

Members of the Board

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Monique Moyer, Vice Chair
Jessica Alba
Jeffrey DelBono
Pippin Dew

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

Thursday, March 2, 2023 at 1:00 p.m.

**Hanson Bridgett
425 Market Street, 26th Floor
San Francisco, CA**

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and

Videoconference

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The full agenda packet is available for download at weta.sanfranciscobayferry.com

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. ADOPT A RESOLUTION RECOGNIZING THE 2023 SAN FRANCISCO BAY FERRY CREW OF THE YEAR **Action**
6. REPORTS OF STAFF **Information**
 - a. Executive Director's Report on Agency Projects, Activities and Services
 - i. Regional Measure 3 Update
 - ii. DBE Workshop
 - b. Monthly Review of Financial Statements
 - c. Federal Legislative Update
 - d. State Legislative Update
 - e. Monthly Ridership and Recovery Report

**Water Emergency Transportation Authority
March 2, 2023 Meeting of the Board of Directors**

- | | |
|---|--------------------|
| 7. <u>CONSENT CALENDAR</u> a. Approve Board Meeting Minutes – February 2, 2023 b. Designate Authorized Agents to Apply for Federal or State Disaster Assistance Funds c. Authorize Release of Request for Proposals for Surveying and Market Research Services | Action |
| 8. <u>APPROVE CONTRACT AWARD TO MAZE & ASSOCIATES FOR INDEPENDENT YEAR-END AUDITING SERVICES</u> | Action |
| 9. <u>AUTHORIZE RELEASE OF PROPOSED FISCAL YEAR 2024-28 FARE PROGRAM FOR PUBLIC COMMENT</u> | Action |
| 10. <u>AUTHORIZE RELEASE OF REQUEST FOR PROPOSALS FOR EMERGENCY RESPONSE AND PILOT PROGRAM FERRY SERVICES</u> | Action |
| 11. <u>BUSINESS PLAN FOCUS AREA #2 – EMERGENCY RESPONSE</u> | Information |
| 12. <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 or by telephone: (415) 291-3377 as soon as possible and no later than 5 days prior to the meeting and we will work to accommodate access to the meeting.

AGENDA ITEM 1
CALL TO ORDER

AGENDA ITEM 2
ROLL CALL

AGENDA ITEM 3
REPORT OF BOARD CHAIR

AGENDA ITEM 4
REPORTS OF DIRECTORS

NO MATERIALS

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Thomas Hall, Public Information & Marketing Manager
Rafael Regan, Customer Experience Specialist

SUBJECT: Adopt a Resolution Recognizing the 2023 San Francisco Bay Ferry Crew of the Year

Recommendation

Adopt a resolution of recognition celebrating the 2023 San Francisco Bay Ferry Crew of the Year.

Background/Discussion

WETA has established a new Crew of the Year program to recognize exemplary service to San Francisco Bay Ferry passengers by captains, deckhands, engineers, guest assistance representatives, and other staff. These staff members are employed by WETA's contract operator Blue & Gold Fleet; however, WETA felt a recognition program specific to San Francisco Bay Ferry would help build stronger connections between the highly-skilled maritime workforce and the passengers who use the system.

WETA sought nominations from passengers and crew members in December 2022 and January 2023. More than 40 nominations were received. A panel including WETA and Blue & Gold Fleet administrative staff reviewed the nominations and selected five employees who best exemplify great service, skills, and work ethic.

The employees selected as the 2023 San Francisco Bay Ferry Crew of the Year are:

- Alvin Haymon, captain
- Christopher Harrison, deckhand
- NaArai "Peaches" Zaynah, deckhand
- Vere Valou, engineer
- Jimena Campos, guest assistance representative

The attached resolution includes information about the selected crew members. Awards will be presented at the Board of Directors meeting.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2023-07

RECOGNIZE THE 2023 SAN FRANCISCO BAY FERRY CREW OF THE YEAR

WHEREAS, WETA contracts with Blue & Gold Fleet to provide the crews that operate the San Francisco Bay Ferry service; and

WHEREAS, Blue & Gold Fleet employs highly-skilled maritime workers, who are critical to the successful operation of the San Francisco Bay Ferry service; and

WHEREAS, San Francisco Bay Ferry enjoys 99 percent satisfaction among its passengers according to a 2022 survey, the best mark among transit agencies in the nation; and

WHEREAS, a major reason for high passenger satisfaction is a friendly, safe, and reliable experience on the ferry, which is not possible without excellent ferry captains, deckhands, engineers, guest assistance representatives, and other staff; and

WHEREAS, San Francisco Bay Ferry passengers and staff were invited to nominate crew members who exemplify what makes the ferry the best way to cross the Bay; and

WHEREAS, Alvin Haymon, a captain on Central Bay routes, was commended by passengers for his positivity and his skill piloting the ferry in rough waters; and

WHEREAS, Christopher Harrison, a deckhand on the Vallejo route, was commended for giving every passenger a smile and running an efficient, courteous crew; and

WHEREAS, NaArai “Peaches” Zaynah, a deckhand on the Richmond route, was commended by passengers as a “shining light” who adds sunshine to riders’ commutes even on foggy days; and

WHEREAS, Vere Valou, an engineer at the North Bay Operations and Maintenance Facility, has played a significant role in critical vessel repairs, leveraging his extensive skills, and problem-solving abilities; and

WHEREAS, Jimena Campos, a guest assistance representative at the Downtown San Francisco Ferry Terminal, was nominated by passengers on account of her ability to organize queues and maintain composure during hectic experiences; now, therefore, be it

RESOLVED, that the Board of Directors hereby recognizes Alvin Haymon, Christopher Harrison, NaArai Zaynah, Vere Valou, and Jimena Campos as the 2023 San Francisco Bay Ferry Crew of the Year.

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 March 2, 2023.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

YYYY-07

END

TO: WETA Board Members

FROM: Seamus Murphy, Executive Director

DATE: March 2, 2023

RE: Executive Director's Report

Regional Measure 3

On January 22, the California Supreme Court dismissed review of litigation challenging the legality of voter-approved bridge toll increases called for in Regional Measure 3. The effect of the dismissal makes the Court of Appeal decision (in favor of the toll increase program) final. The plaintiffs have 15 days to raise any new issues. After that time the Appeals Court will issue a notice finalizing the decision.

WETA is actively working with Metropolitan Transportation Commission staff to understand the timing and policy considerations around access to the capital and operating funds that the measure makes available to WETA. The measure provides WETA with approximately \$35 million in annual operating revenue and a total of \$300 million in capital funding. Collected revenues have been held in escrow while the legal process was being conducted.

Transit and Intercity Rail Capital Program (TIRCP) Activities

In April 2020 WETA received a \$9 million grant for an electric vessel and related infrastructure for zero-emission service to a new Mission Bay Ferry Terminal. Execution of the grant was delayed due to pending RM3 litigation and pandemic-related impacts on funding. WETA was able to restructure the program as part of a new application in March of 2022 that requested additional funding for another electric ferry and additional electric infrastructure. WETA's \$14.9 million application received a perfect score allowing program implementation and grant execution to finally begin. WETA's first allocation request was approved by the California Transportation Commission on January 28. Following that allocation, staff will be working with Caltrans on a supplemental agreement to allow for work to begin on the \$23.96 million in TIRCP funding awarded to date.

March Update: Staff submitted a TIRCP application on February 10th for \$13.8 million to increase electric power capacity for service between Downtown San Francisco and Alameda Main Street in order to electrify and ultimately increase service on the Alameda Main Street/Oakland route in the future. Awards are anticipated to be announced by April 24, 2023.

2050 WETA Service Vision and Business Plan

This effort will create a long-term plan for the expansion of regional ferry service and emergency water transportation response capabilities on San Francisco Bay. The plan will include definition of a 2050 service vision and corresponding business plan that will inform WETA planning, budget, and operational decisions as it is phased in over time. The business plan has been under development throughout calendar year 2022 with public and stakeholder outreach helping to shape the analysis and service vision. The Business Plan is anticipated to be finalized in the second half of calendar year 2023.

March 2023 Update: Staff continues to host a round of public and stakeholder outreach discussions with subcommittees that were formed in the early outreach period of the planning process. The centerpiece of this round of outreach – analysis of future service and economic scenario's – has been developed by the Business Plan consultant team with input from staff and the Board Subcommittee.

Community Outreach

As a part of its community outreach program, WETA has donated 200 vouchers for roundtrip service on the Vallejo ferry route to Court Appointed Special Advocates (CASA) of Solano County. The organization recruits volunteers to serve as court appointed special advocates for children under the protection of the court due to neglect or abuse. Volunteers spend time with the children for whom they advocate every month. WETA is providing tickets to allow the advocates and children to experience the ferry on these visits.

WETA sponsored the Black Joy Parade in Oakland on February 26. The event is a positive celebration of the Black community. WETA co-hosted a table with Amtrak San Joaquin's to highlight transit connections in the East Bay and build positive awareness of San Francisco Bay Ferry.

