional measure to fund transportation, dubbed Connect Bay Area. Additionally, the bill, as currently in

print, includes provisions for transit governance and targets for transit operations; provides clear control for MTC over both historical transit formula funding (STA and LTF), as well new measure money, and condition access to those funds on adherence to the abovementioned governance structure and operational targets; and requires CalSTA to conduct a study to consolidate all of the transit agencies in the Bay Area. As noted above, the bill will soon be amended to reflect terms approved by the Senate Transportation Committee. **This bill is not moving forward this year.**

AB 1837 (Papan) San Francisco Bay Area: Public Transportation

Modeled after the work underway at MTC, this bill would create the Regional Network Management Council as an 11-member council to provide leadership and critical input on regional transit policies, and to provide executive guidance on regional transit policies and actionable implementation plans in pursuit of transformative improvements in the customer experience San Francisco Bay area transit.

AB 2824 (McCarty) Transit Employee Assaults

This bill would have created parity in the enhanced penalties levied against individuals who commit assault or battery against a public transit operators and ticketing agents and all other transit employees and contractors. This bill will not move forward this year. This bill was co-sponsored by the California Transit Association. **This bill is not moving forward this year.**

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Michael Gougherty, Director of Planning
Timothy Hanners, Director of Project Delivery & Engineering
Thomas Hall, Director of Operations & Customer Experience
Gabriel Chan, Transportation Planner
Joseph Ramey, Project Development & Controls

SUBJECT: Monthly Operations, Ridership, and Recovery Report – August 2024

Background

Operations

Following the implementation of the new Swiftly system for ridership and service operations data in January 2023, staff are now able to develop accurate on-time performance and reliability reports. Staff will now aggregate and publish this data in the Monthly Operations, Ridership, and Recovery Report.

The following metrics are now included in this report:

- **On-Time Trips:** Trips arriving early, on-time, or less than five minutes after the scheduled arrival time.
- **Late Trips:** Trips arriving five minutes or more past the scheduled arrival time.
- **Cancelled Trips:** Cancelled trips not replaced by a substitute (backup) vessel.
- **On-Time Performance (OTP):** The percentage of total trips that arrived early, on-time, or less than five minutes after the scheduled arrival time.
- **Service Reliability:** The percentage of scheduled trips that were operated, after adjusting for trips cancelled.

In addition, staff will compare on-time performance and service reliability metrics of other ferry operators to those of SF Bay Ferry moving forward. On-time performance and reliability data will be sought from the following public ferry operators:

- Golden Gate Ferry
- Washington State Ferries
- Kitsap Transit
- Staten Island Ferry
- NYC Ferry
- Massachusetts Bay Transportation Authority (MBTA) Ferry

This new component of the monthly report will also inform potential initiatives that staff can pursue to improve on-time performance and reliability along with input from the Board and others.

Ridership Recovery

The WETA Pandemic Recovery Plan (Plan) began on July 1, 2021 with the enhancement of the Vallejo, Oakland & Alameda, and Richmond routes, the restart of the suspended Harbor Bay route, and the launch of the new Alameda Seaplane route. The following weekend also marked the relaunch of weekend service on the Vallejo, Oakland & Alameda, and Richmond routes. WETA relaunched the South San Francisco service in November 2021.

The Plan enhanced service during midday and weekend periods to reflect changing demands from regular commuters and recreational riders. Lower fares, more in line with parallel transit options such as BART or Transbay buses, is an additional feature of the Plan. This report provides a monthly update on ridership trends, comparisons to historical data and other regional transit operators, as well as upcoming service adjustments.

Discussion

Operations

Highlights:

- **On-time performance** averaged 97.3% systemwide January through July 2024, which was identical to the same period in 2023.
- On-time performance is generally consistent for weekends and weekdays, and across routes, with minor variations from month-to-month.
- On-time performance of the Vallejo weekend service has continued to struggle in recent months. Over the first three months of the year (January to March), on-time performance for the Vallejo weekend service was similar to other routes averaging 97.3% over this period. However, on-time performance for weekend Vallejo service declined moderately in April to 84.6% and then improved somewhat to 87.9% in May. On-time performance for the Vallejo weekend service declined to 77.6% in June and to 77.2% in July, suggesting there exists an issue that needs to be addressed to improve this service. The declining on-time performance for the Vallejo service is directly correlated with higher ridership experienced since April. Ridership in the spring of 2024 has exceeded pre-pandemic Vallejo weekend ridership. The operations team is currently working with B&GF to develop solutions to improve on-time performance of the Vallejo weekend service.
- The following include some preliminary solutions to improve the on-time performance of the Vallejo weekend service:
 - *Increase Scheduled Dwell Time.* Increase dwell time for peak Vallejo weekend trips to account for use by weekend passengers, who are recreation riders who are generally slower moving and less familiar with the boarding system compared to commuters. Consider increasing dwell time from 5 minutes to 10 minutes to improve on-time performance. This would need to be adjusted in a future bid cycle. Staff has included this potential solution in a list of future schedule change priorities.
 - *Increase Dockside Assistance for Unticketed Passengers.* Staff continues to work to enhance informational signage and website content to help new passengers navigate how to ride the ferry without Clipper or the SF Bay Ferry app. Staff has also directed B&GF to staff guest assistance representatives at the Vallejo Ferry Terminal for weekends with Giants day games. This has been in place since late June. Continued delays in July indicate that more work is needed in this area.
- The operations team will continue to monitor and track the performance of the weekend Vallejo Service and implement strategies to improve the on-time performance of this route. The team will keep the Board apprised of its progress towards improving this service.
- **Service reliability** averaged 99.5% systemwide January through July 2024 compared to 99.2% for the same period in 2023, a slight increase of 0.3 percentage points.
- There was a total of 155 trip segments cancelled in January through July combined, compared to 29,281 trip segments provided during these months. Cancelled trips represented 0.5% of total scheduled trips during this period. There was a total of three trip segments cancelled in July compared to six trip segments cancelled in June.

- With the recent addition of the Delphinus vessel, SF Bay Ferry now has 17 vessels in our fleet. This vessel provides additional capacity to maintain regular service, especially during periods where a vessel is out of service for repairs and regular maintenance.
- WETA has similar, if not higher, levels of on-time performance and reliability compared to other public ferry operators analyzed. WETA's on-time performance in 2023 averaged 96.8% compared to 94.4% for other selected public ferry operators considered in this report. WETA's reliability performance in 2023 averaged 99.4% compared to 98.6% for the other public ferry operators analyzed. WETA will continue to track and monitor this data in 2024 as it becomes available and will include first and second quarter 2024 performance metrics in the September Monthly Operations, Ridership, and Recovery Report.

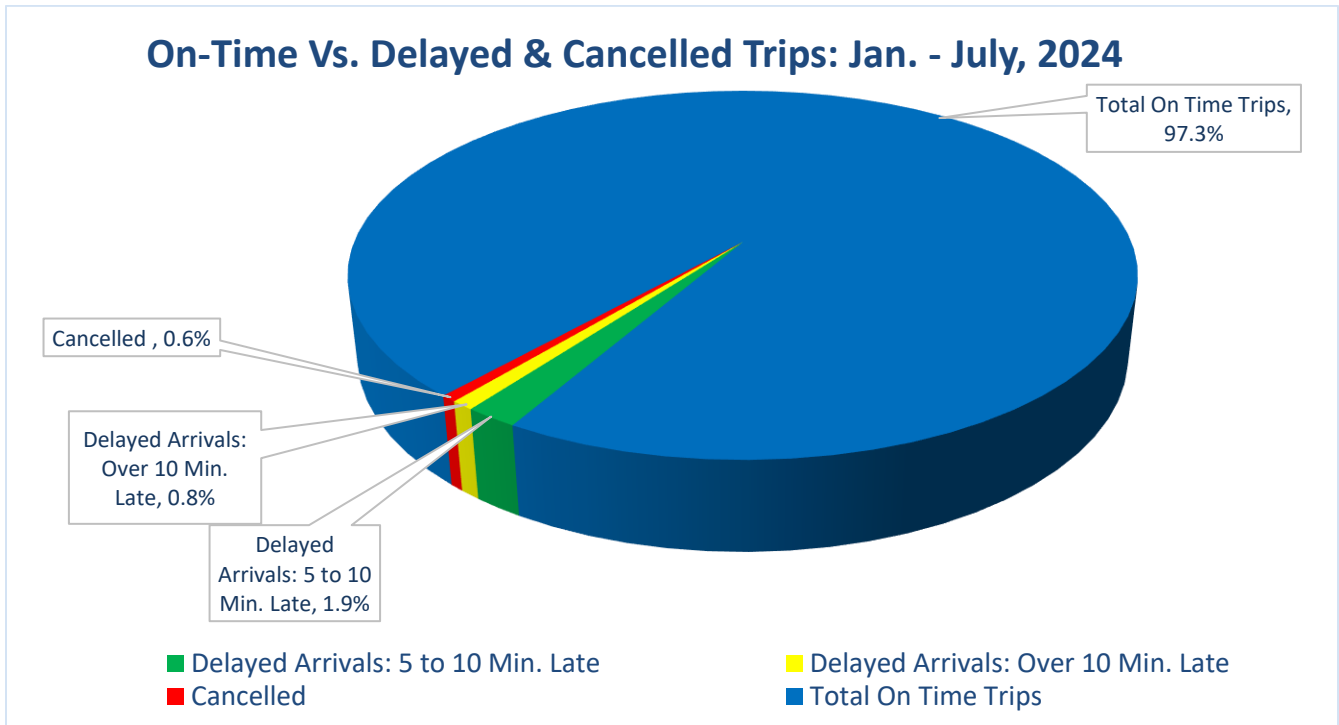
Ridership Recovery

Ridership for July 2024 was exceptionally strong, with over 270,000 total boardings. While all of the regular WETA services saw increases from last month, the opening of the Oakland Alameda Water Shuttle significantly boosted ridership on the system with over 7,000 boardings since the launch on July 17th. Also of note, Pier 41 service saw an almost doubling of riders in July compared to June and the inaugural Redwood City ballpark pilot service saw 270 boardings on its first trip. Saturday is now the 3rd highest ridership day of the week, only behind Wednesday and Tuesday.

Appendix A. Operations Data Summary

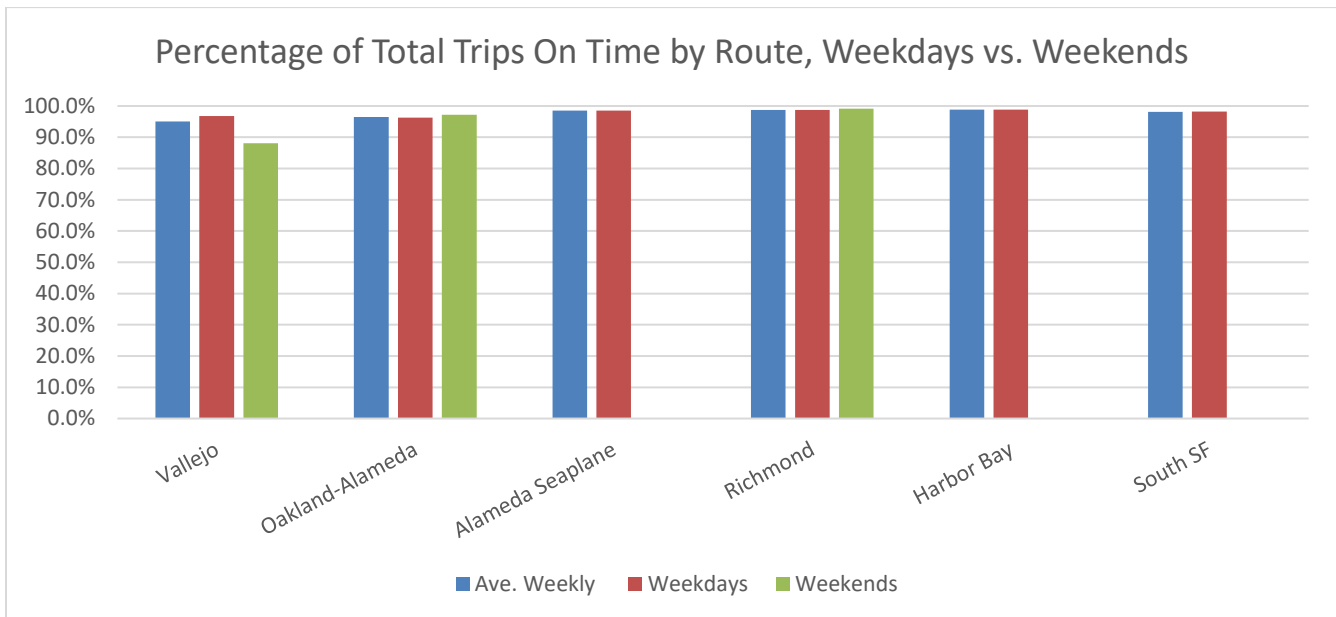
Percentage of Trips On-Time: Year-to-Date (January-July 2024)

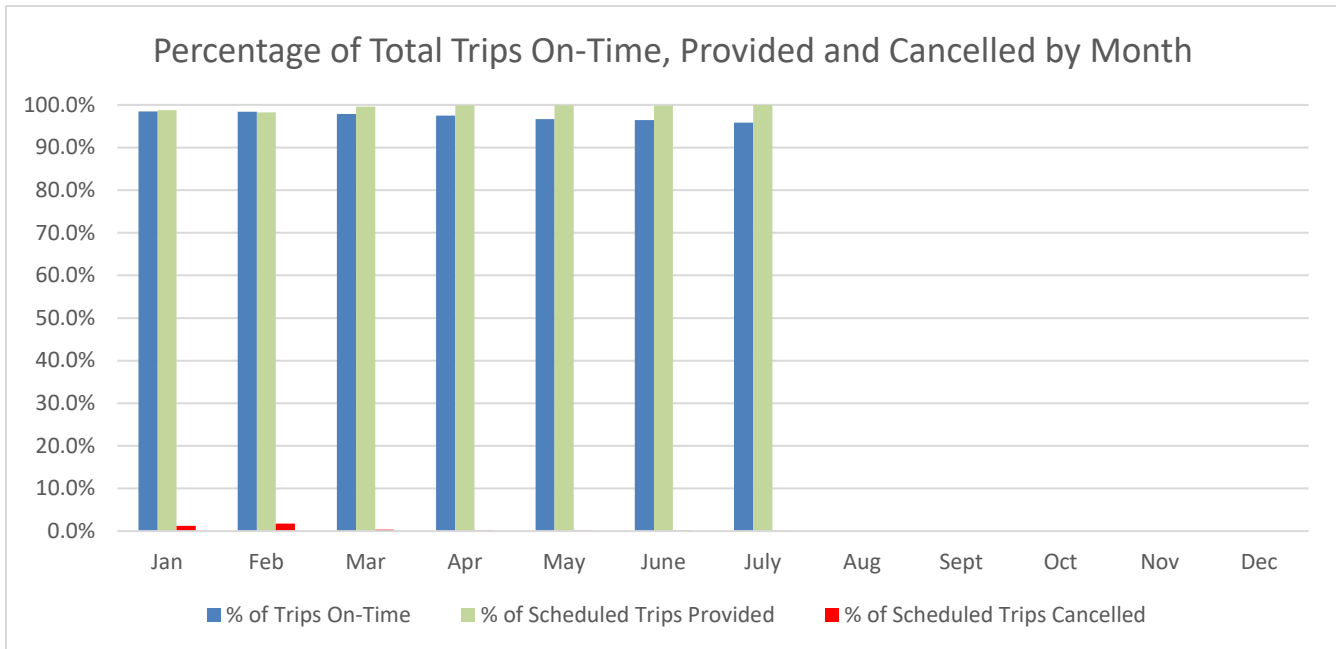
Route	Ave. Weekly	Weekdays	Weekends
Vallejo	95.0%	96.8%	88.1%
Oakland-Alameda	96.5%	96.3%	97.2%
Alameda Seaplane	98.5%	98.6%	Not Provided
Richmond	98.8%	98.7%	99.1%
Harbor Bay	98.9%	98.9%	Not Provided
South SF	98.1%	98.2%	Not Provided
Total System	97.3%	97.6%	95.4%



On-Time Performance & Reliability by Month (January to July 2024)

	% of Trips On-Time	% of Scheduled Trips Provided	% of Scheduled Trips Cancelled
January	98.5%	98.8%	1.2%
February	98.4%	98.3%	1.7%
March	97.9%	99.6%	0.4%
April	97.5%	99.9%	0.1%
May	96.7%	99.9%	0.1%
June	96.4%	99.9%	0.1%
July	95.8%	99.9%	0.1%
August			
September			
October			
November			
December			
Annual Average	97.3%	99.5%	0.5%





WETA On-Time Performance & Reliability Compared to Other Ferry Operators, Ave. Annual 2023*