Breaking Down Barriers in the Marine Industry – DBE Workshop

On February 15, WETA and Golden Gate Ferry hosted a workshop focusing on the common barriers preventing DBEs from participating on vessel and marine construction contracts. Four critical barriers were identified in preliminary exploratory meetings with the shipyard and marine construction firms that presented at the workshop. These four barriers are:

1. Qualifying for FTA's DBE requirements
2. Lack of marine construction experience and certifications
3. Insurance and bonding accessibility
4. Navigating the Buy America requirements

These barriers have been an issue time and again for DBE firms seeking contract awards. Navigating FTA's DBE requirements, or the lack of information on how to become a DBE, has been a roadblock for many small firms. Shipyards and marine construction firms that WETA contracts with regularly have specifically cited lack of marine specific experience and certifications have preventing them from being able to hire DBE subcontractors. Legal requirements such as acquiring shipyard and marine specific insurance and bonding, which kind of liability coverage to acquire and how much, and navigating Buy America rules, have proven to be major financial and technical barriers for small businesses and larger marine construction firms alike.

The workshop was meant to provide DBE firms and small business the tools for navigating and overcome these barriers. Subject matter experts in each of these categories were invited to the workshop present important information, tips and resources for DBEs navigating these barriers. The shipyards and agencies in attendance were:

- Lind Marine
- Manson Construction
- Power Engineering
- Nichols Brother's Boat Builders
- Bay Ship & Yacht
- All American Marine
- Marine Boat Works
- Heffernan Insurance Brokers
- Trident Marine Managers
- FTA Office of Civil Rights

A lot of critical information was shared on resources and methods that the panelists use to overcome these barriers and the participants and panelists agreed that developing additional workshops would be beneficial. WETA and Golden Gate Ferry advertised the event in Marine Log, Passenger Vessel Association's member update, Workboat, and the Small Business Exchange. Over 1000 invites to the workshop were distributed. The final total number of registrants was 40, the highest number of attendees

on the workshop Zoom call was 45. The workshop was recorded and is posted on WETA and Golden Gate Ferry's websites.

Public Ferry Coalition Quarterly Meeting

On February 14, staff co-chaired the second quarterly meeting of the Public Ferry Coalition with representatives attending from over 15 different public ferry operators around the country. The BEACN consulting team from UC Berkeley presented their findings on the battery study WETA commissioned. WETA's federal lobbyist gave an overview on the federal appropriations process and discussed the benefits of this coalition working together to advocate for an increase of funding in the federal ferry programs. As the appropriations process starts in earnest, WETA will provide draft emails and letters to the coalition members to help them make programmatic requests with their representatives. Each meeting features an overview of one of the coalition member's ferry system and ample opportunity to share information with each other and provide relevant updates.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Review of FY 2022/23 Financial Statements Ending January 31, 2023

Recommendation

There is no recommendation associated with this informational item.

Financial Statements Summary

This report provides a summary of financial activity through January 31 against the Fiscal Year 2022/23 approved budget. Revenue and expense to date for operations is \$33.3 million which is within anticipated amounts at this point in the year. The summary table below shows the high-level comparison, with 58% of the fiscal year completed.

| Operating Budget vs. Actual | Year - To - Date | | Annual | |
|----------------------------------|---------------------|---------------------|---------------------------------|------------------------------|
| | FY2021-22 Actual | FY2022-23 Actual | FY2022-23 Approved Budget | % of FY 2022-23 Budget |
| | Prior YTD | Current YTD | | |
| Revenue: | | | | |
| Fare Revenue | \$4,138,830 | \$6,151,941 | \$ 11,228,927 | 55% |
| Federal - COVID-19 Relief Funds | 11,066,127 | 16,349,796 | 27,223,251 | 60% |
| Bridge Toll Revenues | 9,154,688 | 8,472,268 | 18,250,000 | 46% |
| Contra Costa Measure J | 2,004,720 | 2,163,736 | 3,709,330 | 58% |
| Other Revenue | 31,712 | 213,032 | 1,300,000 | 16% |
| Total Operating Revenues | \$26,396,078 | \$33,350,774 | \$ 61,711,508 | 54% |
| Expense: | | | | |
| Ferry Services | \$25,209,442 | \$ 31,418,612 | \$58,311,508 | 55% |
| Planning & Administration | 1,186,636 | 1,932,162 | 3,400,000 | 57% |
| Total Operations Expenses | \$26,396,078 | 33,350,774 | \$61,711,508 | 54% |
| Farebox Recovery % | 16% | 20% | | |

Capital Budget expenses, as shown below, are \$8.5 million for the year. A financial summary is shown below.

| Capital Budget vs. Actual | FY2022-23 Actual Current YTD | FY2022-23 Approved Budget | % of FY 2022-23 Budget |
|-------------------------------|------------------------------------|---------------------------------|------------------------------|
| Revenue: | | | |
| Federal Funds | \$3,854,719 | \$25,171,292 | 15% |
| State Funds | 3,654,503 | 10,379,421 | 35% |
| Bridge Toll Revenues | 798,829 | 7,142,670 | 11% |
| Other Revenues | 185,393 | 4,091,525 | 5% |
| Total Capital Revenues | \$8,493,444 | \$46,784,908 | 18% |
| Expense: | | | |
| Total Capital Expenses | \$8,493,444 | \$46,784,908 | 18% |

The financial reports attached show the more detailed operating, administrative, and capital activity for the month of January, year-to-date amounts against budget for the fiscal year, and historical comparisons of operating expense against the prior year.

Investment Report

In order to comply with Government Code § 53607, this report contains the monthly balances held in both the Local Agency Investment Fund (LAIF) and our commercial bank. The total balance in these two institutions is \$24,146,681.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

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San Francisco Bay Area Water Emergency Transportation Authority
FY 2022-23 Operating & Administration Revenue and Expense
Through the Month Ending 01/31/23

% of Year Elapsed 58%

| | Month Jan-23 Actual | Year - To - Date | | Total FY2022-23 Budget | Total Budget |
|--|---------------------------|---------------------|---------------------|------------------------------|-----------------|
| | | FY2021-22 Actual | FY2022-23 Actual | | |
| OPERATING EXPENSE | | | | | |
| <u>FERRY OPERATIONS:</u> | | | | | |
| Harbor Bay Ferry Service (AHBF) | | | | | |
| Vessel Crew Labor | \$166,962 | \$910,214 | 931,972 | \$1,551,680 | 60% |
| Vessel Fuel | 71,193 | \$456,085 | 678,767 | 1,087,800 | 62% |
| Vessel Operations & Maintenance | 49,890 | \$200,971 | 272,736 | 542,008 | 50% |
| Facility Operations & Maintenance | 67,413 | \$276,816 | 375,858 | 793,813 | 47% |
| System Expense | 56,981 | \$376,158 | 407,571 | 779,790 | 52% |
| Total Harbor Bay | \$412,438 | \$2,220,243 | \$2,666,904 | \$4,755,091 | 56% |
| Farebox Recovery - AHBF | 13% | 9% | 16% | 11% | |
| Alameda/Oakland Ferry Service (AOFS) | | | | | |
| Vessel Crew Labor | \$417,404 | \$2,379,188 | \$2,475,189 | \$4,999,858 | 50% |
| Vessel Fuel | 237,309 | \$1,364,501 | 1,853,392 | 2,797,200 | 66% |
| Vessel Operations & Maintenance | 141,918 | \$434,434 | 746,781 | 1,185,911 | 63% |
| Facility Operations & Maintenance | 166,318 | \$835,631 | 1,037,377 | 2,329,236 | 45% |
| System Expense | 164,075 | \$1,022,040 | 1,175,752 | 2,798,211 | 42% |
| Total Alameda/Oakland | \$1,127,024 | \$6,035,793 | \$7,288,492 | \$14,110,416 | 52% |
| Farebox Recovery - AOFS | 13% | 21% | 22% | 23% | |
| Vallejo Ferry Service (Vallejo) | | | | | |
| Vessel Crew Labor | \$450,797 | \$2,526,547 | \$2,791,103 | \$4,482,632 | 62% |
| Vessel Fuel | 522,079 | \$3,330,078 | 4,194,992 | \$7,303,800 | 57% |
| Vessel Operations & Maintenance | 104,416 | \$543,109 | 840,590 | \$1,506,018 | 56% |
| Facility Operations & Maintenance | 380,381 | \$2,268,766 | 2,169,141 | 3,373,394 | 64% |
| System Expense | 177,254 | \$1,122,426 | 1,297,548 | 2,872,318 | 45% |
| Total Vallejo | \$1,634,926 | \$9,790,926 | \$11,293,374 | \$19,538,162 | 58% |
| Farebox Recovery - Vallejo | 18% | 21% | 26% | 27% | |
| South San Francisco Ferry Service (SSF) | | | | | |
| Vessel Crew Labor | \$116,873 | \$296,585 | \$680,333 | \$1,206,862 | 56% |
| Vessel Fuel | 59,327 | \$123,757 | 485,514 | 777,000 | 62% |
| Vessel Operations & Maintenance | 42,839 | \$170,916 | 232,318 | 464,549 | 50% |
| Facility Operations & Maintenance | 56,345 | \$273,218 | 375,645 | 708,666 | 53% |
| System Expense | 32,629 | \$144,929 | 235,537 | 464,576 | 51% |
| Total South San Francisco | \$308,014 | \$1,009,405 | \$2,009,346 | \$3,621,653 | 55% |
| Farebox Recovery - SSF | 7% | 3% | 7% | 8% | |
| Richmond Ferry Service (Richmond) | | | | | |
| Vessel Crew Labor | \$300,534 | \$1,605,516 | \$1,918,634 | \$3,275,769 | 59% |
| Vessel Fuel | 166,116 | \$865,838 | 1,290,874 | 2,175,600 | 59% |
| Vessel Operations & Maintenance | 64,475 | \$257,766 | 350,112 | 697,397 | 50% |
| Facility Operations & Maintenance | 122,008 | \$557,564 | 737,167 | 1,676,668 | 44% |
| System Expense | 75,435 | \$461,797 | 549,596 | 1,248,762 | 44% |
| Total Richmond | \$728,568 | \$3,748,480 | \$4,846,383 | \$9,074,196 | 53% |
| Farebox Recovery - Richmond | 8% | 8% | 10% | 8% | |

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San Francisco Bay Area Water Emergency Transportation Authority
FY 2022-23 Operating & Administration Revenue and Expense
Through the Month Ending 01/31/23

% of Year Elapsed **58%**

| | Month Jan-23 Actual | Year - To - Date | | Total FY2022-23 Budget | Total Budget |
|---|---------------------------|---------------------------|---------------------|------------------------------|-----------------|
| | | FY2021-22 Actual | FY2022-23 Actual | | |
| OPERATING EXPENSE (continued) | | | | | |
| Seaplane Lagoon Ferry Service (SPL) | | | | | |
| Vessel Crew Labor | \$217,047 | \$935,169 | \$1,174,726 | \$1,724,089 | 68% |
| Vessel Fuel | 130,520 | \$520,032 | 906,349 | 1,398,600 | 65% |
| Vessel Operations & Maintenance | 73,449 | \$225,701 | 388,282 | 605,118 | 64% |
| Facility Operations & Maintenance | 58,898 | \$273,707 | 362,381 | 793,966 | 46% |
| System Expense | 64,640 | \$449,986 | 469,155 | 1,001,157 | 47% |
| Total Seaplane Lagoon Farebox Recovery - SPL | \$544,554 | \$2,404,595 | \$3,300,893 | \$5,522,930 | 60% |
| | 16% | 11% | 18% | 18% | |
| Sub-Total Ferry Operations (Ongoing Service) | \$4,755,524 | \$25,209,442 | \$31,405,392 | \$56,622,448 | 55% |
| FAREBOX RECOVERY | 14% | 23% | 20% | 20% | |
| Hydrogen Demostration Project | | | | | |
| Vessel Crew Labor | | Not Applicable | \$0 | \$440,460 | 0% |
| Vessel Fuel | | | \$0 | 417,400 | 0% |
| Vessel Operations & Maintenance | | | \$0 | 37,500 | 0% |
| Facility Operations & Maintenance | | | \$0 | 8,700 | 0% |
| System Expense | 13,220.00 | | \$13,220 | 785,000 | 2% |
| Total Hydrogen Demonstration | \$13,220 | \$0 | \$13,220 | \$1,689,060 | 1% |
| Subtotal Ferry Operations (All) | \$4,768,744 | \$25,209,442 | \$31,418,612 | \$58,311,508 | 54% |
| PLANNING & ADMINISTRATION: | | | | | |
| Wages and Fringe Benefits | \$243,492 | \$1,016,315 | \$1,268,797 | \$1,775,164 | 71% |
| Professional & Other Services | 144,225 | 556,778 | 996,861 | 2,466,660 | 40% |
| Information Tech., Office, Supplies | 923 | 37,432 | 41,693 | 78,000 | 53% |
| Utilities | 2,226 | 13,571 | 11,399 | 44,700 | 26% |
| Insurance | 1,855 | 9,150 | 14,443 | 18,829 | 77% |
| Dues, Memberships, Misc. | 12,832 | 26,983 | 43,128 | 95,000 | 45% |
| Leases and Rentals | 21,252 | 137,834 | 143,251 | 250,431 | 57% |
| Admin Overhead Expense Transfer | (89,180) | (611,428) | (587,412) | (1,328,784) | 44% |
| Sub-Total Planning & Gen Admin | \$337,625 | \$1,186,636 | \$1,932,162 | \$3,400,000 | 57% |
| Total Operating Expense | \$5,106,368 | \$26,396,078 | \$33,350,774 | \$61,711,508 | 54% |
| OPERATING REVENUE | | | | | |
| Fare Revenue | \$651,215 | \$4,138,830 | \$6,151,941 | \$11,228,927 | 55% |
| Federal Operating Assistance | 2,810,780 | 11,066,127 | 16,349,796 | 27,223,251 | 60% |
| Regional - Bridge Toll | 1,320,042 | 9,154,688 | 8,472,268 | 18,250,000 | 46% |
| Regional - Contra Costa Measure J | 309,111 | 2,004,720 | 2,163,736 | 3,709,330 | 58% |
| Other Revenue | 15,220 | \$31,712 | 213,032 | 1,300,000 | 16% |
| Total Operating Revenue | \$5,106,368 | \$26,396,078 | \$33,350,774 | \$61,711,508 | 54% |

San Francisco Bay Area Water Emergency Transportation Authority
FY 2022-23 Capital Revenue and Expense
Through the Month Ending 01/31/23

| Project Description | Jan-23 Total | Total Project Budget | Prior Year Expense | Total FY2022-23 Budget | Year-To-Date FY2022-23 Actual | Total Future Year | % of Total Project Budget |
|---|------------------|-------------------------|-----------------------|------------------------------|-------------------------------------|-------------------------|------------------------------------|
| CAPITAL EXPENSES: | | | | | | | |
| FACILITIES: | | | | | | | |
| Operations and Maintenance Facilities | | | | | | | |
| North Bay Facility Fuel System Improvement | | \$530,450 | \$320,152 | \$100,000 | \$61,971 | \$110,298 | 72% |
| Central Bay Facility Oil System Modification | | 383,968 | 373,268 | 10,700 | 5,718 | - | 99% |
| Terminal Improvement | | | | | | | |
| Terminal Rehabilitation - Alameda Main Street | 19,541 | 8,535,014 | 507,257 | 4,943,465 | 232,976 | 3,084,292 | 9% |
| Shoreside Infrastructure for All-Electric Vessel | | 5,184,685 | 124,685 | 1,924,685 | 8,000 | 3,135,315 | 3% |
| Passenger Float Rehabilitation - South San Francisco | 2,473 | 908,500 | 9,995 | 858,500 | 283,354 | 40,005 | 32% |
| Terminal Dredging - Vallejo - Surveys & Permitting | | 113,000 | - | 113,000 | - | - | 0% |
| Terminal Reconfiguration - Vallejo | 5,453 | 550,000 | - | 550,000 | 18,767 | - | 3% |
| Central Bay Terminal Expansion | | 550,000 | - | 550,000 | 937 | - | 0% |
| Passenger Float Rehabilitation - Pier 9 | | 1,362,000 | - | 1,362,000 | - | - | 0% |
| FERRY VESSELS: | | | | | | | |
| Vessel Construction | | | | | | | |
| New Commuter Class High-Speed Vessels - (Two) | 7,923 | 30,082,500 | 24,999,892 | 3,925,652 | 1,380,344 | 1,156,956 | 88% |
| Electric Vessels - Expansion - (Two) | | 9,000,000 | - | 2,800,000 | 7,000 | 6,200,000 | 0% |
| Replacement Vessels - MV Bay Breeze and Solano | 36,535 | 36,002,382 | 4,493,045 | 12,491,614 | 2,883,933 | 19,017,723 | 20% |
| Replacement Vessel - MV Intintoli | 11,772 | 26,446,700 | 62,794 | 4,000,000 | 59,860 | 22,383,906 | 0% |
| Replacement Vessel - MV Mare Island | | 26,500,000 | - | 2,650,000 | - | 23,850,000 | 0% |
| Vessel Rehabilitation and Refurbishment | | | | | | | |
| Vessel Engines Conversion - Gemini Class Vessels | 322,383 | 5,524,100 | 3,089,137 | 2,434,963 | 2,049,513 | - | 93% |
| Vessel Engines Overhaul - MV Cetus * | | 434,564 | - | 434,564 | 398,427 | - | 92% |
| Vessel Engines Overhaul - MV Hydrus* | 167,620 | 354,600 | - | 354,600 | 418,766 | - | 118% |
| Vessel Engines & Gears Overhaul - MV Bay Breeze | | 491,400 | 140,768 | 210,277 | 263,454 | 140,355 | 82% |
| Vessel Fuel Injectors Overhaul - MV Intintoli | 1,114 | 127,300 | 23,855 | 31,888 | 75,167 | 71,557 | 78% |
| Test Engine Components Replacement - MV Pyxis | | 315,000 | - | 315,000 | 513 | - | 0% |
| Test Engine Components Replacement - MV Vela | | 250,000 | - | 250,000 | - | - | 0% |
| Vessel Mid-Life Refurbishment - MV Gemini | | 4,488,000 | - | 4,488,000 | - | - | 0% |
| Vessel Engine Overhaul - MV Intintoli* | | 356,000 | - | 356,000 | 152,713 | - | 43% |
| Vessel Engine Midlife Overhaul - MV Argo* | | 563,000 | - | 563,000 | 115,322 | - | 20% |
| Vessel Engine Injector Overhaul - MV Mare Island* | | 132,000 | - | 132,000 | 31,709 | - | 24% |
| Vessel Waterjet System Upgrade - Pyxis Class Vessels | | 600,000 | - | 600,000 | - | - | 0% |
| General Diesel Particulate Filter Demonstration Project | | 335,000 | - | 335,000 | 45,000 | - | 13% |
| Total Capital Expenses | \$574,813 | 160,120,163 | 34,144,848 | 46,784,908 | 8,493,444 | \$79,190,407 | |
| CAPITAL REVENUES: | | | | | | | |
| Federal Funds | \$191,242 | \$86,969,449 | \$4,172,330 | \$25,171,292 | \$3,854,719 | \$57,625,827 | 9% |
| State Funds | 316,541 | 43,413,075 | 23,273,415 | 10,379,421 | 3,654,503 | 9,760,238 | 62% |
| Regional - Bridge Toll | 45,694 | 23,765,525 | 5,435,371 | 7,142,670 | 798,829 | 11,187,484 | 26% |
| Regional - Alameda Sales Tax Measure B / BB | 21,335 | 5,972,114 | 1,263,732 | 4,091,525 | 185,393 | 616,858 | 24% |
| Total Capital Revenues | \$574,813 | \$160,120,163 | \$34,144,848 | \$46,784,908 | \$8,493,444 | \$79,190,407 | |