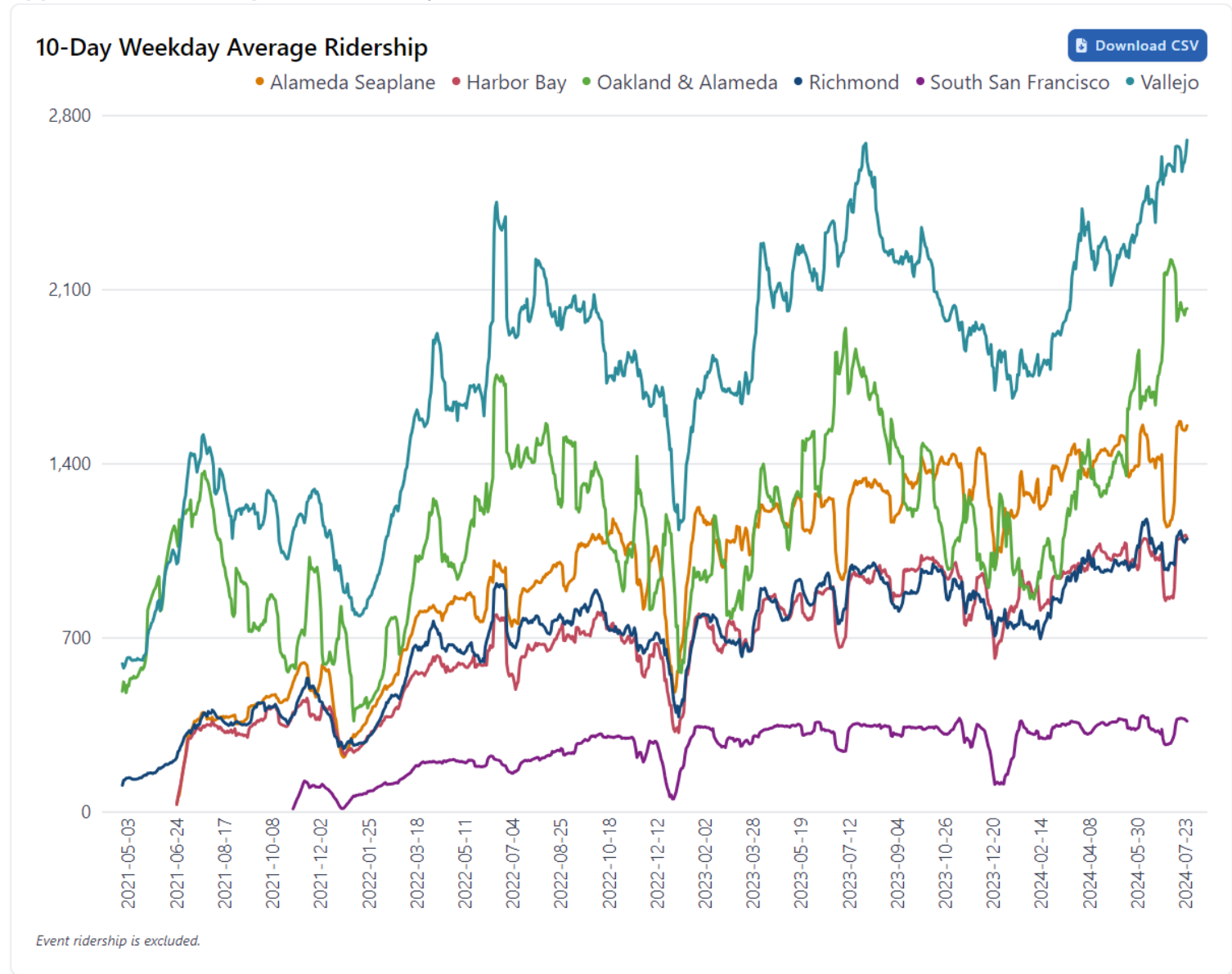
	% of Trips on Time	% of Scheduled Trips Provided
Golden Gate	96.5%	99.0%
Washington State Ferries	84.0%	97.8%
Kitsap Transit	98.0%	98.7%
Massachusetts Bay Transportation Authority	99.2%	99.4%
NYC Ferry (Jan.-July only)	83.3%	97.4%
Staten Island Ferry	94.2%	99.5%
Average of Comps**	94.4%	98.6%
WETA	96.8%	99.4%
BART (Jan-Sept. only)	72.7%	n/a
MUNI	82.5%	n/a
AC Transit	74.4%	n/a

* The definition of on-time performance varies among the other ferry and transit operators considered in this analysis. Some operators consider on-time performance based on late departures instead of late arrivals. Most operators define on-time trips as trips departing or arriving within 5 minutes of the scheduled departure or arrival time.

** Average excludes NYC Ferry data as that operator paused reporting on-time performance and reliability figures beginning in August 2023.

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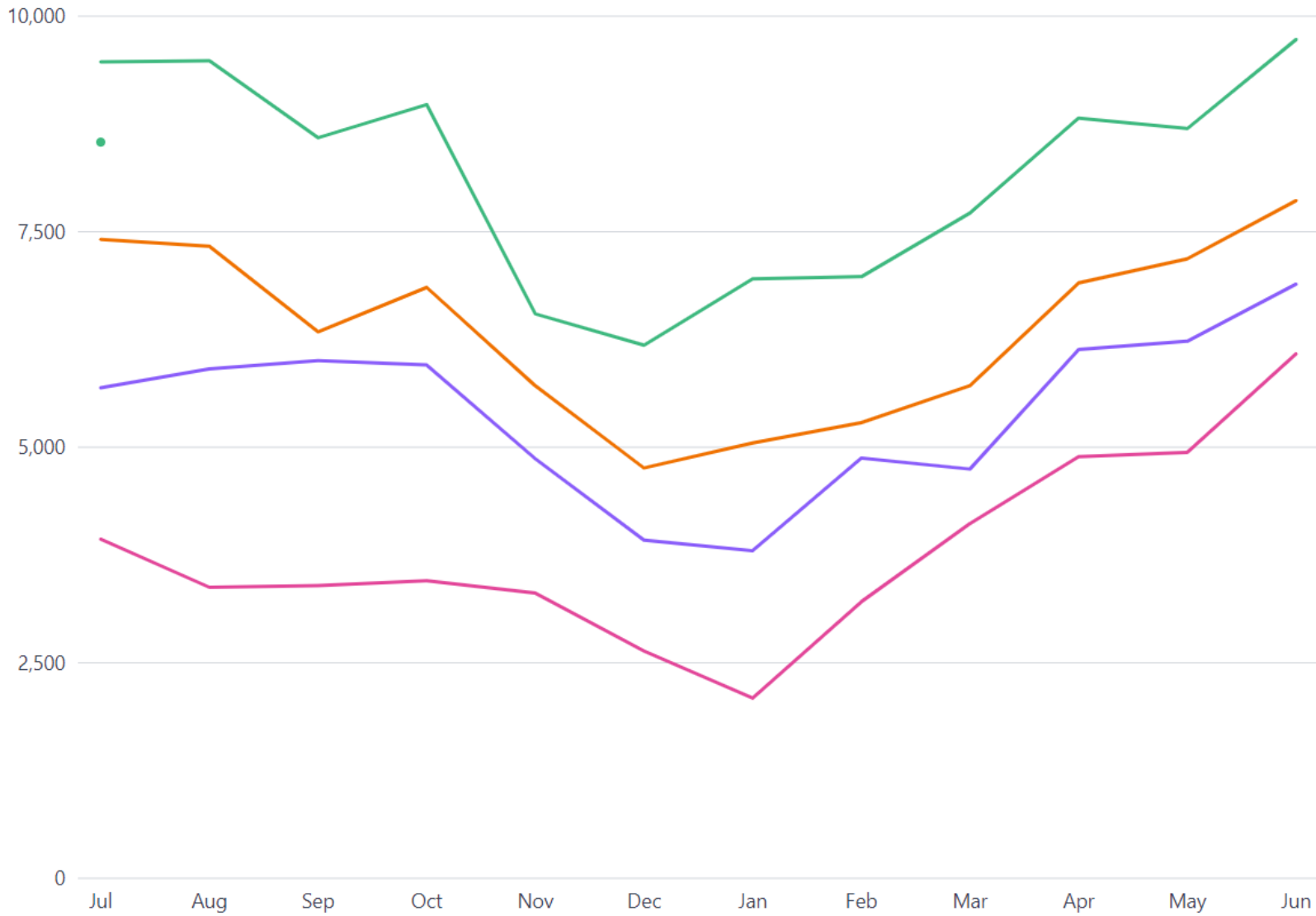
Appendix B. Ridership Data Summary



Average Daily Ridership By Month

[Download CSV](#)

FY2019 FY2022 FY2023 FY2024 FY2025

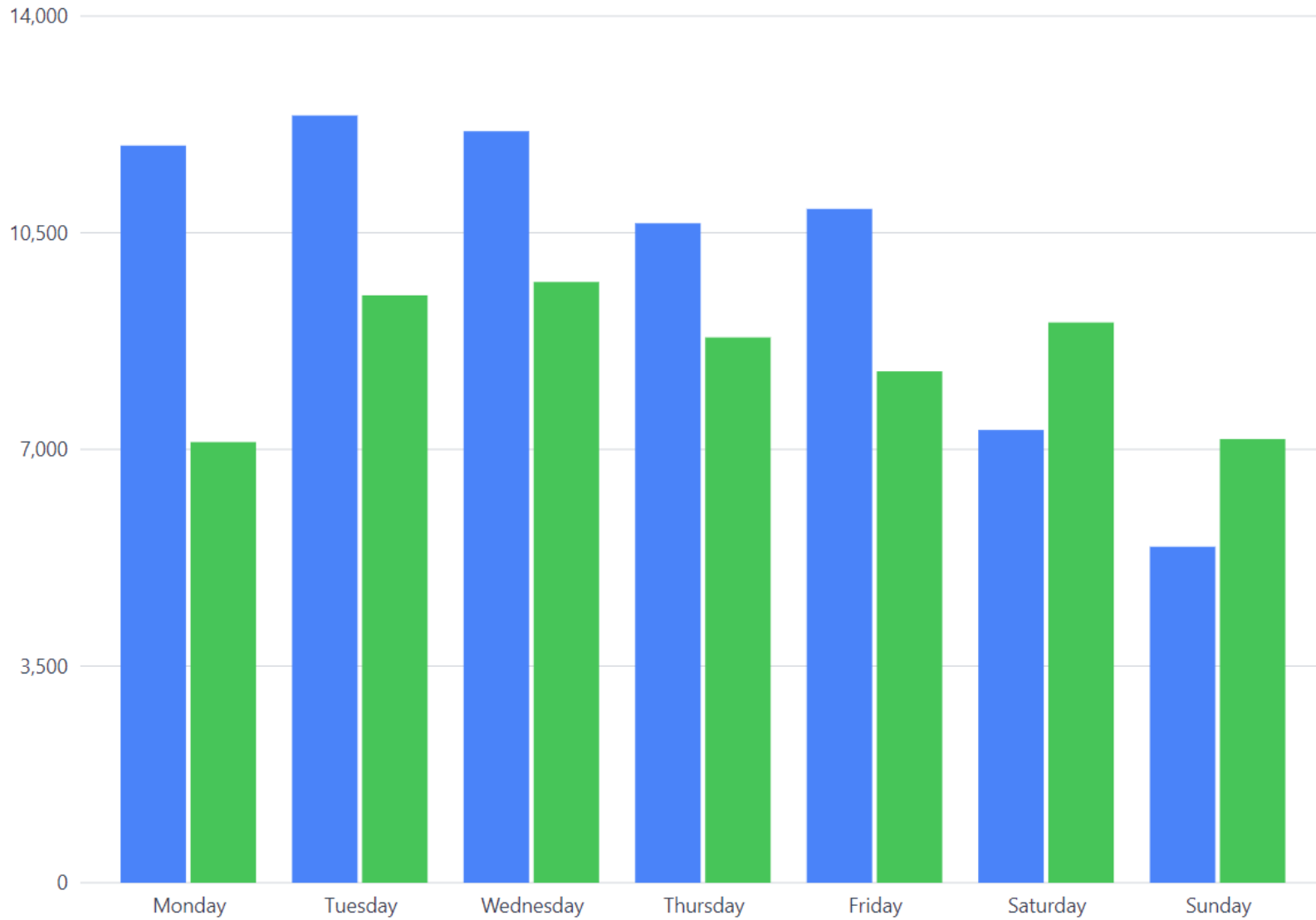


Event ridership is excluded.

Average Ridership by Day of Week Systemwide

[Download CSV](#)

• July 2019 • July 2024

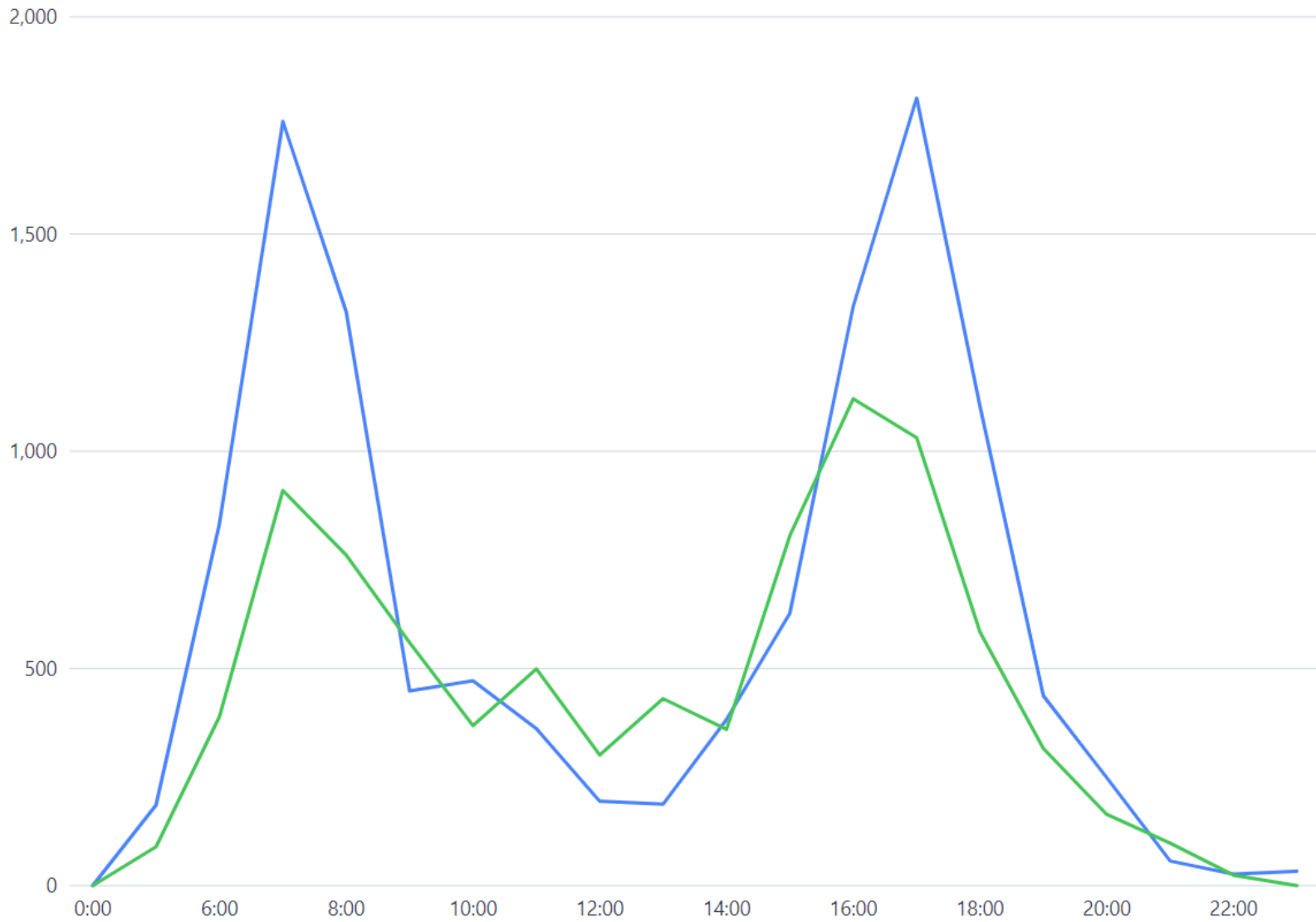


Event ridership is excluded. Holidays with no service are excluded.

Average Weekday Hourly Ridership

[Download CSV](#)

● July 2019 ● July 2024

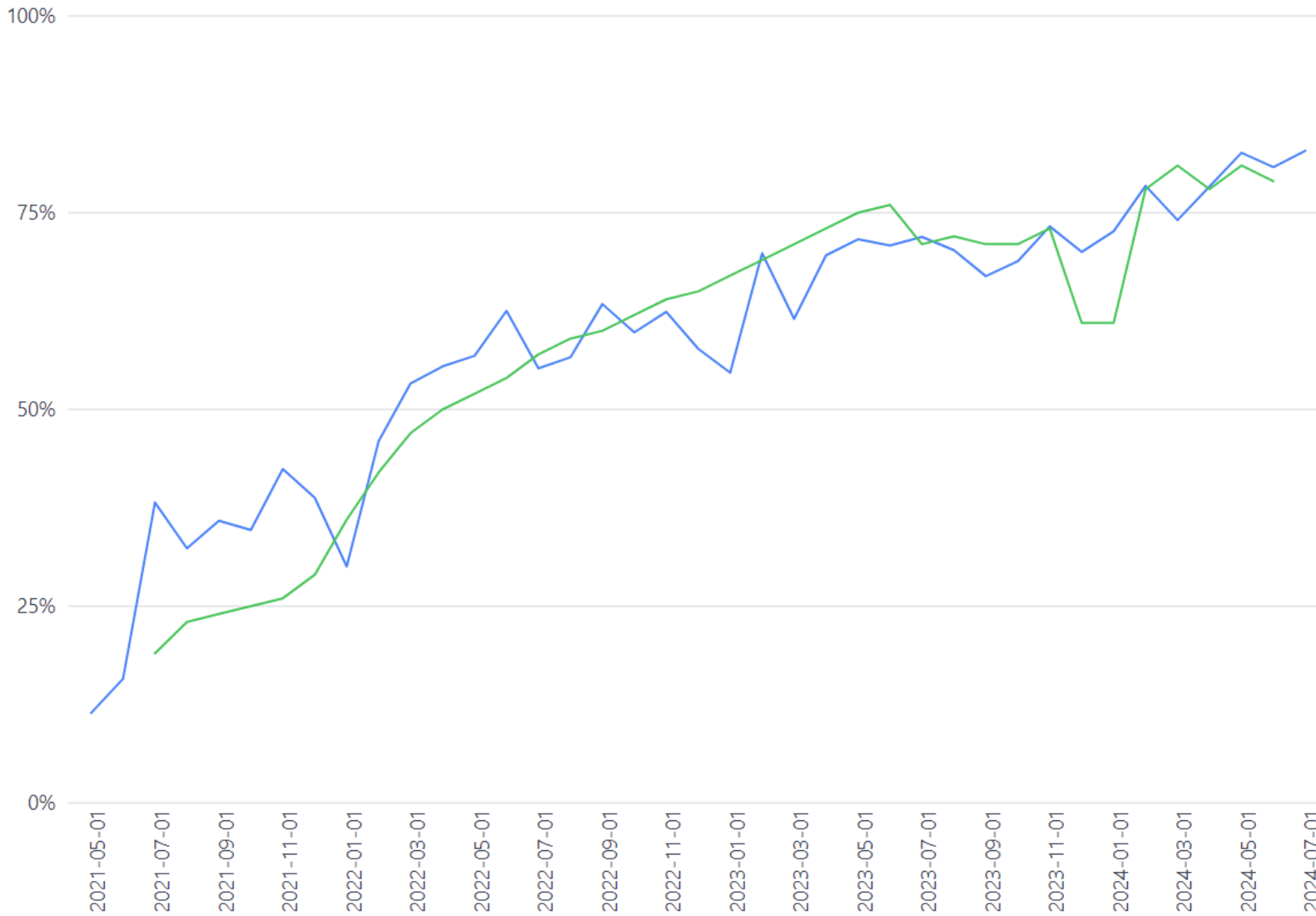


Event ridership is excluded. Scheduled trip segment start time is used.

Actual vs Budgeted Ridership

[Download CSV](#)

● Actual Ridership ● WETA Budget Assumption



Event ridership is excluded.

Operational Statistics

[Download CSV](#)

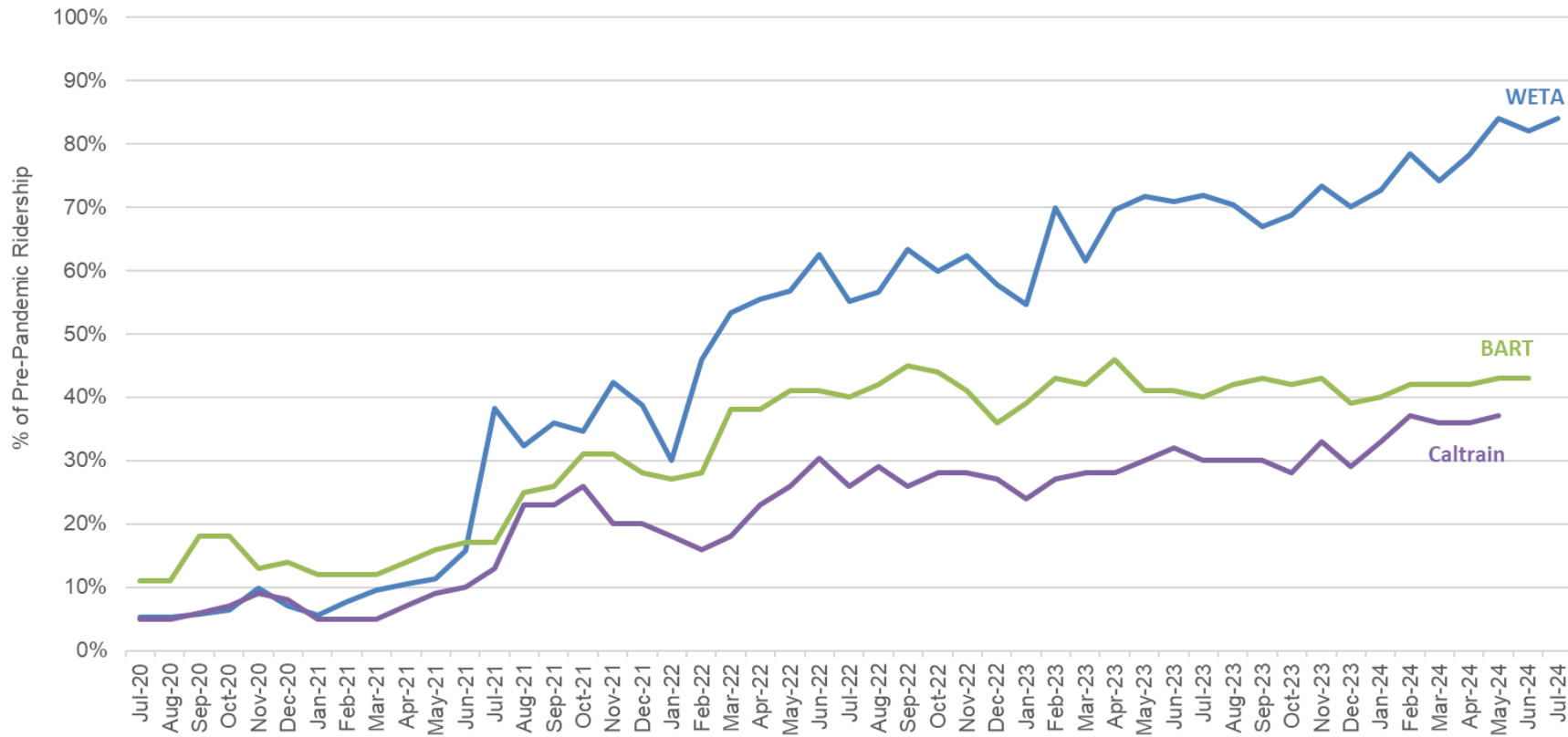
	Oakland & Alameda	Oakland Alameda Water Shuttle	Richmond	Harbor Bay	South San Francisco	Alameda Seaplane	Vallejo	San Francisco Pier 41 Short Hop	Ballpark (Oakland & Alameda)	Ballpark (Vallejo)	Ballpark (Redwood City)	Systemwide
Total Ridership July 2024	80,651	7,147	29,855	23,160	7,719	31,935	81,868	2,377	5,155	3,472	270	273,609
Total Ridership June 2024	72,675	0	28,842	21,177	7,056	29,457	75,115	1,496	5,716	2,979	0	246,760
Percent Change	11%	Infinity%	3.5%	9.4%	9.4%	8.4%	9%	58.9%	-9.8%	16.5%	Infinity%	10.9%
Total Ridership July 2024	80,651	7,147	29,855	23,160	7,719	31,935	81,868	2,377	5,155	3,472	270	273,609
Total Ridership July 2023	79,069	0	24,729	17,345	6,317	23,998	75,719	2,526	4,549	2,752	270	240,303
Percent Change	2%	Infinity%	20.7%	33.5%	22.2%	33.1%	8.1%	-5.9%	13.3%	26.2%	0%	13.9%
Total Ridership FY2025 to date	80,651	7,147	29,855	23,160	7,719	31,935	81,868	2,377	5,155	3,472	270	273,609
Total Ridership FY2024 to date	79,069	0	24,729	17,345	6,317	23,998	75,719	2,526	4,549	2,752	270	240,303
Percent Change	2%	Infinity%	20.7%	33.5%	22.2%	33.1%	8.1%	-5.9%	13.3%	26.2%	0%	13.9%
Average Weekday Ridership July 2024	2,077	569	1,052	1,103	368	1,521	2,632	136	511	227		8,881
Weekdays Operated in July 2024	23	7	23	21	21	21	23	4	6	6	0	23
Average Weekend Ridership July 2024	4,109	792	708				2,666	229	697	528	270	8,667
Weekend Days Operated in July 2024	8	4	8	0	0	0	8	8	3	4	1	8
Ridership Per Hour July 2024	163	117	80	121	58	152	106	158	516	248	135	120
Ridership Per Mile July 2024 [†]	11.5	∞	4.4	5.8	3.3	10.6	4	12.5	44.7	8.9	∞	6.2
Revenue Hours July 2024	496	61	375	192	133	210	770	15	10	14	2	2,279
Revenue Miles July 2024 [†]	6,995.3	0	6,783	3,973.2	2,310	3,024	20,597.5	189.6	115.2	389.5	0	44,377.4
% of planned trip segments July 2024	99.9%	88.8%	100%	100%	100%	100%	99.9%	77.5%	100%	100%	100%	98.6%
% of trip segments on time July 2024 [*]	98.9%	11%	99.4%	99.8%	99.6%	99.4%	96.1%	98.3%				94.4%

[View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#) [View Trips >](#)

[†]Statute miles.

^{*}On time is less than 10 min of delay in arriving.

Regional Transit Ridership



Note: BART ridership for July will be available in one month. Caltrain ridership for July will be available in two months.

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

[July 11, 2024]

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at Port of San Francisco at Pier 1, San Francisco, CA and via videoconference.

1. CALL TO ORDER

Chair James Wunderman called the meeting to order at 1:05 p.m.

2. ROLL CALL

Chair James Wunderman, Vice Chair Monique Moyer, Director Jessica Alba, Director Jeffrey DelBono, and Director Pippin Dew were in attendance.

Chair Wunderman led the Pledge of Allegiance. He welcomed directors, staff, and meeting guests and noted that the meeting was being conducted in person and by videoconference and was being recorded. He advised guests about offering public comment and how guests could sign up to speak throughout the meeting.

3. REPORT OF BOARD CHAIR

Chair Wunderman said that he is continuing to see long lines with good passenger counts. He reported that several important people would be coming together tomorrow to celebrate the culmination of a tremendous amount of work for the christening of the *Sea Change*, the first hydrogen vessel for passengers in the world. He stated that he was proud of WETA and of Bay Area Council Vice President of Public Policy for Transportation for helping to raise a lot of private money to provide a free ride to the public.

4. REPORTS OF DIRECTORS

Vice Chair Moyer recalled the work on hydrogen ferry vessels by the Port of San Francisco over a decade ago. She commended WETA and Blue & Gold Fleet (Blue & Gold) for their courage and commitment in sponsoring the vessel with all the suspicions and concerns surrounding it. She said that she looked forward to the agenda and the discussions.

Director Alba said that she was excited about the pilot service between Redwood City and the Giants games starting soon and was looking forward to being on one of the ferries and sharing the experience with other riders from Silicon Valley.

Director Dew said as Chair of the Norcal President's Alliance for the Association of Realtors, she shared news about the Redwood City Ballpark Service with the San Mateo Association President who said that he would be promoting the service to his clients. She noted that she appreciated SF Bay Ferry engaging the community at the Vallejo Juneteenth Festival.

The Directors expressed their excitement about the christening of the *Sea Change*.

5. REPORTS OF STAFF

Executive Director Seamus Murphy stated that this was an exciting time culminating with the christening of the *Sea Change* and the start of the Oakland Alameda Water Shuttle and Redwood City Ballpark Ferry Service Pilot Projects.

Before offering his reports, Mr. Murphy thanked the Board for approving the agency's reorganization and staff capacity expansion. He announced that Planning and Development Manager Michael Gougherty and Senior Planner/Project Manager Chad Mason had been promoted to Director of Planning and Capital Planning Manager, respectively. He added that Operations and Maintenance Manager Timothy Hanners had been promoted to Director of Project Delivery and Engineering and that Engineering and Maintenance Administrator Jeffery Powell and Marine Project Manager Jan Rybka had both been promoted to Senior Project Managers. He said that these changes were consistent with the reorganization plan allowing more staff capacity within these groups.

Following the changes in staffing, Mr. Murphy introduced Gary Griggs, SF Bay Ferry's first Chief Capital Program Officer, noting that Mr. Griggs served in the same role most recently at the Santa Clara Valley Transportation Authority (VTA). Mr. Murphy invited Mr. Griggs to say a few words to the Board.

Mr. Griggs provided some background on his career and project experience and thanked the Board for the opportunity to be a part of the SF Bay Ferry team.

Mr. Murphy introduced Transportation Intern Lensaa Temesgen stating that she had interned at the Metropolitan Transportation Commission (MTC) and as a Policy Associate at Bay Area Council.

Mr. Murphy stated that the Regional Revenue Measure that had received the support of the Board had been put on pause. He said that MTC created two new committees – The Transportation Revenue Measure Select Committee and the Transportation Revenue Measure Executive Group - to refocus on the issues and repackage the measure that would gain broad support from Bay Area stakeholders and policymakers to move the measure forward successfully. He acknowledged Government and Regulatory Affairs Manager Lauren Gularte for her work in creating a strong coalition of support from Bay Area advocates.

Chair Wunderman added some comments about the Regional Revenue Measure and supported pausing the measure. He remarked that the concern for agencies was the fiscal cliff; however, he believed that the public were more interested in service quality adding that it would be hard to get the support of the public to pay more money for the same thing.

Director Alba said that Bay Area Rapid Transit (BART) had released its Role in the Region report and the implications of the fiscal cliff and the devastating impacts on the entire region.

Customer Experience Specialist Rafael Regan shared his presentation on the Crew of the Year Program. He said that the program aims to highlight and recognize exemplary service by Blue & Gold Fleet (Blue & Gold) customer-facing staff on SF Bay Ferry services and includes captains, deckhands, guest assistance representatives, passenger service center staff, and other staff who directly interact with passengers. He explained that staff are nominated by passengers and fellow peers using an online form and winners are selected by a committee made up of SF Bay Ferry and Blue & Gold based on endorsements shared in the nominations.

Mr. Regan announced the 2024 SF Bay Ferry Crew of the Year:

- Deckhand Luke Caven
- Captain Gloria Freeman
- Deckhand Ron Garlets

Mr. Regan stated that SF Bay Ferry was proud of all crew members having received over 130 nominations and congratulated the recipients and all crew members for their efforts in representing SF Bay Ferry.

Mr. Regan noted that the recipients were surprised, most especially, Mr. Garlets. He added that their pictures would be on display onboard the vessels and posted on social media.

Mr. Murphy commented that Assembly Bill (AB) 2061, exempting the state portion of the sales and use tax on the purchase of zero-emission ferries by public transit agencies, was making its way to the Governor's desk. He noted that the ferries would not be exempt from local sales taxes.

Chair Wunderman requested clarification on the bridge toll revenue draw down. Chief Financial Officer Erin McGrath explained that financials were reported through May and did not include the entire fiscal year. She anticipated that SF Bay Ferry would close the year under budget.

Mr. Murphy provided five written reports and invited Project Development and Controls Joe Ramey and Transportation Planner Gabriel Chan to report on the operations and ridership. Mr. Ramey reported that the decline in on-time performance appeared to correlate with higher ridership and that discussions with Blue & Gold were initiated to understand the underlying causes and to develop solutions to improve on-time performance. He noted that canceled trips represented 0.7 percent of total trips from January through June. Mr. Chan stated that fiscal year (FY) 2024 ridership was approximately 74 percent of 2019 and that SF Bay Ferry continues to outperform other regional operators in terms of regional ridership. He added that SF Bay Ferry was projecting a 7 percent growth for FY 2025.