* These project budgets managed together in one contract

San Francisco Bay Area Water Emergency Transportation Authority
January 31, 2023 Investment Report

| | Jan-23 |
|-------------------------------------|----------------------|
| Bank of America (Checking) | \$ 910,121 |
| Bank of America (Prop 1B) | 1,324,915 |
| Bank of America (Measure B/BB) | 7,277,957 |
| Local Agency Investment Fund (LAIF) | 14,633,688 |
| Total | \$ 24,146,681 |

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – March, 2023

This report covers the following topics:

- FY24 Federal Appropriations Process Gets Underway
- WETA FY24 Programmatic Funding Requests
- WETA FY24 Congressionally Directed Spending Request
- Meetings in Washington, D.C.

FY24 Federal Appropriations Process Gets Underway

While the annual appropriations process normally kicks off when the President sends his annual budget request to Congress in early February, the President's budget is delayed this year and will not be released until March 9. While this means that budget hearings in Congress will not start for a few weeks, Congressional offices are not waiting to solicit funding requests from their constituents. Appropriations request forms have already been distributed by some Bay Area offices and some deadlines are coming up in early March.

There are two types of funding requests:

- ***Programmatic Funding***: These are requests for Congress to fund an authorized federal program at a specific level or to include language directing a federal agency to implement a program a specific way.
- ***Congressionally Directed Spending***: Formerly referred to as earmarks, and called Community Project Funding requests in the House, Congressionally Directed Spending requests are for Congress to fund specific projects for specific organizations.

WETA was successful in FY23 with respect to both types of requests. We successfully advocated for additional funding through the FTA 5307(h) Passenger Ferry Grant Program, and we were able to obtain \$1.520 million in project-specific funding for WETA to install diesel particulate filters (DPFs) on two of its vessels under construction.

WETA FY24 Programmatic Funding Requests

WETA will be advocating for increased funding for two federal grant programs that are dedicated to public ferries:

- Funding for the Electric or Low-Emitting Ferry Pilot Program authorized by Section 71102 of the Infrastructure Investment and Jobs Act (IIJA). The IIJA provided advanced appropriations for this program (\$50 million per year for five years for a total of \$250 million) and authorized additional funding which is subject to annual appropriations. WETA will be requesting that Congress fund the entire authorized amount for FY24, which is \$50 million.
- Additional funding for the FTA 5307(h) ferry program. WETA has received numerous grants through this competitive grant program, which is funded at \$30 million per year. WETA will be requesting that the Appropriations Committee “plus-up” the FTA 5307(h) ferry program by at least \$10 million. The FY21, FY22 and FY23 Transportation-HUD Appropriations bills all provided additional money for the FTA program, thanks in part to WETA’s advocacy.

WETA FY24 Congressionally Directed Spending Request

We are working with WETA staff to assemble a Congressionally Directed Spending request for the FY24 appropriations process. There are numerous limitations built into the process, including with respect to the type of organization that can seek funding, the types of projects that can be funded and the amount of money that can be obtained through the process. While expect the incoming House leadership to make additional changes to the process for seeking project-specific funding, we have no reason to believe that WETA will not be able to seek project specific funding this year.

Meetings in Washington, D.C.

We are in the process of setting up meetings for Seamus Murphy and Lauren Gularte with members of the Bay Area Congressional delegation. These meetings, which will be scheduled adjacent to the Bay Area Coalition meetings in Washington, D.C., will give Seamus and Lauren an opportunity to update the Congressional delegation on WETA activities and advocate for WETA’s programmatic and Congressionally Directed Spending Requests.

Respectfully Submitted,
Peter Friedmann and Ray Bucheger



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

February 22, 2023

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

FM: Matt Robinson, Partner
Michael Pimentel, Legislative Advocate

RE: **STATE LEGISLATIVE UPDATE – March 2023**

Legislative Update

February 17 marked the bill introduction deadline for the first year of the 2023-24 Regular Session. This year, more than 2,500 bills were introduced by state legislators. In the coming weeks, many of the bills that were introduced to meet this legislative deadline will be significantly amended to meet the legislative deadline for amending “spot bills” of March 13. The Legislature will adjourn for Spring Recess on March 30, and reconvene on April 10. As we have previously reported, the Legislative Calendar, which sets the deadlines for the year, was released and can be viewed [here](#).

In this report, we provide an update on WETA’s legislative proposal, the statewide effort on transit operations funding, the establishment of the Senate Select Committee on Bay Area Public Transit, the Governor’s proposed fiscal year 2023-24 budget, and legislation of interest.

WETA Legislative Proposal on Sales and Use Tax Exemption for Zero-Emission Ferries

We are pleased to share that, since we last reported to you, WETA’s legislative proposal was introduced by Assembly Member Lori Wilson as [AB 321](#). The bill is currently co-authored by key members of WETA’s legislation delegation, including Assembly Members Berman, Bonta, Connolly and Senators Dodd and Wiener. As anticipated, the bill has been referred to the Assembly Revenue & Taxation; however, no hearing date has been set. As the bill is set for hearing, we will support WETA in meeting with the committee members and staff.

Statewide Effort on Transit Operations Funding

WETA continues to assist the statewide effort, led by the California Transit Association, to secure transit operations funding in the state budget. In February, the Association adopted a set of principles that will serve as the basis of the transit industry’s forthcoming budget request. The principles commit to a two-track process, focused on addressing our industry’s short- and long-term operations funding needs. Under the principles, any short-term transit operations funding the industry secures must be available to address budget shortfalls that would lead to service cuts and/or layoffs as well as to address ridership retention and growth strategies. Any long-term transit operations funding the industry secures must be flexible and available to address a broad range of service needs. In the coming weeks, the Association will review and vet potential funding solutions.

Establishment of Senate Select Committee on Bay Area Public Transit

On February 14, the Senate Rules Committee voted to establish the Senate Select Committee on Bay Area Public Transit. The committee will be comprised of Senators Scott Wiener (serving as Chair), Dodd, Glazer, McGuire, Skinner, and Wahab. While the committee has not formalized its agenda, Senate staff have highlighted that the committee will highlight challenges and opportunities facing Bay Area transit agencies, including, but not limited to, decarbonization, regional coordination, and homelessness.

Update on Governor's Proposed FY 2023-24 State Budget – ZEV Funding

In January, we reported that the Governor's proposed FY 2023-24 state budget includes proposed cuts to zero-emission vehicle (ZEV) program funding. These proposed cuts would reduce the five-year investment of \$10 billion for ZEV programs, approved in the FYs 2021-22 and 2022-23 Budget Acts, to \$8.9 billion. These proposed cuts reflect a proposed \$2.5 billion General Fund cut across various ZEV programs, which would be partially offset by approximately \$1.4 billion in proposed fund shifts using Cap and Trade discretionary revenues. At the time that we submitted our January report, additional details on the exact programs and project types that would see funding cuts were not available. These details have now been released by the Administration in the document found [here](#).