Mr. Murphy concluded his report and offered to answer questions.

Mr. Murphy clarified that SF Bay Ferry would not be affected by changes made to the Transit and Intercity Rail Capital Program (TIRCP) as SF Bay Ferry was not a beneficiary of the TIRCP funds in response to Chair Wunderman.

Chair Wunderman called for public comments, and there were none.

6. CONSENT CALENDAR

Director DelBono made a motion to approve the consent calendar:

- a. Approve Board Meeting Minutes – June 13, 2024
- b. Ratify Contract Award to Bay Ship and Yacht Co. for MV *Mare Island* Emergency Dry Dock and Repair Work
- c. Approve Amendment No. 5 to Agreement #21-019 with CivicMakers, LLC
- d. Adopt a Resolution Recognizing the 2024 San Francisco Bay Ferry Crew of the Year

Chair Wunderman called for public comments, and there were none.

Director Dew seconded the motion, and the consent calendar carried unanimously.

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

Chair Wunderman noted that the Consent Calendar recognized the 2024 Crew of the Year and congratulated all crew members. He thought that it would be a nice idea to get all the crew members in one place at one time to honor all crew.

7. ADOPT MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE VALLEJO FERRY TERMINAL RECONFIGURATION PROJECT

Capital Planning Manager Chad Mason introduced two related items recommending adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Vallejo Ferry Terminal Reconfiguration Project and approving the Vallejo Ferry Terminal Reconfiguration Project.

Mr. Mason provided a general update of the project noting that the goal of the project was to reconfigure the Vallejo Ferry Terminal in a manner to reduce or avoid the need for dredging, thereby minimizing disruption to passengers and improving efficiency and overall operational safety of the ferry landings. He added that dredging is required every two years at a current cost of \$2 to 3 million with the next dredging scheduled for 2025.

Mr. Mason said that the Initial Study and Mitigated Negative Declaration (IS/MND) proposed three configuration options with one utilizing the existing access point. SF Bay Ferry solicited comments on the environmental review process as well as getting input on the preferred configuration option. Though scoping was not necessary under the California Environmental Quality Act (CEQA), the scoping process helped to identify the proposed project that was carried forward in the CEQA document that utilizes the existing access point. He said that the next steps included coordinating with the Federal Transit Administration (FTA) for National Environmental Protection Act (NEPA) clearance and initiating the environmental resource agency permitting process with construction anticipated in 2026.

Mr. Mason introduced Senior Transportation Planner Arthi Krubanandh to provide an overview of the CEQA process and the environmental analysis of the project. Ms. Krubanandh noted that SF Bay Ferry notified and addressed comments from the tribal groups about the project in accordance with AB 52.

Director Dew shared a photo of a ferry appearing immobilized at the Vallejo Ferry Terminal showing the importance of prioritizing the project.

Mr. Mason said that the consultation with tribal groups was required by AB 52 which provide a more formal structure for California tribes to provide meaningful input to protect the cultural heritage of tribes during the CEQA process in response to Chair Wunderman.

Director Dew made a motion to adopt Resolution No. 2024-33 approving this item.

PUBLIC COMMENT

Inlandboatmen's Union Regional Director Marina Secchitano voiced her support for the Vallejo Ferry Terminal Reconfiguration Project with the configuration utilizing the current access point.

Director Alba seconded the motion, and the item passed unanimously.

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

8. APPROVE THE VALLEJO FERRY TERMINAL RECONFIGURATION PROJECT

Director Dew made a motion to adopt Resolution No. 2024-34 approving this item.

PUBLIC COMMENT

City of Vallejo Assistant to the City Manager Natalie Peterson voiced her support for the Vallejo Ferry Terminal Reconfiguration Project.

Director Alba seconded the motion, and the item passed unanimously.

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

9. NAME DORADO CLASS VESSELS THREE AND FOUR

Digital Communications Specialist Alexis Matsui presented this item recommending naming the third vessel "Karl" and selecting and approving either "Bay Gull" or "Chowder" for the name of the fourth vessel in the *Dorado* class.

Ms. Matsui explained the solicitation and selection process based on the Vessel Naming Policy approved by the Board in December 2023 and that the name "Karl" had received 1,200 votes. She

noted that the name “Karl” was submitted by a tenth grader named Sean who said that “Karl, the ferry would be at home cruising through the fog”. She said that the next two finalists were “Bay Gull” and “Chowder”, submitted by first grader Jules because “it’s fun” and by sixth grader Brett because “this is a classic San Francisco dish that we are very much known for”, respectively. She said that the winners would receive a one-year pass on SF Bay Ferry for themselves and their families.

Ms. Matsui explained that “Karl” was the name of San Francisco’s fog in response to Chair Wunderman.

The Directors thanked Ms. Matsui for going through the process and thought that the 12 nominees were creative. Of the two names offered, Vice Chair Moyer said that “Bay Gull” sounded like bagel and pictured a soggy piece of bread.

Director Alba said that she was open to “Karla” in recognition of following the tradition of referring to ships in the female gender. Ms. Matsui noted Director Alba’s point but stated that she had not heard a gender associated with “Karl” the fog.

Vice Chair Moyer made a motion to adopt Resolution No. 2024-35 approving the name “Karl” for vessel three.

Chair Wunderman called for public comments, and there were none.

Ms. Matsui confirmed that the list of names had been vetted to have the meanings expected.

Director Alba seconded the motion, and the naming for vessel three passed unanimously.

Yeas: Alba, DelBono, Dew, Moyer, Wunderman. Nays: None. Abstain: None. Absent: None.

Director DelBono made a motion to adopt “Chowder” as the name for vessel four.

Vice Chair Moyer asked if another name from the list could be picked.

Mr. Murphy replied that to be consistent with the policy, staff had vetted the list of names and made recommendations but that the Board was free to select from the list of names or choose a different name if it was consistent with the policy.

Chair Wunderman suggested naming vessel four “Nina”, after the previous WETA Executive Director Nina Rannells for her leadership in negotiating the vessel building contract. He recognized that this was not consistent with the vessel naming policy but not inappropriate to name the vessel after Ms. Rannells for her work and efforts on the *Dorado* class of vessels and asked if any of the Directors wanted to make a motion.

Director DelBono said that he did not feel comfortable veering away from the process agreed upon by the Board and felt that the Board owed it to the students to follow through with the process.

Chair Wunderman noted that a motion had been received for “Chowder” but had not received a second and asked for further discussion. Vice Chair Moyer said that she liked the lyrical sound of “Zalophus”, the scientific name of the California sea lion.

Director Alba made a motion to adopt “Zalophus” as the name for vessel four.

Chair Wunderman called for public comments, and there were none.

Vice Chair Moyer seconded the motion, and the naming for vessel four passed unanimously.

Yeas: Alba, DelBono, Dew, Moyer, Wunderman. Nays: None. Abstain: None. Absent: None.

Chair Wunderman thanked all the kids for their creativity and excitement about being a part of the naming process.

10. OAKLAND ALAMEDA WATER SHUTTLE PILOT PROJECT UPDATE

Director of Planning Michael Gougherty presented this information item on the Oakland Alameda Water Shuttle Pilot Project update.

Mr. Gougherty said that the project was a partnership between San Francisco Bay Ferry, City of Alameda, Alameda Transportation Management Association, CIM (Jack London Square Property Manager), and the Port of Oakland. He invited Mr. Chan to share his presentation and to review some of the goals and objectives of the service that would be used in assessing the service in the future.

Mr. Chan reminded the Board that the shuttle was a two-year limited term project offering service between Alameda Landing and Oakland Jack London Square. He outlined the new evaluation process and the performance metrics for the pilot projects that would be used to inform the final report and noted that the goals, objectives, and evaluation metrics were developed in partnership with the City of Alameda staff and the WETA Board pilots subcommittee.

Mr. Chan shared information on the data analysis and reporting and the public outreach and marketing plan and said that SF Bay Ferry had committed \$50,000 of in-kind marketing support and staff time to the project.

Chair Wunderman commented that it was interesting to see that the service was a product from a 2009 study.

Vice Chair Moyer said that the process was comprehensive and that she appreciated the thought that went into evaluating the service and the template that was created to evaluate other pilots.

Mr. Gougherty said that the City of Alameda was looking to do a soft launch at the start of the service followed by a ribbon-cutting event around September.

Mr. Gougherty explained that the gaps in the service schedule were driven by crew break times and budget constraints limiting crew shifts in response to Director Alba.

Director Alba said the 30-minute frequency was a concern for her but a good start and said that the frequency should be considered when the service was being evaluated.

Chair Wunderman called for public comments, and there were none. He thanked Mr. Chan for his presentation.

11. TREASURE ISLAND FERRY STUDY

Mr. Gougherty presented this informational item on the Treasure Island Ferry study. He said that the project was included in the 2050 Service Vision Expansion Policy and the centerpiece of Phase 1 of the Rapid Electric Emission-Free (REEF) Ferry Program. He said that the presentation was an update on the work being done in partnership with the San Francisco County Transportation Authority (SFCTA), acting as the Treasure Island Mobility Management Agency (TIMMA).

Mr. Gougherty introduced SFCTA Assistant Deputy Director of Planning Suany Chough to share her presentation on the Treasure Island Ferry Service Planning Update that was given at the SFCTA Board last month. She said that SFCTA was happy to support SF Bay Ferry's applications to various federal and state programs to secure over \$127 million.

Chair Wunderman thanked Ms. Chough for her report and asked for the status of the toll assumption. Ms. Chough stated that SFCTA was shaping the affordability policy since there were concerns about equity and impact on the low-income community on the island. She added that she did not anticipate the toll infrastructure being in place for a couple of years.

PUBLIC COMMENT

Treasure Island Development Group (TIDG) Senior Development Manager Andy Wang expressed his support for the TIMMA recommendations. He said that TIDG, through a partnership with Prop SF has been privately operating interim ferry service available to the public from Treasure Island since 2022.

Prop SF Chief Operating Officer Alex Kryska offered to provide information about the service and hoped to be a part of it moving forward.

Seamless Bay Area Chance Boreczky referred to the letter sent and spoke in support of the study.

Chair Wunderman said that he was working on the Treasure Island project when he was working under Mayor Dianne Feinstein and then under Mayor Frank Jordan. He said that the Treasure Island project was an important project and thanked Prop SF for running the service.

Vice Chair Moyer added that the project is critical to WETA's responsibilities for emergency response and was happy that Prop SF could assist to fulfill those responsibilities.

Mr. Murphy said that he was waiting for the Senate Appropriations Committee to provide earmark funding to electrify the Treasure Island Ferry Terminal.

12. DRAFT SUSTAINABILITY POLICY

Ms. Krubanandh introduced this informational item on the draft sustainability policy which she stated was in response to the stakeholder input received during the business plan outreach focusing on environmental stewardship. She offered the proposed draft policy asking for the Board's feedback. She said that comments would be incorporated with a final version being brought back for adoption next month.

Ms. Krubanandh was joined by Government and Regulatory Affairs Specialist Terence Candell and shared their presentation on the background, the sustainability policy categories, the goals and objectives of each category, next steps, and the outreach plan.

Mr. Candell presented the six key focus areas of the Social Equity and Environmental Justice category in order to deliver a cost-effective and safe service and prioritize system expansion to benefit disadvantaged communities, promote workforce diversity through fair recruitment and career advancement, engage in a program supporting equitable employment, and work in partnership with the Working Waterfront Coalition to achieve the goal of increasing maritime labor by recruiting and training underserved and disadvantaged communities.

Chair Wunderman said that SF Bay Ferry is doing a great deal to become a model of sustainability.

Director Dew reported that the Working Waterfront Coalition (WWC) had hosted an informational session at the Vallejo Employment Development Department (EDD).

Director DeBono commented that applicants had to be at least 18 years of age to participate in the WWC program.

Vice Chair Moyer suggested charting success on an annual basis at a minimum.

Chair Wunderman thanked Ms. Krubanandh and Mr. Candell for their presentation.

Chair Wunderman called for public comments, and there were none.

13. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

Port of Redwood City Port Commission Chairperson Lorianna Kastrop expressed her thanks and excitement about the Redwood City to Giants game ferry service and inquired about ticketing availability details.

Mr. Regan said that tickets for the Redwood City Ballpark Ferry Pilot Service would be available within the next week and noted that those signing up for notifications on the SF Bay Ferry website would be the first to know when tickets would be on sale.

Director Alba thanked Ms. Kastrop for including the link directly to the Giants sign up page on the Port of Redwood City website and in the Port Newsletter.

Mr. Murphy stated that he had neglected to note that Operations Analyst Joe Ramey, who was participating remotely was selected to fill the role of Project Development and Controls as part of the reorganization previously discussed.

With all business concluded, Chair Wunderman adjourned the meeting at 3:28 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Erin McGrath, Chief Financial Officer
Jennifer Raupach, Grants Manager

SUBJECT: Authorize the Filing of an Application with the Metropolitan Transportation Commission for \$18,000,000 in Regional Measure 3 Capital Funds

Recommendation

Authorize the Executive Director, or his designee, to execute and submit an application, related assurances, and allocation request with the Metropolitan Transportation Commission (MTC) for Regional Measure 3 (RM3) funds in the amount of \$18,000,000 to support the procurement of three (3) new 149-Passenger Electric Ferry Vessels project.

Background

In 2018, voters passed RM3, raising the toll for all vehicles on the seven State-owned toll bridges in the San Francisco Bay Area by a total of \$3.00, phased in through one-dollar increments. RM3 identified specific capital and operating projects and programs eligible to receive RM3 funding including the Ferry Enhancement Program, totaling \$300 million. WETA is the designated recipient of funds under this program. The procurement of three (3) new 149-Passenger Electric Ferry Vessels is a Project that is eligible for consideration under the Ferry Enhancement Program of the RM3 Expenditure Plan.

Discussion

In order to serve Phase 1 of the Rapid Electric Emission-Free (REEF) Ferry Program, which will service Treasure Island, Downtown San Francisco, and Mission Bay, SF Bay Ferry has planned for the procurement and use of three electric vessels that will carry up 149 passengers. RM3 is being used to leverage funding secured through the Transit Intercity Rail Capital Program (TIRCP) program and Federal Transit Administration (FTA) discretionary grant programs. The current cost estimate for the project is \$31.4 million. Of that amount, \$13 million has been secured from TIRCP and FTA. The investment of \$18 million from RM3 will fully fund the project.

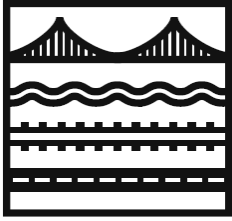
As a part of MTC's RM3 Policies and Procedures, project applicants are required to adopt resolutions formally authorizing project applications with MTC and provide various assurances. The full list of certifications and assurances are contained in the Board Resolution associated with this item. These certifications and assurances effectively serve as a part of the contract between WETA and MTC for the requested funds. The RM3 Initial Project Report for the Project is included as **Attachment A** to this report.

This item allows staff to move forward to request an allocation of RM3 funds from MTC in the amount of \$18,000,000 for the Project.

Fiscal Impact

The Project is included in the FY 2024/25 Capital Budget at a cost of \$31,350,000, funded with a combination of RM3 (\$18,000,000), TIRCP (\$8,950,000), FTA (\$3,440,000), and RM1 (\$960,000) funds.

END



Regional Measure 3

Initial Project Report

Project/Subproject Details

Basic Project Information

Project Number	5
Project Title	Ferry Expansion Program
RM3 Funding Amount	\$300,000,000

Subproject Information

Subproject Number	5.7
Subproject Title	Three (3) 149-Passenger Electric Ferry Vessels
RM3 Funding Amount	\$18,000,000

I. Overall Subproject Information

a. Project Sponsor / Co-sponsor(s) / Implementing Agency

San Francisco Bay Area Ferry Water Emergency Transportation Authority (WETA)

b. Detailed Project Description *(include definition of deliverable segment if different from overall project/subproject)*

To address the State's goals of reducing greenhouse gas emissions, WETA developed the *Rapid Electric Emission-Free (REEF) Ferry Program*, a suite of projects that will transition SF Bay Ferry to an all-electric zero-emission service, leading the effort as the pioneering public transit ferry operator in the US to achieve this transition.

SF Bay Ferry is preparing to operate ferry service between the Downtown San Francisco Terminal and Treasure Island in 2026. Providing Treasure Island service with battery-electric vessels is a key part of SF Bay Ferry's commitment to decarbonizing its fleet under the Rapid Electric Emission-Free (REEF) program. In addition, new California Air Resources Board (CARB) Commercial Harbor Craft (CHC) Regulations require that any short run ferry service that serves points less than 3 nautical miles, like that between Treasure Island and downtown San Francisco, must use zero-emission technology.



Analysis has determined that the most cost effective and scalable solution to provide the new Treasure Island and future Mission Bay service is through the use of three new, small battery-electric vessels. These 149-passenger vessels will meet passenger demand for the short run routes and may additionally serve other terminals during off peak hours when a larger vessel is not required. The vessels will use all-electric propulsion technology while utilizing newly developed shoreside infrastructure, including floats that will allow vessels to rapidly charge while the vessels are docked. Rapid charging is a key component to ensuring batteries are sufficiently re-charged for the vessels to complete the trips during the peak commute period.

Construction of the vessels will expand transbay transit options for residents, employees and visitors of Mission Bay and Treasure Island, which are areas that continue to experience significant growth. The project aims to reduce GHG emissions, increase ridership, and relieve traffic congestion on surface streets and bridges alike.

c. Impediments to Project Completion

The primary impediments to project completion will be regulatory approvals, maintaining shipyard efficiencies, and supply chain management. Efficient and effective coordination with shipyards, suppliers and regulatory entities will be of utmost importance to maintain the project schedule and budget.

To mitigate these potential impediments WETA has been in constant contact with regulatory entities from the beginning of the vessel design concept to receive and incorporate their feedback. WETA has retained a marine construction management firm to assist with overall project management and will support WETA's objectives to maintain project efficiencies, including cost monitoring, supply chain management, schedule and budget management.

d. Risk Management *(describe risk management process for project budget and schedule, levels of contingency and how they were determined, and risk assessment tools used)*

A project management team (PMT) composed of WETA staff and its consultants will meet on a regular and as-needed basis to confirm that work proceeds according to budget and schedule and will remediate potential issues. The PMT will establish communication channels with relevant project stakeholders to help monitor evolving conditions for each vessel build. A project contingency of 8% for the initial phases of work has been set to draw from to address budget issues that the project management team are unable to remediate.

WETA will utilize consulting firms with marine systems and construction management experience that have been competitively selected to provide project oversight for each phase of the project. The project and construction managers' responsibilities include project controls (cost, schedule, risk), planning, procurement and selection of shipyard, review of drawings, field inspections, change order approval and final signoffs.



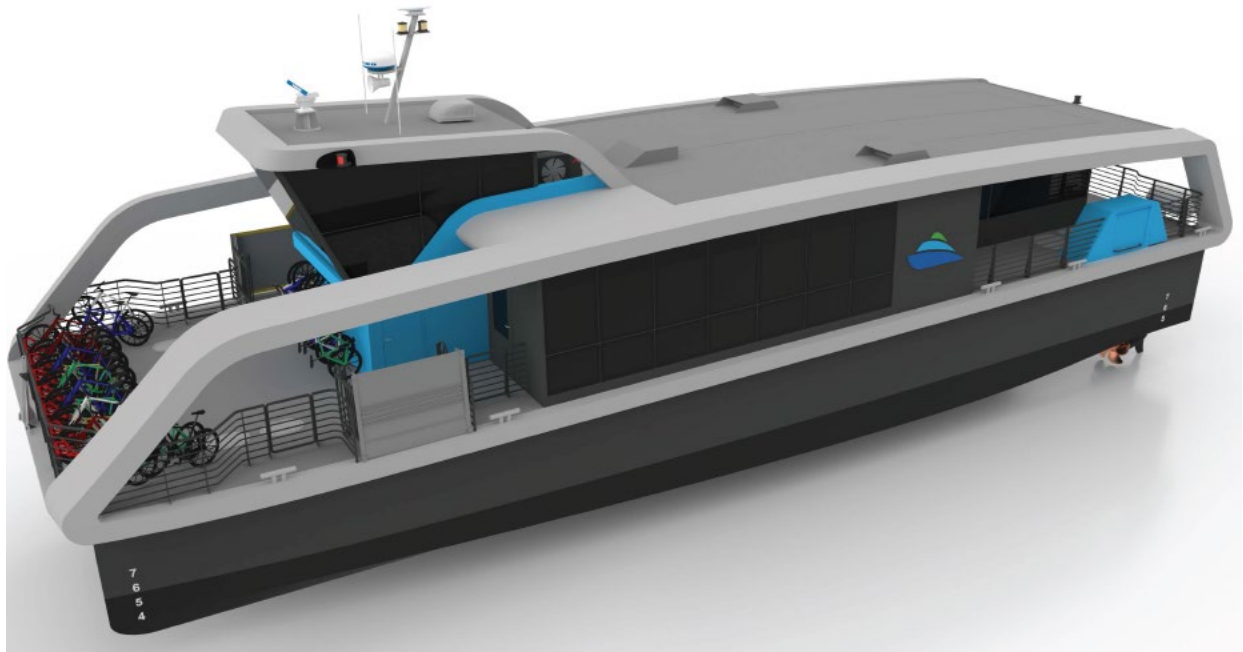
WETA has agency-adopted procurement guidelines consistent with state and federal procurement regulations and a robust oversight and risk management process for procurement and project management. WETA has completed over 24 procurements for construction and rehabilitation of ferry vessel and terminal facility projects in the last 13 years resulting in over \$208 million in capital projects. The Agency has substantial experience in successfully managing complex vessel construction projects and ferry terminals projects as well as two maintenance and operations facilities. In early 2024, the Agency successfully completed construction and delivery of the MV Delphinus, a 320-passenger, high-speed catamaran vessel and the latest vessel to join the WETA fleet.

e. Operability *(describe entities responsible for operating and maintaining project once completed/implemented)*

The vessels will be owned and operated by SF Bay Ferry. Vessels will be serviced through third-party contract, Blue and Gold Fleet.

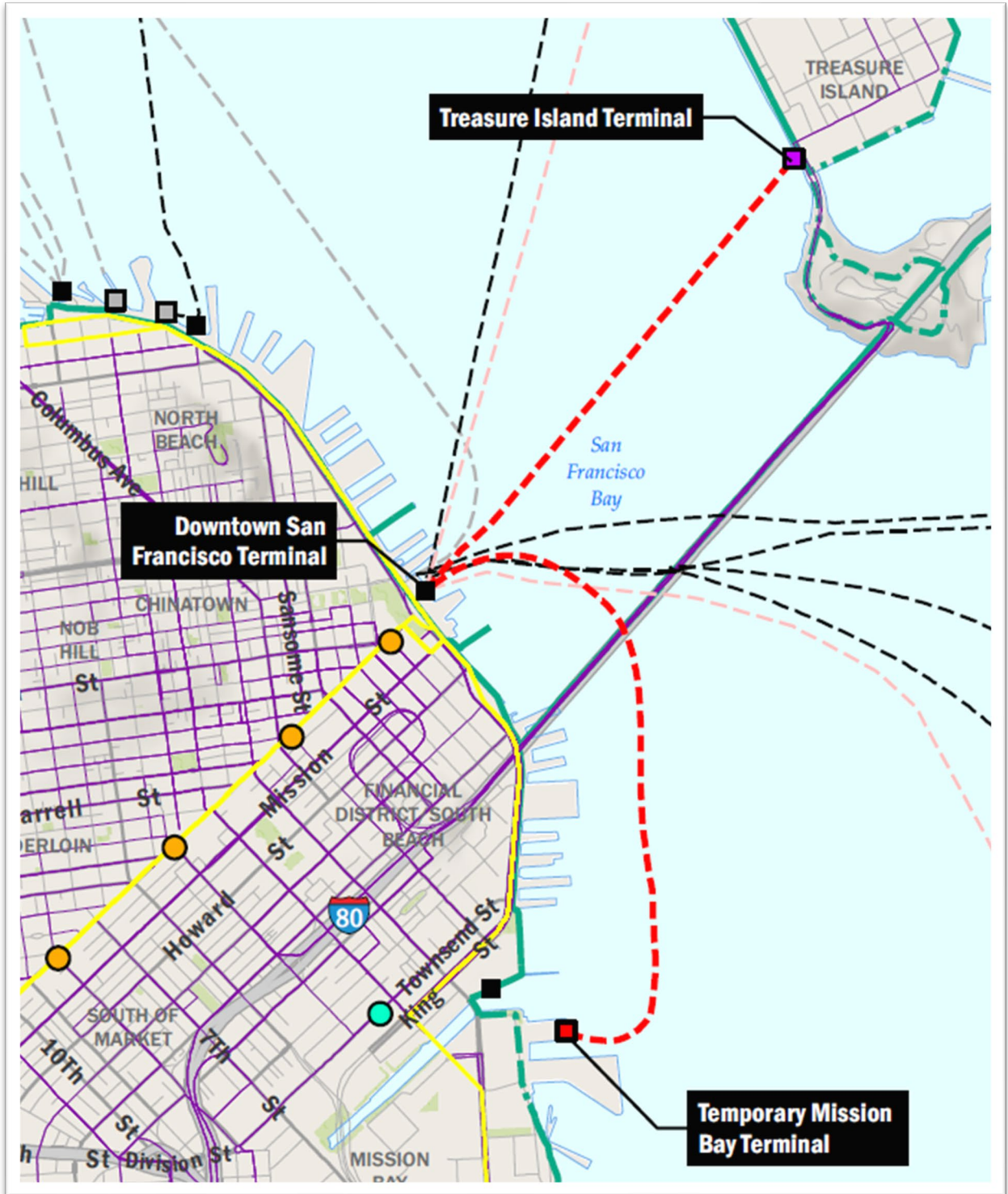
f. Project Graphic(s) *(include below or attached)*

Vessel Design





Route Map





Treasure Island Terminal



Mission Bay Ferry Landing





II. Project Phase Description and Status

a. Environmental/Planning

Does NEPA apply? Yes No

N/A – Project is consistent with a Class 1 Categorical Exclusion. A Notice of Exemption was filed on October 31, 2022.

b. Design

Final design of the vessels was completed in April 2024.

c. Right-of-Way Activities / Acquisition

N/A

d. Construction / Vehicle Acquisition / Operating

In April 2024, the WETA Board authorized the release of the RFP for construction, which will be released in July, with anticipated award in October 2024.

III. Project Schedule

Phase-Milestone	Planned	
	Start Date	Completion Date
Environmental Studies, Preliminary Eng. (ENV / PE / PA&ED)	n/a	n/a
Final Design - Plans, Specs. & Estimates (PS&E)	October 2023	April 2024
Right-of-Way Activities /Acquisition (R/W)	n/a	n/a
Construction (Begin – Open for Use) / Acquisition (CON)	November 2024	July 2027



IV. Project Budget

Capital

Project Budget	Total Amount - Escalated to Year of Expenditure (YOE)- (Thousands)
Environmental Studies & Preliminary Eng (ENV / PE / PA&ED)	n/a
Design - Plans, Specifications and Estimates (PS&E)	449
Right-of-Way Activities /Acquisition (R/W)	n/a
Construction / Rolling Stock Acquisition (CON)	30,901
Total Project Budget (in thousands)	\$31,350

Deliverable Segment Budget (if different from Project budget)	Total Amount - Escalated to Year of Expenditure (YOE)- (Thousands)
Environmental Studies & Preliminary Eng (ENV / PE / PA&ED)	
Design - Plans, Specifications and Estimates (PS&E)	
Right-of-Way Activities /Acquisition (R/W)	
Construction / Rolling Stock Acquisition (CON)	
Total Project Budget (in thousands)	

Operating	Total Amount - Escalated to Year of Expenditure (YOE)- (Thousands)
Annual Operating Budget	



V. Project Funding

Please provide a detailed funding plan in the Excel portion of the IPR. Use this section for additional detail or narrative as needed and to describe plans for any "To Be Determined" funding sources, including phase and year needed.

Please see IPR excel form, attached.

VI. Contact/Preparation Information

Contact for Project Sponsor

Name: Jan Rybka, P.E.
Title: Marine Engineer
Phone: (510) 847-4461
Email: rybka@watertransit.org
Mailing Address: Pier 9, Suite 111, The Embarcadero, San Francisco, CA 94111

Person Preparing Initial Project Report (if different from above)

Name: Jennifer Raupach
Title: Grants Manager
Phone: (510) 213-4898
Email: raupach@watertransit.org
Mailing Address: Pier 9, Suite 111, The Embarcadero, San Francisco, CA 94111

Notice of Exemption

Appendix E

POSTED
OCT 31 2022
TO

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk
County of: San Francisco
1 Dr. Carlton B. Goodlett Place, City Hall, Room 168
San Francisco, CA 94102-4698

From: (Public Agency): Water Emergency Transportation Authority
Pier 9, Suite 111, The Embarcadero
San Francisco, CA 94111

2022-0000056

(Address)

FILED

SAN FRANCISCO County Clerk

OCT 31 2022

by: Giselle Romo
Deputy County Clerk

Project Title: WETA Acquisition of New All-Electric Vessels

Project Applicant: Water Emergency Transportation Authority

Project Location - Specific:

Latitude: 37°47'39.83"N Longitude: 122°23'30.70"W

Project Location - City: San Francisco Project Location - County: San Francisco

Description of Nature, Purpose and Beneficiaries of Project:

See Attachment A, Part 1.

Name of Public Agency Approving Project: Water Emergency Transportation Authority

Name of Person or Agency Carrying Out Project: Water Emergency Transportation Authority

Exempt Status: (check one):

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: Class 1 - Existing Facilities, Class 2 - Replacement or Reconstruction
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

See Attachment A, Part 2.

Lead Agency
Contact Person: Seamus Murphy Area Code/Telephone/Extension: (415)291-3377

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: [Signature] Date: 10/31/22 Title: Executive Director

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

Notice of Exemption - Attachment A

Project Title: WETA Acquisition of New All-Electric Vessels

Project Applicant: Water Emergency Transportation Authority

Part 1. Description of Nature, Purpose and Beneficiaries of Project:

This project will design and construct two zero emission ferry vessels that will be part of an all-electric fleet providing regular ferry service connecting Downtown San Francisco and neighborhoods in Mission Bay and Treasure Island. The two zero emission ferry vessels will replace diesel powered vessels that were considered as part of the Treasure Island and Yerba Buena Island Redevelopment Project EIR (SCH# 20080121105) and Mission Bay Ferry Landing Mitigated Negative Declaration (SCH# 2018052002). In order to address the State's goals of reducing greenhouse gas emissions, these replacement ferries will be part of WETA's Ferry Network that will continue providing the same fast, convenient, and reliable transit service to Mission Bay and Treasure Island.

Part 2. Reasons why project is exempt:

The project is consistent with a Class 1 Categorical Exception (CEQA Guideline § 15301) because it modifies the ongoing operation of previously approved diesel ferry vessels with battery electric propelled vessels. The project involves negligible or no expansion of existing use. The project is consistent with a Class 2 Categorical Exemption (15302) because it will replace previously approved diesel ferry vessels with battery electric propelled, zero emission vessels. The new zero emission ferry vessels will replace diesel vessels for ferry service between Treasure Island Ferry Terminal, Mission Bay Ferry Terminal and Downtown San Francisco Ferry Terminal. The project will not involve cumulative impacts and will have no reasonable possibility of a significant effect due to unusual circumstances.