Legislation of Interest

Bills of Interest

AB 321 (Wilson) Sales and Use Tax Exemptions: Zero-Emission Public Transportation Ferries. (SPONSOR)

This bill would until January 1, 2034, exempt from those taxes the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, zero-emission public transportation ferries.

AB 463 (Hart) Electricity: Prioritization of Service: Public Transit Vehicles.

This bill would provide transit agencies with priority access to electricity when facing grid disruptions caused by natural or man-made disasters, rolling blackouts, utility company "Public Safety Power Shutoffs" (PSPS), and increasing demand on California's electrical grid.

AB 610 (Holden) Youth Transit Pass Pilot Program: Free Youth Transit Passes.

This bill would create the Youth Transit Pass Pilot Program for the purposes of awarding grants to transit agencies for the costs of creating, designing, developing, advertising, distributing, and implementing free youth transit passes to persons attending certain educational institutions, providing free transit service to holders of those passes, and administering and participating in the program. The bill would authorize a transit agency to submit a grant application in partnership with one or more educational institutions and would also authorize grant funds to be used to maintain, subsidize, or expand an existing fare free program.

AB 761 (Friedman) Transit Transformation Task Force.

This bill would require the Secretary of the California State Transportation Agency, on or before July 1, 2024, to establish and convene the Transit Transformation Task Force to include representatives from the department, the Controller's office, various local agencies, academic institutions, nongovernmental organizations, and other stakeholders. The bill would require the task force to develop a structured, coordinated process for early engagement of all parties to develop policies to grow transit ridership and improve the transit experience for all users of those services. The bill would require the secretary, in consultation with the task force, to prepare and submit a report of findings based on the task force's efforts to the appropriate policy and fiscal committees of the Legislature on or before January 1, 2025.

ACA 1 (Aguiar-Curry) Lower-Vote Threshold

This measure would authorize a local government, including a special district, to impose, extend, or increase a sales and use tax or transactions and use tax imposed, or a parcel tax, for the purpose of funding the construction, rehabilitation, or replacement of public infrastructure, defined to include improvements to transit and streets and highways and projects for the protection of property from the impacts of sea level rise, as well as for affordable housing, if the proposition proposing that tax is approved by 55% of its voters.

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Kevin Connolly, Planning & Development Manager
Gabriel Chan, Transportation Planner

SUBJECT: Monthly Ridership and Recovery Report – January 2023

Background

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. The South San Francisco service was relaunched 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. Future modifications in service will generally follow state guidelines for reopening the economy and subsequent changes in demand. The Plan calls for a monthly evaluation of ridership demand together with other measures relating to how the Bay Area is responding to the COVID-19 health crisis. The Monthly Ridership and Recovery Report presents a status report of the WETA system along with anticipated service adjustments for the upcoming weeks.

Discussion

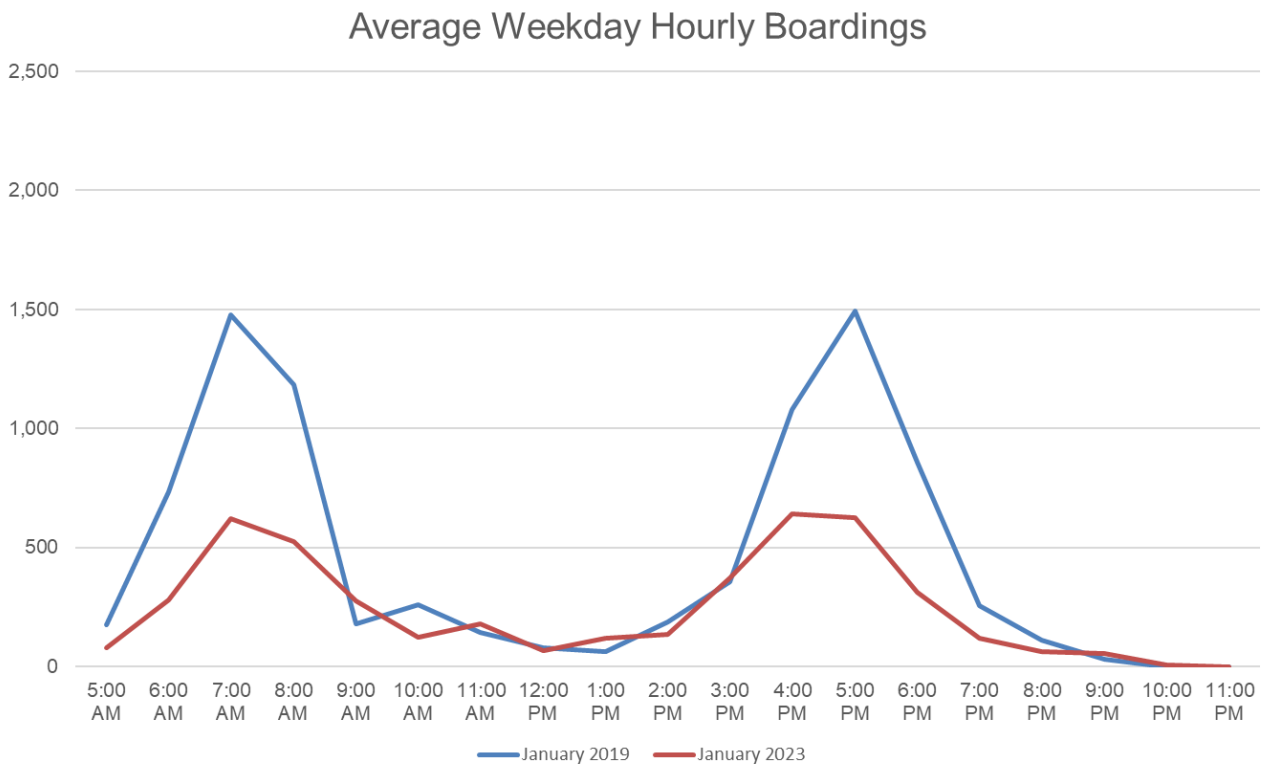
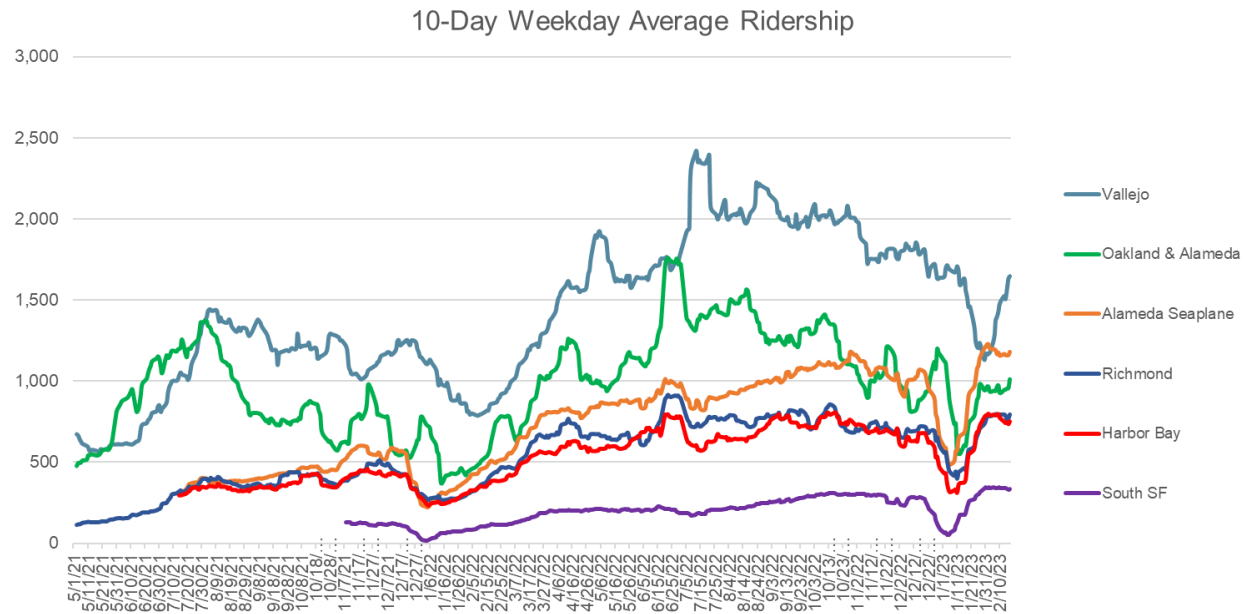
Overall, ridership grew in the first year of the Plan despite dips in the fall and winter due to the Delta and Omicron COVID variants. Beginning in March 2022, the system saw the largest increases in ridership since the start of the pandemic thanks to significant increases in weekday peak-hour ridership as more employers began implementing return-to-office plans. The agency finished Fiscal Year 2022 with about 50% of 2019 pre-pandemic annual ridership—above budget projections for FY22. WETA is currently seeing a slump in ridership—similar in magnitude to previous seasonal wintertime drops in ridership. The agency continues to perform better than other regional transit operators in terms of ridership recovery but has seen more drastic drops in ridership in recent months.

Highlights:

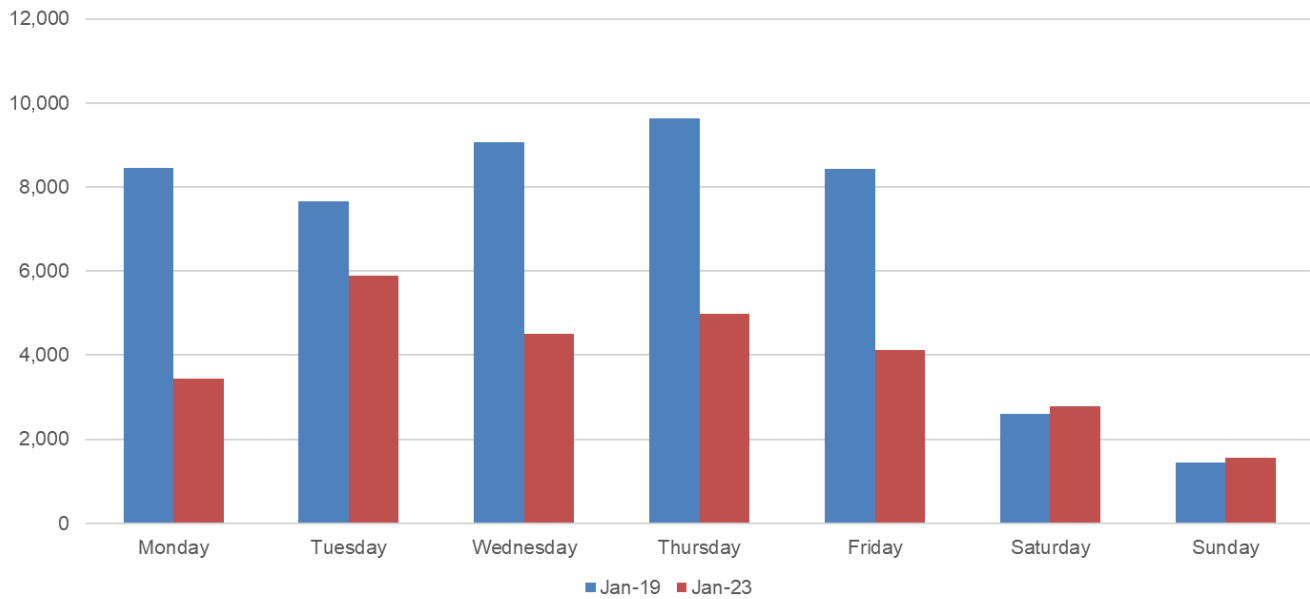
- WETA continues to outperform other regional transit operators in pandemic ridership recovery.
- Since November 2022, ridership has come in below the budget projection.
- Current WETA ridership is similar to last winter's (Jan 2022) ridership recovery.

Recommendations

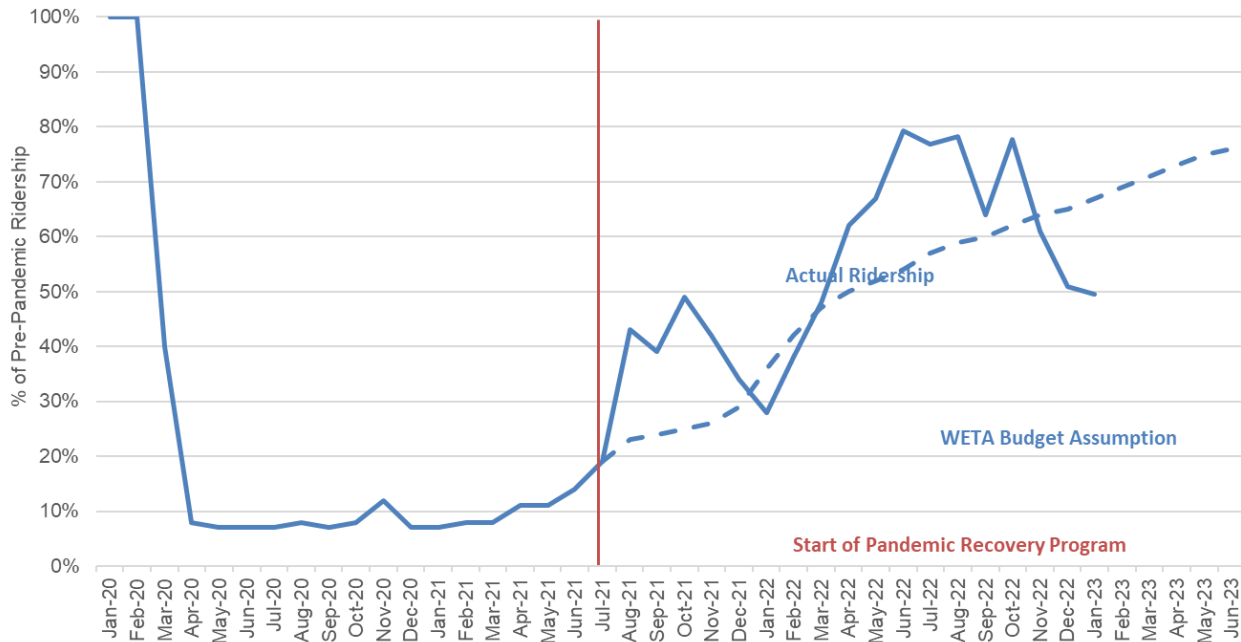
Staff have developed schedule and crewing adjustments to the Vallejo, Richmond and weekend Alameda/Oakland service that will take effect in March 2023. These adjustments are part of a longer-term effort to adjust service characteristics such as dwell times to the new lower-volume profile of ridership throughout the system. The upcoming service changes will also introduce fuel-saving measures to reduce expenses and overall emissions. Finally, staff is evaluating special event service and may implement modifications to reduce expenses and improve efficiency.



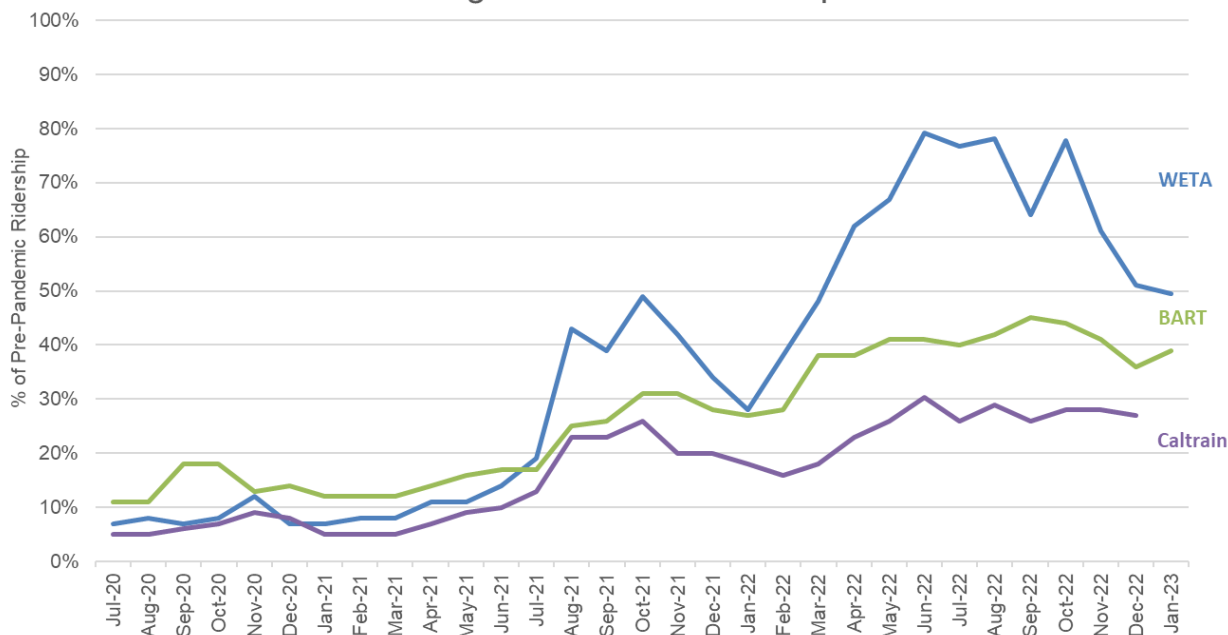
Average Boardings by Day of Week Systemwide



Actual vs. Budgeted Ridership



Regional Transit Ridership



Note: Caltrain Ridership Recovery is only available through December 2022 as of now. Updated January 2023 data from Caltrain will be available following their March 2023 board meeting.