State of California - Department of Fish and Wildlife
2022 ENVIRONMENTAL DOCUMENT FILING FEE
CASH RECEIPT
 DFW 753.5a (REV. 01/01/22) Previously DFG 753.5a

[Print](#)  [Finalize&Email](#)

RECEIPT NUMBER:
 38-10/31/2022-088
 STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY WATER EMERGENCY TRANSPORTATION AUTHORITY	LEAD AGENCY EMAIL	DATE 10/31/2022
COUNTY/STATE AGENCY OF FILING SAN FRANCISCO COUNTY	DOCUMENT NUMBER 2022-0000056	

PROJECT TITLE
ACQUISITION
 WETA EMERGENCY OF NEW ALL-ELECTRIC VESSELS

PROJECT APPLICANT NAME WATER EMERGENCY TRANSPORTATION AUTHORITY	PROJECT APPLICANT EMAIL	PHONE NUMBER (415) 291-3377
PROJECT APPLICANT ADDRESS PIER 9 SUITE 111 THE EMBARCADERO	CITY SAN FRANCISCO	STATE CA
		ZIP CODE 94111

PROJECT APPLICANT (Check appropriate box)

Local Public Agency School District Other Special District State Agency Private Entity

CHECK APPLICABLE FEES:

Environmental Impact Report (EIR) \$ 3,539.25 \$ _____

Mitigated/Negative Declaration (MND)(ND) \$ 2,548.00 \$ _____

Certified Regulatory Program (CRP) document - payment due directly to CDFW \$ 1,203.25 \$ _____

Exempt from fee

Notice of Exemption (attach)

CDFW No Effect Determination (attach)

Fee previously paid (attach previously issued cash receipt copy)

Water Right Application or Petition Fee (State Water Resources Control Board only) \$ 850.00 \$ _____

County documentary handling fee \$ 75.00 \$ 75.00

Other \$ _____

PAYMENT METHOD:

Cash Credit Check Other

TOTAL RECEIVED \$ 75.00

SIGNATURE <i>X [Signature]</i>	AGENCY OF FILING PRINTED NAME AND TITLE Giselle Romo Deputy Clerk
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**Regional Measure 3
Initial Project Report - Subproject Report
Funding Plan**

Project Title:	Ferry Expansion Program
Subproject Title	Three (3) 149-Passenger Electric Ferry Vessels
Project/Subproject Number:	5.7
Total RM3 Funding:	\$ 18,000,000

(add rows as necessary)

CAPITAL FUNDING

Funding Source	Committed? (Yes/No)	Total Amount (\$ thousands)	Amount Expended (\$ thousands)	Amount Remaining (\$ thousands)
ENV				
N/A				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
ENV Subtotal		\$ -	\$ -	\$ -
PSE				
RM3	Yes	\$ -		\$ -
TIRCP	Yes	\$ 306	\$ 306	\$ -
FTA	Yes	\$ 35	\$ 35	\$ -
RM1	Yes	\$ 108	\$ 108	\$ -
				\$ -
				\$ -
PSE Subtotal		\$ 449	\$ 449	\$ -
ROW				
N/A				
				\$ -
				\$ -
ROW Subtotal		\$ -	\$ -	\$ -
CON				
RM3	Yes	\$ 18,000	\$ -	\$ 18,000
TIRCP	Yes	\$ 8,645	\$ -	\$ 8,645
FTA	Yes	\$ 3,405	\$ -	\$ 3,405
RM1	Yes	\$ 851	\$ -	\$ 851
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
CON Subtotal		\$ 30,901	\$ -	\$ 30,901
Capital Funding Total		\$ 31,350	\$ 449	\$ 30,901

OPERATING FUNDING (Annual)

Funding Source	Phase	Committed? (Yes/No)	Total Amount (\$ thousands)
	Operating		
Operating Funding Total			\$ -

**Regional Measure 3
Initial Project Report - Subproject Report
Funding Plan - Deliverable Segment - Fully funded phase or segment of total project**

Project Title:	Ferry Expansion Program
Subproject Title:	Three (3) 149-Passenger Electric Ferry Vessels
Project/Subproject Number:	5.7
Total RM3 Funding:	\$ 18,000,000

(add rows as necessary)

RM3 Deliverable Segment Funding Plan - Funding by planned year of allocation

Funding Source	Prior	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Future committed	Total Amount (\$ thousands)	Amount Expended (\$ thousands)	Amount Remaining (\$ thousands)
ENV (N/A)														
RM-3												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
ENV Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PSE														
RM3												\$ -	\$ -	\$ -
TIRCP						\$ 306						\$ 306	\$ -	\$ 306
FTA					\$ 35							\$ 35	\$ -	\$ 35
RM1					\$ 108							\$ 108	\$ -	\$ 108
												\$ -	\$ -	\$ -
PSE Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 143	\$ 306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449	\$ -	\$ 449
ROW (N/A)														
RM-3												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
ROW Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CON														
RM3							\$ 18,000					\$ 18,000	\$ -	\$ 18,000
TIRCP							\$ 8,645					\$ 8,645	\$ -	\$ 8,645
FTA					\$ 3,405							\$ 3,405	\$ -	\$ 3,405
RM1					\$ 851							\$ 851	\$ -	\$ 851
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
												\$ -	\$ -	\$ -
CON Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 4,256	\$ -	\$ 26,645	\$ -	\$ -	\$ -	\$ -	\$ 30,901	\$ -	\$ 30,901
RM-3 Funding Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ -	\$ 18,000
Capital Funding Total	\$ -	\$ -	\$ -	\$ -	\$ 4,399	\$ 306	\$ 26,645	\$ -	\$ -	\$ -	\$ -	\$ 31,350	\$ -	\$ 31,350

**Regional Measure 3
Initial Project Report - Subproject Report
Cash Flow Plan**

Project Title:	Ferry Expansion Program
Subproject Title	Three (3) 149-Passenger Electric Ferry Vessels
Project/Subproject Number:	5.7
Total RM3 Funding:	\$ 18,000,000

(please include all planned funding, add rows as necessary)

RM3 Cash Flow Plan for Deliverable Segment - Funding by planned year of expenditure

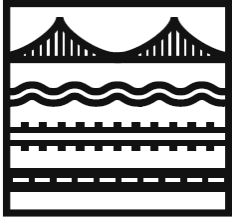
Funding Source	Prior	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Future committed	Total Amount (\$ thousands)
ENV (N/A)												
RM 3												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
ENV Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PSE												
RM3												\$ -
TIRCP						\$ 206	\$ 100					\$ 306
FTA					\$ 35							\$ 35
RM1					\$ 108							\$ 108
												\$ -
												\$ -
PSE Subtotal	\$ -	\$ -	\$ -	\$ -	\$ 143	\$ 206	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 449
ROW (N/A)												
RM 3												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
ROW Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CON												
RM3							\$ 5,498	\$ 7,274	\$ 5,199	\$ 29		\$ 18,000
TIRCP							\$ 2,641	\$ 3,493	\$ 2,497	\$ 14		\$ 8,645
FTA							\$ 1,040	\$ 1,376	\$ 983	\$ 6		\$ 3,405
RM1							\$ 260	\$ 344	\$ 246	\$ 1		\$ 851
												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
CON Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,439	\$ 12,487	\$ 8,925	\$ 50	\$ -	\$ 30,901
RM 3 Funding Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,498	\$ 7,274	\$ 5,199	\$ 29	\$ -	\$ 18,000
Capital Funding Total	\$ -	\$ -	\$ -	\$ -	\$ 143	\$ 206	\$ 9,539	\$ 12,487	\$ 8,925	\$ 50	\$ -	\$ 31,350

**Regional Measure 3
Initial Project Report - Subproject Report
Estimated Budget Plan**

Project Title:	Ferry Expansion Program
Subproject Title	Three (3) 149-Passenger Electric Ferry Vessels
Project/Subproject Number:	5.7
Total RM3 Funding:	\$ 18,000,000

1. Direct Labor of Implementing Agency (specify by name and job function)			
	Estimated Hours	Rate/Hour	Total Estimated cost
WETA Staff - Project Management/Admin			\$ 397
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
Direct Labor Subtotal			\$ 397
2. Overhead and direct benefits (specify)			
	Rate	x Base	
		\$ -	
		0	
		0	
		0	
		0	
Overhead and Benefit Subtotal			\$ -
3. Direct Capital Costs (include engineer's estimate on construction, right-of-way, or vehicle acquisition)			
	Unit (if applicable)	Cost per unit	Total Estimated cost
Construction			\$ 24,163
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
Direct Capital Costs Subtotal			\$ 24,163
4. Consultants (Identify purpose and/or consultant)			
			Total Estimated cost
Design			\$ 357
Construction Management			\$ 800
Constultants Subtotal			\$ 1,157
5. Other direct costs			
			Total Estimated cost
Contingency			\$ 2,411
Legal			\$ 40
Sales Tax			\$ 3,182
Other Direct Costs Subtotal			\$ 5,633
Total Estimated Costs			\$ 31,350

Comments:



Regional Measure 3 Allocation Request

RM3 Project Information

Project Number	5
Project Title	Ferry Expansion Program
Project Funding Amount	\$300,000,000

Subproject Information (if different from overall RM3 project)

Subproject Number	5.7
Subproject Title	Three (3) 149-Passenger Electric Ferry Vessels
Subproject Funding Amount	\$18,000,000

RM3 Allocation History (Add lines as necessary)

	MTC Approval Date	Amount	Phase
#1:			
#2			
#3			

Total: \$0.00

Current Allocation Request:

Request submittal date	Amount	Phase
7/15/2024	\$18,000,000	CON

I. RM3 Allocation Request Information

- a. Describe the current status of the project, including any progress since the last allocation request or IPR update, if applicable.

This is the first RM3 allocation request for the project, which will support the construction phase of three (3) new small battery-electric vessels. These 149-passenger vessels will meet passenger demand for the short run routes and may additionally serve other terminals during off peak hours when a larger vessel is not required.

In April 2024, the WETA Board authorized the release of the RFP for construction, which will be released in July, with anticipated award in October 2024.

- b. Describe the scope of the allocation request. Provide background and other details as necessary. The scope must be consistent with the RM3 statute. If the scope differs from the most recent IPR for this project, please describe the reason for any changes here; a revised IPR may be necessary.**

WETA is requesting an allocation of \$18,000,000 in RM3 funds for the construction of three (3) all-electric 149-passenger ferry vessels that will support WETA's Rapid Electric Emission Free (REEF) Ferry Program. The vessels will provide regular ferry service connecting Downtown San Francisco with neighborhoods in Mission Bay and Treasure Island. The vessels will use all-electric propulsion technology while utilizing newly developed shoreside infrastructure, including floats that will allow vessels to rapidly charge while the vessels are docked. Rapid charging is a key component to ensuring batteries are sufficiently re-charged for the vessels to complete the trips during the peak commute period.

- c. Deliverable segment budget – please fill out attached Excel file. If the budget differs from the most recent IPR for this project, please describe the reason for any changes here; a revised IPR may be necessary.**

This request is for \$18,000,000 in RM3 funds.

The full project cost is \$31,350,000, to be funded as follows:

- *RM3 - \$18,000,000*
- *TIRCP - \$8,950,000*
- *FTA - \$3,440,000*
- *RM1 - \$960,000*

Please see attached Allocation excel form for budget details and cash flow.

- d. Schedule – what is the expected completion date of the phase for this allocation? Describe any significant milestones.**

Anticipated completion date of construction: July 2027.

- e. If the project received an RM3 Letter of No Prejudice, how much has been spent against the approved RM3 LONP amount? (Note: the scope and RM3 amount for this allocation request should match the approved LONP)

N/A

f. Request Details

Amount being requested	\$18,000,000
Project phase being requested	CON
Are there other fund sources involved in this phase?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of anticipated Implementing Agency Board approval of RM3 Allocation Request resolution for the allocation being requested	8/8/24
Month/year being requested for MTC commission approval of allocation	September 2024

Note: Allocation requests are recommended to be submitted to MTC staff for review sixty (60) days prior to action by the Implementing Agency Board

- g. List any other planned bridge toll allocation requests in the next 12 months.**

N/A

Regional Measure 3

Allocation Request

Funding Plan - Deliverable Segment - Fully funded phase or segment of total project

Project Title:	5. Ferry Expansion Program
Subproject Title:	Three (3) 149-Passenger Electric Ferry Vessels
Project/Subproject Number:	5.7
Total RM3 Funding:	\$ 18,000,000

(add rows as necessary)

RM3 Deliverable Segment Funding Plan - Funding by planned year of allocation

Funding Source	Phase	Prior	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	Future committed	Total Amount (\$ thousands)	Amount Expended (\$ thousands)	Amount Remaining (\$ thousands)
RM3	ENV												\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
ENV Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM 3	PSE												\$ -		\$ -
TIRCP	PSE					\$ 306							\$ 306		\$ 306
FTA	PSE				\$ 35								\$ 35		\$ 35
RM1	PSE				\$ 108								\$ 108		\$ 108
													\$ -		\$ -
													\$ -		\$ -
PSE Subtotal		\$ -	\$ -	\$ -	\$ 143	\$ 306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449	\$ -	\$ 449
RM 3	ROW												\$ -		\$ -
	ROW												\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
ROW Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM 3	CON						\$ 18,000						\$ 18,000		\$ 18,000
TIRCP	CON						\$ 8,645						\$ 8,645		\$ 8,645
FTA	CON				\$ 3,405								\$ 3,405		\$ 3,405
RM1	CON				\$ 851								\$ 851		\$ 851
													\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
													\$ -		\$ -
CON Subtotal		\$ -	\$ -	\$ -	\$ 4,256	\$ -	\$ 26,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,901	\$ -	\$ 30,901
RM 3 Funding Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ -	\$ 18,000
Capital Funding Total		\$ -	\$ -	\$ -	\$ 4,399	\$ 306	\$ 26,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,350	\$ -	\$ 31,350

**Regional Measure 3
Allocation Request
Cash Flow Plan**

Project Title:	S. Ferry Expansion Program
Subproject Title:	Three (3) 149-Passenger Electric Ferry Vessels
Project/Subproject Number:	5.7
Total RM3 Funding:	\$ 18,000,000

(please include all planned funding, add rows as necessary)
Please update the columns below based on your allocation month. The first six months of cash flow are monthly, followed by quarterly, then annually as long as you can reasonably estimate projected expenditures

RM3 Cash Flow Plan for Deliverable Segment - Funding by requested expenditure period		Prior	2024 Q3 (July - Sept 2024)	2024 Q4 (Oct - Dec 2024)	2025 Q1 (Jan - March 2025)	2025 Q2 (April - June 2025)	2025 Q3 (July - Sept 2025)	2025 Q4 (Oct - Dec 2025)	2026 Q1 (Jan - March 2026)	2026 Q2 (April - June 2026)	2026 Q3 (July - Sept 2026)	2026 Q4 (Oct - Dec 2026)	2027 Q1 (Jan - March 2027)	2027 Q2 (April - June 2027)	2027 Q3 (July - Sept 2027)	2027 Q4 (Oct - Dec 2027)	Future committed (if applicable)	Total Amount (\$ millions)	Amount Expended (\$ millions)	Amount Remaining (\$ millions)
RM 3	ENV																	\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
ENV Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM3	PSE	\$ -																\$ -	\$ -	\$ -
TIRCP	PSE	\$ 306																\$ 306	\$ 306	\$ 306
FTA	PSE	\$ 35																\$ 35	\$ 35	\$ 35
RM1	PSE	\$ 108																\$ 108	\$ 108	\$ 108
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
PSE Subtotal		\$ 449	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449
RM 3	ROW																	\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
ROW Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RM3	CON		\$ 1,375	\$ 1,375	\$ 1,375	\$ 1,375	\$ 1,819	\$ 1,819	\$ 1,819	\$ 1,819	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 29			\$ 18,000	\$ -	\$ 18,000
TIRCP	CON		\$ 660	\$ 660	\$ 660	\$ 660	\$ 873	\$ 873	\$ 873	\$ 873	\$ 624	\$ 624	\$ 624	\$ 624	\$ 14			\$ 8,645	\$ -	\$ 8,645
FTA	CON		\$ 260	\$ 260	\$ 260	\$ 260	\$ 344	\$ 344	\$ 344	\$ 344	\$ 246	\$ 246	\$ 246	\$ 246	\$ 6			\$ 3,405	\$ -	\$ 3,405
RM1	CON		\$ 65	\$ 65	\$ 65	\$ 65	\$ 86	\$ 86	\$ 86	\$ 86	\$ 62	\$ 62	\$ 62	\$ 62	\$ 1			\$ 851	\$ -	\$ 851
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
																		\$ -	\$ -	\$ -
CON Subtotal		\$ -	\$ 2,360	\$ 2,360	\$ 2,360	\$ 2,360	\$ 3,122	\$ 3,122	\$ 3,122	\$ 3,122	\$ 2,231	\$ 2,231	\$ 2,231	\$ 2,231	\$ 50	\$ -	\$ -	\$ 30,901	\$ -	\$ 30,901
RM 3 Funding Subtotal		\$ -	\$ 1,375	\$ 1,375	\$ 1,375	\$ 1,375	\$ 1,819	\$ 1,819	\$ 1,819	\$ 1,819	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 29	\$ -	\$ -	\$ 18,000	\$ -	\$ 18,000
Capital Funding Total		\$ 449	\$ 2,360	\$ 2,360	\$ 2,360	\$ 2,360	\$ 3,122	\$ 3,122	\$ 3,122	\$ 3,122	\$ 2,231	\$ 2,231	\$ 2,231	\$ 2,231	\$ 50	\$ -	\$ -	\$ 30,901	\$ -	\$ 31,350

Notes: RM3 funds should be drawn down approximately proportionately with other funding sources in the same phase. The allocation expiration date will be the end of the final fiscal year in which RM3 funds are planned to be expended for the requested phase.