Monthly Operating Statistics Report

| January 2023 | | Oakland & Alameda* | Vallejo* | Richmond | Harbor Bay | Alameda Seaplane | South San Francisco** | Systemwide |
|------------------------------------|--|-------------------------------------|----------|----------|------------|------------------|-----------------------|------------|
| Boardings | vs. last month | Total Passengers January 2023 | 30,423 | 35,969 | 14,680 | 12,788 | 20,421 | 119,875 |
| | | Total Passengers December 2022 | 33,470 | 40,509 | 15,590 | 12,101 | 18,674 | 124,335 |
| | | Percent change | -9.10% | -11.21% | -5.84% | 5.68% | 9.36% | -3.59% |
| | vs. same month last year | Total Passengers January 2023 | 30,423 | 35,969 | 14,680 | 12,788 | 20,421 | 119,875 |
| | | Total Passengers January 2022 | 20,782 | 22,231 | 7,458 | 5,679 | 7,117 | 64,761 |
| | | Percent change | 46.39% | 61.80% | 96.84% | 125.18% | 186.93% | 85.10% |
| | vs. prior FY to date | Total Passengers Current FY To Date | 311,496 | 327,218 | 115,606 | 86,517 | 126,825 | 1,000,519 |
| | | Total Passengers Last FY To Date | 234,768 | 224,396 | 66,737 | 46,673 | 55,503 | 628,077 |
| | | Percent change | 32.68% | 45.82% | 73.23% | 85.37% | 128.50% | 59.30% |
| Ops Stats | Avg Weekday Ridership January 2023 | | 1,449 | 1,713 | 699 | 609 | 972 | 5,708 |
| | Passengers Per Hour January 2023 | | 63 | 48 | 43 | 64 | 98 | 57 |
| | Revenue Hours January 2023 | | 485 | 742 | 339 | 199 | 209 | 2,114 |
| | Revenue Miles January 2023 | | 6,711 | 20,493 | 6,324 | 4,111 | 3,454 | 43,512 |
| | Farebox Recovery Year-To-Date | | 22% | 26% | 10% | 16% | 18% | 21% |
| | Peak hour utilization, AM – January 2023 | | 12% | 32% | 19% | 29% | 28% | 25% |
| Fuel | Peak hour utilization, PM – January 2023 | | 21% | 40% | 19% | 28% | 36% | 28% |
| | Fuel Used (gallons) – January 2023 | | 58,572 | 128,858 | 41,000 | 17,571 | 32,214 | 292,858 |
| Avg Cost per gallon – January 2023 | | \$4.05 | \$4.05 | \$4.05 | \$4.05 | \$4.05 | \$4.05 | \$4.05 |

* Includes special event ridership to/from Oracle Park and/or Chase Center
** Service suspended on the South San Francisco route until November 2021

END

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

[February 2, 2023]

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session via videoconference consistent with AB 361 as codified in Government Code Section 54953.

1. CALL TO ORDER

Vice Chair Monique Moyer called the meeting to order at 1:01 p.m.

2. ROLL CALL

Vice Chair Monique Moyer, Director Jessica Alba, and Director Pippin Dew were in attendance.

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

3. REPORT OF BOARD CHAIR

No report.

4. REPORTS OF DIRECTORS

Director Dew reported that WETA's presentation on the Vallejo Reconfiguration Project was well received by the Vallejo City Council who conveyed their interest in expanding services from Vallejo to other locations.

Vice Chair Moyer recognized and expressed her appreciation to WETA staff, Chair Wunderman, the legal team, and others who were involved for their difficult work in making the case for Regional Measure (RM 3). She noted that fellow transit agencies were working on addressing their financial gaps and said that she was grateful for their collaboration and communication.

5. REPORTS OF STAFF

Executive Director Seamus Murphy provided an update on the Business Plan (Plan) and thanked WETA's partners who have been building awareness and working with WETA on the Plan. He noted that the Plan was updated recognizing the reality of RM 3. He said that WETA would receive \$35 million in operating funds every year that could be rolled over into reserves and that \$25 million of the \$600 million in RM 3 funds is anticipated to be allocated to the Mission Bay Terminal. He acknowledged WETA Chair and Bay Area Council President and CEO Jim Wunderman, former State Assemblymembers David Chiu and Rob Bonta, and former WETA Executive Director Nina Rannells for being instrumental in RM 3 becoming a reality.

Mr. Murphy said that WETA did not receive the Federal Transit Administration (FTA) grant for the first zero and low-emission ferry vessel and that most of the funds were awarded to agencies in Alaska and Maine.

Mr. Murphy reported that Assemblymember Lori Wilson introduced legislation that would exempt WETA's zero-emission vessels from state sales tax if successfully passed.

Mr. Murphy provided five written reports and offered to answer questions.

Chief Financial Officer Erin McGrath explained that bridge toll monies pay for certain expenses after using federal monies but made sure that maximum bridge toll funds were drawn down in response to Vice Chair Moyer.

Vice Chair Moyer thanked Mr. Murphy for his kind gesture in reaching out to Ms. Rannells and for calling out the incredible work of Assemblymembers Chiu and Bonta.

Vice Chair Moyer called for public comments, and there were none.

6. CONSENT CALENDAR

Director Alba made a motion to approve the consent calendar:

- a. Adopt Resolution Regarding Remote Meetings Pursuant to Assembly Bill 361
- b. Board Meeting Minutes – January 12, 2023

Vice Chair Moyer called for public comments, and there were none.

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

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

7. ADOPT MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE ALAMEDA MAIN STREET FERRY TERMINAL REFURBISHMENT PROJECT

Senior Planner/Project Manager Chad Mason presented this item adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Alameda Main Street Ferry Terminal Refurbishment Project (Project).

Mr. Mason stated that the Project will replace components of the Alameda Main Street Ferry Terminal to improve operations and seismic safety.

Mr. Mason said that the Project must be approved under the California Environmental Quality Act (CEQA). Adoption of an Initial Study/Mitigated Negative Declaration (ISMND) is required to satisfy California Department of Fish and Wildlife (CDFW) requirements for an Incidental Take Permit (ITP) pursuant to state regulations.

Director Dew made a motion to adopt Resolution No. 2023-05 approving this item.

Vice Chair Moyer called for public comments, and there were none.

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

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

8. AWARD CONTRACT TO MANSON CONSTRUCTION CO. FOR DESIGN-BUILD CONSTRUCTION OF THE ALAMEDA MAIN STREET FERRY TERMINAL REFURBISHMENT PROJECT

Mr. Mason presented this item awarding a contract to Manson Construction Co. (Manson) for Design-Build Construction of the Alameda Main Street Ferry Terminal Refurbishment Project. He listed the following actions for the award:

1. Approve contract award to Manson for design-build construction in the amount of \$7,770,000; and

2. Authorize the Executive Director to negotiate and execute a contract for this work and take any other related actions as may be necessary to support this work; and
3. Authorize a project budget increase to the *Terminal Rehabilitation - Alameda Main Street* project (Project) in the FY 2022/23 Capital Budget in the amount of \$1,224,986 to support contract award, contingency, and other Project efforts.

Mr. Mason explained that the budget increase was due to volatility in the labor and material markets, schedule delays related to the California Environmental Quality Act (CEQA) analysis, and additional costs associated with the permitting process.

In response to Director Dew's question, Mr. Mason replied WETA has some extensive project history with Manson including the construction of the Richmond Ferry Terminal.

Director Alba commented that there was no Disadvantaged Business Enterprise (DBE) and very low Small Business Enterprise (SBE) participation and wondered if Manson could do something to encourage DBE/SBE participation among their team members. Government & Regulatory Affairs Manager Lauren Gulate explained that there is very little DBE/SBE participation for waterside construction work and added that an upcoming workshop was organized by WETA as an opportunity for contractors and subcontractors to learn about the benefits and importance of DBE registration and participation in future contracts.

Vice Chair Moyer expressed hope that money from RM 3 would help to encourage more DBE/SBE participation from the community.

The Directors encouraged WETA to seek more DBE/SBE participation and to assist with the certification process in consideration of the many upcoming waterside construction projects.

Mr. Mason said that Manson would do its best to minimize impacts to riders and that WETA planned on reaching out to the ridership base to inform riders about the construction schedule and impending closure. Vice Chair Moyer stated that she looked forward to the updates.

Director Alba made a motion to adopt Resolution No. 2023-06 approving this item.

Vice Chair Moyer called for public comments, and there were none.

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

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

9. FISCAL YEAR 2024 FARE PROGRAM

Senior Planner Michael Gougherty presented this informational item on the Fiscal Year 2024 Fare Program.

Mr. Gougherty provided information on the background of the fare program with the goal of encouraging further discussion. He stated there was a clear consensus from the Board to continue with the Pandemic Recovery Program (PRP) fares.

Mr. Gougherty said that the next decision point was to determine whether to consider a single year or multi-year fare program. Mr. Gougherty explained that the multi-year program would extend over the course of five years with scheduled small, annual incremental increases designed to limit the impact to WETA's passengers and allow WETA to keep pace with the regular cost of inflation and with other regional transit operators. He noted that the Board would reserve the option to alter the fare program as it deemed fit.

Mr. Gougherty clarified that there were advantages to establishing a multi-year program which include streamlining the outreach process and providing some predictability to WETA's passengers on a long term basis for potential job or location decisions that entail a commitment to riding the ferry. He informed the Board of the additional efforts required by staff and WETA partners for the single year program.