**Regional Measure 3
Allocation Request
Estimated Budget Plan**

Project Title:	5. Ferry Expansion Program
Subproject Title	Three (3) 149-Passenger Electric Ferry Vessels
Project/Subproject Number:	5.7
Total RM3 Funding:	\$ 18,000,000

1. Direct Labor of Implementing Agency (specify by name and job function)			
	Estimated Hours	Rate/Hour	Total Estimated cost
WETA Staff - Project Management/Admin			\$ 397
			\$ -
			\$ -
			\$ -
			\$ -
Direct Labor Subtotal			\$ 397
2. Overhead and direct benefits (specify)			
	Rate	x Base	
Overhead		\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
Overhead and Benefit Subtotal			\$ -
3. Direct Capital Costs (include engineer's estimate on construction, right-of-way, or vehicle acquisition)			
	Unit (if applicable)	Cost per unit	Total Estimated cost
Construction			\$ 24,163
			\$ -
			\$ -
			\$ -
Direct Capital Costs Subtotal			\$ 24,163
4. Consultants (Identify purpose and/or consultant)			
			Total Estimated cost
Design			\$ 357
Construction Management			\$ 800
Consultants Subtotal			\$ 1,157
5. Other direct costs			
			Total Estimated cost
Contingency			\$ 2,411
Legal			\$ 40
Sales Tax			\$ 3,182
Other Direct Costs Subtotal			\$ 5,633
Total Estimated Costs			\$ 31,350

Comments:

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2024-36

**RM3 IMPLEMENTING AGENCY RESOLUTION OF PROJECT COMPLIANCE –
ALLOCATION REQUEST**

Project Title: Project 5.7 – Three (3) 149-Passenger Electric Ferry Vessels

WHEREAS, SB 595 (Chapter 650, Statutes 2017), commonly referred as Regional Measure 3, identified projects eligible to receive funding under the Regional Measure 3 Expenditure Plan; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 3 funds, pursuant to Streets and Highways Code Section 30914.7(a) and (c); and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 3 funding; and

WHEREAS, allocation requests to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 3 Policies and Procedures (MTC Resolution No. 4404; and

WHEREAS, the San Francisco Bay Ferry Water Emergency Transportation Authority (WETA) is an eligible sponsor of transportation project(s) in the Regional Measure 3 Expenditure Plan; and

WHEREAS, the Three (3) 149-Passenger Electric Ferry Vessels Project is eligible for consideration in the Regional Measure 3 Expenditure Plan, as identified in California Streets and Highways Code Section 30914.7(a); and

WHEREAS, the Regional Measure 3 allocation request, attached hereto in the Initial Project Report and incorporated herein as though set forth at length, lists the project, purpose, schedule, budget, expenditure and cash flow plan for which WETA is requesting that MTC allocate Regional Measure 3 funds; now, therefore, be it

RESOLVED, that WETA, and its agents shall comply with the provisions of the Metropolitan Transportation Commission's Regional Measure 3 Policies and Procedures; and be it further

RESOLVED, that WETA certifies that the project is consistent with the Regional Transportation Plan (RTP); and be it further

RESOLVED, that the year of funding for any design, right-of-way and/or construction phases has taken into consideration the time necessary to obtain environmental clearance and permitting approval for the project; and be it further

RESOLVED, that the Regional Measure 3 phase or segment is fully funded, and results in an operable and useable segment; and be it further

RESOLVED, that WETA approves the allocation request and updated Initial Project Report, attached to this resolution; and be it further

RESOLVED, that WETA approves the cash flow plan, attached to this resolution; and be it further

RESOLVED, that WETA has reviewed the project needs and has adequate staffing resources to deliver and complete the project within the schedule set forth in the allocation request and updated Initial Project Report, attached to this resolution; and, be it further

RESOLVED, that WETA is an eligible sponsor of projects in the Regional Measure 3 Expenditure Plan, in accordance with California Streets and Highways Code 30914.7(a); and be it further

RESOLVED, that WETA is authorized to submit an application for Regional Measure 3 funds for the Three (3) 149-Passenger Electric Ferry Vessels Project in accordance with California Streets and Highways Code 30914.7(a); and be it further

RESOLVED, that WETA certifies that the projects and purposes for which RM3 funds are being requested is in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.) and if relevant the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et. seq. and the applicable regulations thereunder; and be it further

RESOLVED, that there is no legal impediment to WETA making allocation requests for Regional Measure 3 funds; and be it further

RESOLVED, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of WETA to deliver such project; and be it further

RESOLVED, that WETA agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and be it further

RESOLVED, that WETA indemnifies and holds harmless MTC, BATA, and their Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of WETA, its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of RM3 funds. WETA agrees at its own cost, expense, and risk, to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against MTC, BATA, and their Commissioners, officers, agents, and employees, or any of them, arising out of such act or omission, and to pay and satisfy any resulting judgments. In addition to any other remedy authorized by law, so much of the funding due under this allocation of RM3 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages, and be it further

RESOLVED, that WETA shall, if any revenues or profits from any non-governmental use of property (or project) that those revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital

improvements or maintenance and operational costs, otherwise the Metropolitan Transportation Commission is entitled to a proportionate share equal to MTC's percentage participation in the projects(s); and be it further

RESOLVED, that assets purchased with RM3 funds including facilities and equipment shall be used for the public transportation uses intended, and should said facilities and equipment cease to be operated or maintained for their intended public transportation purposes for its useful life, that the Metropolitan Transportation Commission (MTC) shall be entitled to a present day value refund or credit (at MTC's option) based on MTC's share of the Fair Market Value of the said facilities and equipment at the time the public transportation uses ceased, which shall be paid back to MTC in the same proportion that Regional Measure 3 funds were originally used; and be it further

RESOLVED, that WETA shall post on both ends of the construction site(s) at least two signs visible to the public stating that the Project is funded with Regional Measure 3 Toll Revenues; and be it further

RESOLVED, that WETA authorizes its Executive Director or his/her designee to execute and submit an allocation request for the design phase with MTC for Regional Measure 3 funds in the amount of \$18,000,000 for the project, purposes and amounts included in the project application attached to this resolution; and be it further

RESOLVED, that the Executive Director or his/her designee is hereby delegated the authority to make non-substantive changes or minor amendments to the allocation request or IPR as he/she deems appropriate.

RESOLVED, that a copy of this resolution shall be transmitted to MTC in conjunction with the filing of the WETA application referenced herein.

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 August 8, 2024.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2024-36

END

MEMORANDUM

TO: Board Members

**FROM: Seamus Murphy, Executive Director
Timothy Hanners, Director of Project Delivery & Engineering
Jeffery Powell, Senior Project Manager**

**SUBJECT: Approve Sole Source Contract Award to Pacific Power Group, LLC
for Main Engine Preventative Maintenance Services**

Recommendation

1. Approve the award of a Sole Source Contract to Pacific Power Group, LLC (PPG) in the amount of \$1,267,746 for main propulsion engine maintenance services for the *MV Lyra, Carina, Argo, Bay Breeze, Intintoli, and Mare Island*; and
2. Authorize the Executive Director to negotiate and execute an agreement with PPG and take any other required actions to support this work.

Background/Discussion

Six WETA vessels are due for main engine preventative maintenance work in Fiscal Year 2024-2025.

The two MTU 16V4000 M65L main propulsion engines installed in *MV Lyra* have been in operation since 2020, they are approaching the time for mid-life overhaul at 10,000 engine hours. The four MTU 12V4000 M64 main engines in *MV Carina* and *Argo* are approaching their diesel fuel injector replacement interval of 20,250 engine hours. The MTU 16V2000 M70 port main engine on *MV Bay Breeze* is approaching its main engine and reduction gear overhaul interval of 7,000 hours. The two MTU 16V4000 M73L main engines in *MV Intintoli* are approaching their diesel fuel injector replacement interval of 12,000 hours for the port main engine and 6,000 hours for the starboard main engine. The MTU 16V4000 M73L starboard main engine installed in *MV Mare Island* is approaching its diesel fuel injector replacement interval of 12,000 hours.

In order to remain in compliance with the preventative maintenance schedules for these engines, they must undergo mid-life overhauls and injector changes by an authorized MTU service dealer. The work also ensures that all engines remain within the OEM specifications for safe, reliable, and efficient operation.

The mid-life engine overhaul on *MV Lyra* will take place dockside at the North Bay Operations & Maintenance Facility while the engines remain in the vessel as several major engine subcomponents are removed for inspection, refurbishment, or replacement. For overhaul of the port main engine and reduction gear of the *MV Bay Breeze* the work will take place dockside at the North Bay Operations & Maintenance Facility where the spare engine and gear will be installed; and the removed engine and gear will be shipped to PPG in Kent, WA for rebuild work. These engine overhaul work items will each take 2-3 weeks per engine.

The diesel fuel injector changes will occur dockside at WETA's vessel maintenance facilities or at shipyards depending on other maintenance schedules. The fuel injector changes will take between two and three days per engine. Following all preventative maintenance engine work the vessels will undergo a complete sea trial to prove the maintenance actions.

Scope of Work and Proposed Schedule

In order to accomplish the necessary services noted above, WETA requires an authorized MTU service dealer to provide parts, labor, materials, testing, and commissioning. The necessary preventative maintenance is scheduled to occur throughout Fiscal Year 2024-2025 at times that minimize impacts to service schedules.

Sole Source Discussion

There is a sole source justification to award these engine maintenance services to PPG as it is uniquely qualified to provide complete technical, engineering, logistics, and service support. Only a MTU certified dealer can accomplish the scope of work needed to preserve important factory warranties. PPG is currently the sole factory-assigned dealership for the provision of MTU engines, parts, and services for WETA, as determined by MTU.

PPG is well qualified to carry out this project as it has the requisite technical application experience with these engine models in terms of inspections, service, repairs, injector changes, and mid-life engine overhauls; and it has a large workforce of seasoned and experienced mechanics qualified on MTU 2000 and 4000 series engines. Further, PPG has the unique ability to provide the requisite on-site labor resources to complete the engine overhauls in the shortest possible timeframes in support of WETA vessel operating schedules.

PPG has provided main propulsion engine purchase and service support for WETA on several vessel procurement and repower projects in the past, including new construction of *Hydrus* Class, *Pyxis* Class, and *Dorado* Class vessels. PPG performs ongoing service and repair to WETA's vessels and is also the factory-assigned representative to provide sales, service, and repair for Golden Gate Ferry vessels in the San Francisco Bay Area.

Staff analyzed PPG's price proposal and find it to be fair and reasonable. PPG's pricing is 6% less than WETA's independent cost estimate; and the price is in alignment with historical engine mid-life overhaul and injector change services on these families of engines.

In accordance with the above analysis, staff has determined that this procurement meets the requirements for sole source procurement under federal regulations and as set forth in the WETA Administrative Code Section 502.2(E), which authorizes the agency to procure goods and services without competition under limited circumstances. Subdivision (E) of this provision allows the agency to procure items non-competitively when there is only a single source of supply available or only one contractor is qualified to provide the service or product. Because PPG is uniquely able to provide and warranty the necessary work, a competitive bidding process would serve no useful purpose for this procurement.

Fiscal Impact

Funding for this agreement is included in the FY 2024/25 Capital Budget in the amount of \$1,602,000. This is funded 80 percent by FTA and 20 percent AB664 Bridge Toll funds.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2024-37

**APPROVE SOLE SOURCE CONTRACT AWARD TO PACIFIC POWER GROUP, LLC FOR
MAIN ENGINE PREVENTATIVE MAINTENANCE SERVICES.**

WHEREAS, WETA requires periodic maintenance and overhaul services for six vessels whose main engines have reached hourly in-service thresholds requiring such services; and

WHEREAS, the engines are manufactured by MTU and must be serviced by an MTU-authorized dealer; and

WHEREAS, Pacific Power Group, LLC (PPG) is the only factory-assigned dealership for WETA for the provision of MTU engines, parts, and services; and

WHEREAS, WETA's Administrative Code, consisted with Federal procurement regulations, allows WETA to procure the necessary services from PPG without a competitive process when, like here, only one contractor is qualified to provide the services; and

WHEREAS, PPG has submitted a proposal for the necessary services at prices WETA has analyzed and determined to be fair and reasonable based on its independent estimate of the work and on historical pricing for similar services; and

WHEREAS, the Executive Director recommends the award of a sole source contract to PPG for the needed engine maintenance services; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into an agreement with PPG for engine maintenance in an amount not to exceed \$1,267,746; and be it further

RESOLVED that the Board of Directors authorizes the Executive Director to negotiate and execute the agreement and take any other related actions to support this work.

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 August 8, 2024.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2024-37

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Erin McGrath, Chief Financial Officer
Jennifer Raupach, Grants Manager

SUBJECT: Authorize Submitting an Application for FTA Formula Funding for Fiscal Years 2024/25-2028/29 with SF Bay Ferry Transit Capital Priorities

Recommendation

Authorize submitting an application to the Metropolitan Transportation Commission for funding under the FTA Formula Program and Surface Transportation Program in the amount of \$55,995,200 for the Fiscal Year 2024/25 - 2028/29 Transit Capital Priorities (TCP). The funding request would support various capital improvement projects, commit the necessary local match, assure completion of the projects, and take other necessary actions to support securing these funds.

Background

SF Bay Ferry utilizes federal formula funding for preventive maintenance, repair, and replacement projects to keep the fleet and infrastructure in good working order. The Metropolitan Transportation Commission (MTC) is responsible for programming FTA Formula Program funds to eligible transit operators in the San Francisco Bay Area region through its Transit Capital Priorities (TCP) Process and Criteria programming guidelines. Once these funds are programmed by MTC and annual program funds are appropriated by Congress, individual project sponsors can secure these funds through grant applications and execution of funding agreements directly with FTA.

Discussion

Consistent with MTC's TCP programming guidelines, SF Bay Ferry is eligible for the use of FTA Formula Program funds for the projects and the funding amounts shown in the table below. SF Bay Ferry's needs total \$69.99 million over five years, with \$55.99 million in federal funding requested to pay for 80% of the costs. The federal grant programs pay a maximum of 80% of the costs for these projects.

The first year of this program of projects are authorized in the approved FY2024/25 SF Bay Ferry budget. Future year commitments will be included in future year budgets. SF Bay Ferry has the ability to request changes in the program over time as needs and priorities change or if federal funding isn't sufficient to cover all the projects requested. However, MTC requires a five-year program be approved by the Board and submitted for approval.

The plan shown in the TCP schedule reflects the state of good repair needs of the current fleet and facilities. These projects are all eligible for the federal funding allocated to the region as they help to maintain a state of good repair for the existing fleet, facilities, and infrastructure. Those needs are shown as follows:

Fiscal Year of Request	Project Title	Federal/Local Split		Total Project Cost
		Federal	Local	
FY2024-25	Ferry Parking Lot - S. San Francisco	\$ 152,800	\$ 38,200	\$ 191,000
	NOBMF Fuel Farm Upgrades	\$ 336,000	\$ 84,000	\$ 420,000
	Vallejo Terminal reconfiguration	\$ 2,320,000	\$ 580,000	\$ 2,900,000
	FY24-25 Vessel Rehabilitation Projects	\$ 14,077,600	\$ 3,519,400	\$ 17,597,000
	Vallejo terminal dredging	\$ 2,816,000	\$ 704,000	\$ 3,520,000
FY2025-26	FY25-26 Vessel Rehabilitation Projects	\$ 7,444,800	\$ 1,861,200	\$ 9,306,000
FY2026-27	NBOMF - Building Rehab	\$ 621,600	\$ 155,400	\$ 777,000
	NBOMF - Float Rehab	\$ 1,080,800	\$ 270,200	\$ 1,351,000
	FY26-27 Vessel Rehabilitation Projects	\$ 12,978,400	\$ 3,244,600	\$ 16,223,000
	South San Francisco terminal dredging	\$ 2,471,200	\$ 617,800	\$ 3,089,000
FY2027-28	CBOMF - Building Rehab	\$ 640,800	\$ 160,200	\$ 801,000
	CBOMF - Waterside Docks/Slips Rehab	\$ 1,581,600	\$ 395,400	\$ 1,977,000
	FY27-28 Vessel Rehabilitation Projects	\$ 2,437,600	\$ 609,400	\$ 3,047,000
FY2028-29	Richmond - Float Rehab	\$ 578,400	\$ 144,600	\$ 723,000
	Ferry Parking Lot - Richmond	\$ 346,400	\$ 86,600	\$ 433,000
	FY28-29 Vessel Rehabilitation Projects	\$ 4,190,400	\$ 1,047,600	\$ 5,238,000
	Harbor Bay terminal dredging	\$ 823,200	\$ 205,800	\$ 1,029,000
	CBOM Dredging	\$ 1,097,600	\$ 274,400	\$ 1,372,000
		\$ 55,995,200	\$ 13,998,800	\$ 69,994,000

Matching funds are anticipated to come from SF Bay Ferry’s RM1 and AB664 Bridge Toll allocated revenues. Sufficient funds will be available in these programs for this need as there are approximately \$9 million in unobligated funds and new funding of \$4 million each year added to that balance. This programming process represents the first step in securing funds to support these necessary capital rehabilitation and replacement projects scheduled for implementation over the next several years.

Fiscal Impact

This item would request up to \$55,995,200 in FY 2024/25 through FY 2028/29 FTA Formula Program funds to support the implementation of the various ferry capital improvement projects. These capital projects are included in SF Bay Ferry’s FY 2024/5 Capital Budget and will be included in future budget proposals.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2024-38

AUTHORIZING THE FILING OF AN APPLICATION FOR FTA FORMULA PROGRAM AND SURFACE TRANSPORTATION PROGRAMS FUNDING FOR THE FY 2024/25 - FY 2028/29 TRANSIT CAPITAL PRIORITIES (TCP) AND COMMITTING THE NECESSARY LOCAL MATCH FOR THE PROJECT(S) AND STATING THE ASSURANCE OF SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY (WETA) TO COMPLETE THE PROJECT

WHEREAS, Infrastructure Investment and Jobs Act, or the Bipartisan Infrastructure Law (BIL, Public Law 117-58) continues and establishes new Federal Transit Administration formula programs (23 U.S.C. §53) and continues the Surface Transportation Program (23 U.S.C. § 133); and

WHEREAS, pursuant to BIL, and the regulations promulgated thereunder, eligible project sponsors wishing to receive Federal Transit Administration (FTA) Section 5307 Urbanized Area, Section 5337 State of Good Repair, or Section 5339 Bus and Bus Facilities (collectively, FTA Formula Program) grants or Surface Transportation Program (STP) grants for a project shall submit an application first with the appropriate metropolitan transportation planning organization (MPO), for review and inclusion in the MPO's Transportation Improvement Program (TIP); and

WHEREAS, the Metropolitan Transportation Commission is the MPO for the San Francisco Bay region; and

WHEREAS, WETA is an eligible project sponsor for FTA Formula Program or STP funds; and

WHEREAS, WETA wishes to submit a grant application to MTC for funds from the FY 2024/25 – FY 2028/29 FTA Formula Program or STP funds, for the following project(s) as attached to this resolution; and

WHEREAS, MTC requires, as part of the application, a resolution stating the following:

- 1) The commitment of necessary local matching funds (18-50% for FTA Formula Program funds, depending on project type, and 11.47% for STP funds); and
- 2) That the sponsor understands that the FTA Formula Program and STP funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded from FTA Formula Program or STP funds; and
- 3) The assurance of the sponsor to complete the project as described in the application, and if approved, as programmed in MTC's TIP; and
- 4) That the sponsor understands that FTA Formula Program funds must be obligated within three years of programming and STP funds must be obligated by January 31 of the year that the project is programmed for in the TIP, or the project may be removed from the program; now, therefore, be it

RESOLVED by the Board of Directors that WETA is authorized to execute and file an application for funding under the FTA Formula Program and/or Surface Transportation Program in the amount of \$55,995,200 for the FY 2024/25 - FY 2028/29 Transit Capital Priorities (TCP); and be it further

RESOLVED that the Board of Directors, by adopting this resolution, does hereby state that:

- 1) WETA will provide 20% in local matching funds; and
- 2) WETA understands that the FTA Formula Program and STP funding for the project is fixed at the programmed amount and that any cost increases must be funded by the WETA from local

matching funds, and that WETA does not expect any cost increases to be funded with FTA Formula Program and Surface Transportation Program funds; and

- 3) WETA's projects will be carried out as described in this resolution and, if approved, for the amount shown in the Metropolitan Transportation Commission (MTC) Transportation Improvement Program (TIP) with obligation occurring within the timeframe established below; and
- 4) The STP program funds are expected to be obligated by January 31 of the year the project programmed for in the TIP; and
- 5) WETA will comply with FTA requirements and all other applicable Federal, State and Local laws and regulations with respect to the proposed project; and be it further

RESOLVED, that WETA is an eligible sponsor of projects in the program for FTA Formula Program and STP funds; and be it further

RESOLVED, that WETA is authorized to submit an application for FTA Formula Program and STP funds; and be it further

RESOLVED, that there is no legal impediment to WETA making applications for FTA Formula Program and STP funds; and be it further

RESOLVED, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of WETA to deliver such project; and be it further

RESOLVED, that WETA agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and be it further

RESOLVED that a copy of this resolution will be transmitted to the MTC prior to MTC programming the FTA Formula Program or Surface Transportation Program funded projects in the Transportation Improvement Program (TIP); and be it further

RESOLVED that the MTC is requested to support the application for the project described in the resolution and to program the project, if approved, in MTC's TIP.

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 August 8, 2024.

YEA:
NAY:
ABSTAIN:
ABSENT:

/s/ Board Secretary

2024-38

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Michael Gougherty, Director of Planning
Arthi Krubanandh, Senior Transportation Planner
Terence Candell, Government & Regulatory Affairs Specialist

SUBJECT: Adopt Sustainability Policy

Recommendation

Adopt Sustainability Policy.

Background

The development of San Francisco Bay Ferry's first Sustainability Policy is rooted in stakeholder outreach conducted for the 2050 Service Vision & Business Plan. The 2050 Vision & Plan is designed to define a long-term service vision based on input from agency stakeholders, the public, and other interested parties. The 2050 Vision & Plan identified six focus areas: 1) Regional Ferry Network, 2) Emergency Response, 3) Environmental Stewardship, 4) Community Connections, 5) Organizational Capacity, and 6) Financial Capacity. The proposed Sustainability Policy was designed to adopt specific goals and objectives supporting Focus Area #3, Environmental Stewardship.

Discussion

A draft Sustainability Policy was presented to the Board in July 2024. Based on the comments received from the Board, staff has drafted a final policy (**Attachment A**) that incorporates the following updates:

1. *Broaden the Agency's Role in Regional Development* – Improve coordination between land-based activities and waterfront transportation by collaborating with stakeholders, including businesses, partnering agencies, and advocacy groups. For example, promote waterfront residential development near San Francisco Bay to reduce energy consumption in hotter areas and enhance water-based activities and transportation.
2. *Further Define Scope for the Sustainability Plan* – Develop a comprehensive short-term sustainability plan defining specific actions and milestones to achieve those long-term objectives of the sustainability policy. The plan will also establish a robust monitoring and reporting framework to track and communicate progress. The Plan will be updated periodically to align with evolving regulatory mandates and regional initiatives and will ensure consistency with the long-term objectives of the Sustainability Policy. This approach ensures measurable targets and accountability, allowing the Agency to adapt strategies as needed and effectively progress toward the Policy objectives.

Upon the Board's adoption of the Sustainability Policy, staff will initiate an outreach process to develop a short-term Sustainability Plan consistent with the Policy. This outreach will include coordination with Blue & Gold Fleet, other water transit operators, the Harbor Safety Committee, and other interested parties such as The Marine Mammal Center and the Bay Area Transit Agency Sustainability Working Group. The Sustainability Plan is expected to be developed over approximately nine months.

Fiscal Impact

There is no fiscal impact associated with this item.

END

ATTACHMENT A

WETA SUSTAINABILITY POLICY

Adopted by WETA Board - Resolution No. 2024-39

August 8, 2024

The purpose of the San Francisco Bay Ferry's Sustainability Policy is to identify a broad range of environmentally friendly practices supporting the planning, design, construction, operation, and maintenance of the San Francisco Bay Ferry system. This policy aims to ensure that San Francisco Bay Ferry mandates are sustainable and protect the environment, infrastructure, and future quality of life in the Bay Area and beyond. This policy seeks to foster a greener system that is closely aligned with regional and statewide climate and resilience goals.

1. Continue industry leadership role in promoting environmentally friendly and sustainable water transit service.
 - a. Leverage the Pilot Service Program to partner with public and private entities to advance research and development of new water transit technologies.
 - b. Advocate for and support rules and regulations that balance agency interests of feasibility and impact.
 - c. Participate in the development and exchange of industry best practices through engagement with trade, academic, and commercial stakeholders.

2. Achieve near-term reduction and long-term elimination of emissions generated by San Francisco Bay Ferry.
 - a. Transition 2/3rd of fleet to Zero Emission Vessels (ZEVs) by 2035 and 100 percent of fleet by 2050.
 - i. All new expansion routes shall deploy ZEVs, if feasible.
 - ii. All current vessels in the San Francisco Bay Ferry fleet will be replaced with ZEVs upon the end of their useful life.
 - b. Provide shoreside infrastructure required to support ZEVs at all current and future ferry facilities.
 - c. Periodically update existing plans, such as the Climate Action Plan, to achieve comprehensive zero emission capability, including San Francisco Bay Ferry fleet, facilities, and agency personnel.

3. Protect and conserve natural resources, wildlife, and habitat.
 - a. Site future terminals and routes in locations that do not significantly impact environmentally sensitive shoreline or open water areas.

- b. Site future terminals and routes in locations that do not require extensive or frequent dredging.
- c. Continue coordination with appropriate stakeholders (such as the Marine Mammal Center) to avoid the risk of vessel collisions with marine mammals.
- d. Identify and implement feasible technologies to reduce underwater noise.
- e. Establish and execute a comprehensive waste reduction and recycling initiative at San Francisco Bay Ferry, incorporating audits, waste segregation, staff training, and ongoing monitoring, with the aim of attaining systemwide zero-waste.

4. Maximize resilience to climate-related network disruptions and regional disasters, natural or man-made.

- a. Integrate adaptive strategies into operational planning, considering rising sea levels, extreme weather events, and other climate-related hazards.
- b. Perform periodic risk assessments to evaluate vulnerabilities, assess potential consequences, and adjust strategies to address evolving climate risks.
- c. Upgrade or construct terminals and other key system facilities to Essential Facility Standards when feasible.
- d. Prioritize the use of renewable energy sources to enhance system energy self-sufficiency and minimize susceptibility to climate disruptions.
- e. Maintain a flexible fleet strategy to adapt to changing weather or service issues, aiming for interoperability when possible.
- f. Establish comprehensive disaster recovery strategies outlining data-related procedures and responsibilities, for both during and after disruptive events.

5. Integrate equity and environmental justice as fundamental core values into Agency planning, execution, culture, and business strategy.

- a. Deliver cost-effective, quality, and safe services for all, irrespective of race, color, national origin, income or ability.
- b. Prioritize system expansion to benefit equity priority communities and avoid the concentration of potential negative effects relating to noise, air quality, traffic, and other environmental factors in these areas.
- c. Promote workforce diversity through inclusive recruitment and retention, ensuring fair career advancement free from discrimination or bias for all staff.
- d. Participate in programs that promote equitable employment and skill development to support industry expansion (such as the Working Waterfront Coalition program)
- e. Collaborate with community organizations, nonprofits, and advocacy groups to address equity, accessibility, and environmental concerns.
- f. Advance inclusivity by providing affordable fare structures and promoting active modes of terminal access for healthy, livable communities.

Encourage waterfront development in areas adjacent to San Francisco Bay that have the potential to reduce energy consumption.

6. Strengthen systemwide environmental initiatives, oversight, and adaptation.

- a. Collaborate with stakeholders to integrate land and waterfront planning, ensuring cohesive regional transportation and development.
- b. Develop a Sustainability Plan with specific short-term actions to achieve long term goals set forth in the Policy and establish a periodic reporting framework to monitor and communicate progress.
- c. Establish independent monitoring and assessment through potential partnerships with third party reporting entities such as Green Marine.
- d. Periodically update and adapt the Sustainability Policy and the Sustainability Plan to align with evolving agency, regional, and statewide challenges and mandates.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2024-39

ADOPT SUSTAINABILITY POLICY

WHEREAS, at its July 2024 meeting the WETA Board was presented with a draft of a new Sustainability Policy;

WHEREAS, the purpose of the Sustainability Policy is to identify a broad range of environmentally friendly practices supporting the planning, design, construction, operation, and maintenance of the San Francisco Bay Ferry system; and

WHEREAS, establishing a Sustainability Policy will help ensure that San Francisco Bay Ferry mandates are sustainable and protect the environment, infrastructure, and future quality of life in the Bay Area and beyond. This policy seeks to foster a greener system that is closely aligned with regional and statewide climate and resilience goals; now, therefore, be it

RESOLVED, that the Board of Directors adopts the WETA Sustainability Policy in the form presented to the Board of Directors at its meeting on this date.

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 August 8, 2024.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2024-39

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director

SUBJECT: Board Workshop: Expanding the Bay Area Maritime Industry

Recommendation

There is no recommendation associated with this informational item.

Background

As San Francisco Bay Ferry (SF Bay Ferry) has expanded its operations and the size of its fleet, the agency has relied on a number of shipyards to support vessel repair, maintenance, and procurement efforts. When this work is needed, the agency typically conducts a competitive procurement process to select the shipyard that provides best value based on a combination of factors, including price.

Bay Area shipyards typically bid only on maintenance and repair work, not on new vessel procurements; the agency has only ever received one proposal from a Bay Area shipyard for a new vessel procurement. SF Bay Ferry use of federal formula funds for these activities precludes it from giving geographic preference when selecting a shipyard. Still, Bay Area shipyards are regularly selected to support the agency's repair and maintenance needs, and as a result, a substantial amount of the capital budget is invested in the region's maritime industry.

In advancing SF Bay Ferry's Rapid Emission Free Ferry Program (REEF), the agency has secured a significant amount of regional, state, and federal funding to invest in the next generation of maritime technology. Zero emission vessels are rapidly expanding around the world, but the adoption of this new technology in the US has been slow. That is changing as SF Bay Ferry prepares to operate the country's first high-speed zero-emission ferry fleet.

As a part of this work, SF Bay Ferry staff has encouraged maritime industry innovators from around the world to position themselves to serve the US market. As a result, suppliers of key technologies are beginning to invest in US manufacturing facilities. As the global leader in technology and innovation, locating in the Bay Area offers tremendous advantages for companies like these. The region has unrivaled access to a workforce that is geared toward this work, and access to capital that can help advance it. But the Bay Area also poses some significant hurdles including the affordability of labor and real estate, and a challenging regulatory environment. These are some of the same challenges that have caused a once-thriving traditional maritime industry to atrophy, leaving few regional maintenance, repair, and vessel procurement options for SF Bay Ferry to chose from.

The lack of shipyard capacity is also an issue nationwide where shipbuilding output has decreased by more than 85% since the 1950s. Much of this is attributed to the contraction of the US military, an issue that has a pronounced impact on the decline of the industry in the Bay Area. In 1955, the Navy's fleet included over 1000 ships. Today, it has 472.

Regardless of the causes, the contraction of the maritime industry nationally and in the Bay Area will limit SF Bay Ferry's ability to implement the REEF Program and expand its operations generally. The agency recently initiated procurements for five state-of-the-art battery electric vessels and the SF Bay Ferry 2050 Service Vision contemplates an aggressive expansion of the fleet from 17 to as many as 40 vessels by 2035. Embracing strategies that support the expansion of the regional maritime industry will help ensure that these efforts are successful.

Discussion

SF Bay Ferry is working quickly to implement the REEF Program to comply with California Air Resources Board (CARB) Commercial Harborcraft rules and to position the agency to take advantage of unprecedented and growing funding opportunities for the adoption of zero-emission technology. An expanded regional maritime industry will help that effort succeed and will support regional economic development and job creation in the process.

In response to Board discussion around this topic, staff has organized this workshop to focus on understanding the state of the regional maritime industry, the challenges associated with expanding it, and the role that SF Bay Ferry can play. An agenda for the workshop is included as **Attachment A**.

The workshop will include a summary of SF Bay Ferry's current activities and how they support the region's shipyards. The Board will hear directly from these businesses about the work they do for SF Bay Ferry, their plans for the future, and the challenges that they face.

The workshop will also include a look at how ferry operators in other regions have navigated this issue and the results of those strategies.

Finally, the Board will hear about potential opportunities for expanding the regional industry to help accommodate the agency's needs, some of the challenges associated with making that happen, and recommendations from staff about what SF Bay Ferry can do to help overcome these challenges.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

Attachment A – Agenda, Board Workshop: Bay Area Maritime Industry Expansion

**Board Workshop: Expanding the Bay Area Maritime Industry
August 8, 1:00PM**

Port Commission Hearing Room Ferry Building, Second Floor San Francisco, CA

1. Regional Industry, Current Status

- Key Questions
 - How are the region's shipyards currently supporting SF Bay Ferry's needs?
 - Is there capacity in the region to handle SF Bay Ferry's expanded future needs?
- Presenters
 - Tim Hanners, Director of Project Delivery and Engineering
 - Gerona Goethe, Bay Ship and Yacht Co.
 - Christian Lind, Lind Marine
 - TBD, Mare Island Dry Dock (TBD)

2. National Shipyard Capacity Constraints

- Key Questions
 - Are other regions challenged by capacity constraints?
 - What is being done elsewhere to address the issue?
- Presenters
 - Lauren Gularte, Manager of Government and Regulatory Affairs
 - Patty Rubstello, Frm. Ast Sec'y, WA State Dept of Transportation

3. Opportunities

- Key Questions:
 - What is preventing the expansion of shipyard capacity in the Bay Area?
 - Are there near-term opportunities?
 - What can SF Bay Ferry do to help?
- Presenters
 - Todd Roberts, The Marine Group
 - Dominic Moreno, Port of SF
 - Sal Vaca, Working Waterfront Coalition
 - Scott Lewis, NorCal Carpenters
 - Seamus Murphy, Executive Director