Mr. Gougherty added that he was seeking direction and/or confirmation on special event fares.

The Directors expressed their gratitude and encouraged staff to work with event hosts to promote ferry access and discount programs that serve the disadvantaged community. They supported the efficiency, stability, and predictability a multi-year fare program offered.

Mr. Gougherty clarified dynamic pricing for special events. Director Alba mentioned avoiding price gouging.

Vice Chair Moyer expressed her desire to continue to diversify the WETA passenger base and for WETA's services to become a robust transportation system. She added that she had reservations about a five-year fare program but would be willing to support it. She said that surveying passengers required a lot of work but that the information was a huge part of WETA's effort and success.

Vice Chair Moyer expressed her support and commended WETA for all the work.

Mr. Murphy said that Public Information and Marketing Manager Thomas Hall would provide the Board with more information about research resources.

Planning and Development Manager Kevin Connolly said that five-year fare programs were typical of WETA's peer agencies.

Vice Chair Moyer called for public comments, and there were none.

10. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

With all business concluded, Vice Chair Moyer adjourned the meeting at 1:56 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Lauren Gularte, Government & Regulatory Affairs Manager

SUBJECT: Designate Authorized Agents to Apply for Federal or State Disaster Assistance Funds

Recommendation

Request that the Board of Directors designate the Executive Director, Seamus Murphy, the Chief Financial Officer, Erin McGrath, and the Government & Regulatory Affairs Manager, Lauren Gularte, as authorized agents to apply for and obtain disaster assistance funds from the Federal Emergency Management Agency (FEMA) and the California Governor's Office of Emergency Services (Cal OES) after a declaration of a federal or state disaster.

Background/Discussion

The Robert T. Stafford Disaster Relief and Emergency Assistance Act authorizes FEMA to administer a federal disaster assistance program and the California Disaster Assistance Act authorizes Cal OES to administer a state disaster assistance program. These programs provide financial assistance to local government entities and certain private nonprofit organizations in the event of a declared disaster. FEMA coordinates with Cal OES to implement its disaster assistance program. The objective of both programs is to provide supplemental assistance to eligible entities for the alleviation of suffering and hardship resulting from declared disasters.

WETA is a local government entity and is eligible to apply for disaster assistance funds should the agency incur eligible damage or provide eligible services directly related to the declared disaster. As a requirement of the application process, agencies must designate persons or staff positions that are authorized by the governing body of the agency to engage with FEMA and Cal OES regarding the application for such funds. This designation is required to be on file with Cal OES and is effective for all open and future disasters for up to three years following the date of the approval. WETA's existing Designation of Authorized Agents expires this month, at its three-year mark and needs to be reapproved to remain eligible to submit a request for public assistance application.

Designation of the authorized agents will allow WETA to generally apply for disaster assistance funds for eligible costs incurred as a result of responding to a declared disaster or for damages to vessels or facilities as a result of a declared disaster. More specifically at this time, it will allow WETA to apply for disaster assistance for the costs incurred for the purchase of personal protective equipment and for the increased cleaning of vessels and facilities to fight against the spread of the COVID-19 virus.

Fiscal Impact

There is no fiscal impact associated with this item.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2023-08

**DESIGNATE AUTHORIZED AGENTS TO APPLY FOR
FEDERAL OR STATE DISASTER ASSISTANCE FUNDS**

WHEREAS, the WETA, a public entity established under the laws of the State of California, tasked with operating and expanding ferry service on the San Francisco Bay and with coordinating the water transit response to regional emergencies; and

WHEREAS, declarations of federal or state disasters in WETA's service area offer WETA the opportunity to apply for federal and state emergency financial assistance for related activities and repairs; and

WHEREAS, financial assistance for disasters is overseen by the Federal Emergency Management Agency (FEMA) and/or California Governor's Office of Emergency Services (Cal OES); and

WHEREAS, Cal OES requires a resolution from WETA designating WETA's authorized agents for the purpose of applying for disaster assistance funds; now, therefore, be it

RESOLVED, that the Board of Directors hereby designates WETA's Executive Director, Chief Financial Officer, and Government & Regulatory Affairs Manager as authorized agents for and on behalf of the WETA for the purpose of applying and obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988 and/or state financial assistance under the California Disaster Assistance Act; and be it further

RESOLVED, that WETA hereby authorizes its agent(s) to provide to Cal OES for all matters pertaining to such state disaster assistance the assurances and agreements required; and be it further

RESOLVED, that this is a universal resolution and is effective for all open and future disasters up to three years following the date of approval below; and be it further

RESOLVED, that Cal OES Form 130 will be executed and submitted with this resolution, 2023-08.

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 March 2, 2023.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2023-08

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Thomas Hall, Public Information & Marketing Manager

SUBJECT: Authorize Release of Request for Proposals for Surveying and Market Research Services

Recommendation

Authorize release of a Request for Proposals (RFP) for Surveying and Market Research Services.

Background

WETA has historically contracted with firms to plan and conduct onboard passenger surveys in a triennial basis using the agency Board-approved on-call professional services vendor list. The pandemic disrupted the cadence of these surveys; a full onboard survey was last conducted in July and August 2022. The results of that survey were presented to the Board in December 2022.

At that December 2022 meeting, Directors stated a preference for frequent surveying in the aftermath of the pandemic as travel patterns and transit ridership profiles continue to change dynamically. At the Board's February 2023 meeting, Directors expressed an additional interest in market research to determine potential non-passenger audiences who may be persuadable targets to enhance ridership.

Discussion

In lieu of continuing to use firms on the general professional services vendor list, staff sees value in conducting a dedicated procurement specifically focused on surveying and market research services to ensure a competitive process.

WETA is seeking authorization to begin a procurement process with hopes of new contracts taking effect on July 1, 2023.

The RFP will contemplate a 5-year on-call contract with an annual limit of \$150,000. The contract would expire on June 30, 2028. The selected proposer would conduct the following tasks:

- Plan and conduct onboard passenger surveys sampling all San Francisco Bay Ferry routes on up to an annual basis. This work may include:
 - Develop a questionnaire to be used in the survey
 - Develop a sampling plan
 - Advise WETA on methods to achieve high sampling rates and broad statistical significance
 - Prepare analysis of collected data
 - Produce summary reports for each conducted survey
 - Present findings to WETA management and the Board of Directors

- Develop general market research plans and tools
- Conduct general market research
- Collect, synthesize and analyze existing and available data relevant to WETA expansion, growth and policies
- Assist WETA with pulse survey strategies, tactics and questionnaire development

Staff expects to complete its evaluation of proposals in May and return to the Board with a recommendation for contract award in June 2023.

Fiscal Impact

Issuance of this RFP does not commit WETA to an expenditure of funds. No additional expenses for surveying or market research are anticipated for FY23. Funding for services contracted under this RFP will be included in future fiscal year budgets.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Contract Award to Maze & Associates for Independent Year-End Auditing Services

Recommendation

Approve contract award to Maze & Associates for Independent Year-End Auditing Services in an amount not to exceed \$75,100 for a three-year term. Today's action would authorize the Executive Director to negotiate and execute a final agreement and take any other such related actions to support this work. The agreement under consideration for Board approval will include two one-year options to be exercised at WETA's discretion but option years will be exercised only after additional Board approval.

Background

Government Code Section 66540.54 requires the San Francisco Bay Area Water Emergency Transportation Authority (WETA) to contract with an independent certified public accountant for an annual audit of the financial records, books and performance of the agency. On December 8, 2022, the WETA Board of Directors authorized staff to issue an RFP for independent year-end auditing services for a base term of three years and two optional years.

Discussion

On December 21, 2022, WETA issued a Request for Proposals (RFP) for *Independent Year-End Auditing Services* with a proposal submittal due date of January 26, 2023. The RFP was posted on WETA's Bonfire public procurement portal and sent to all firms registered as Certified Public Accountants. This resulted in emails to 66 registered vendor email addresses. There were six entities who viewed and downloaded the documents related to the procurement. Maze and Associated was the only firm to submit a proposal.

In reaching out to firms in the industry, we received feedback from two firms indicating that, like many industries, audit firms are having a difficult time recruiting and retaining staff. One of the firms that is active in government audits reported that rising costs have forced firms to be more selective about which proposals to respond to. This particular firm has set a benchmark value in order to participate in the process at \$50,000 annually, which is more than WETA's current annual audit fee.

Staff recommendation is to award the initial three-year contract to Maze and Associates. Given the staffing and cost challenges and the need to secure an available audit firm prior to the end of the current fiscal year, it is unlikely that a new procurement process would yield a different result. Maze became WETA's financial auditor after successfully competing for the work in 2018. Maze provides governmental auditing services to over one hundred municipal entities, including the following transit agencies and authorities: Alameda Contra Costa County Transit Authority, Contra Costa Transportation Authority, Livermore/Amador Valley Transportation Authority, San Mateo County Transit District, San Mateo County Transportation Authority, and Sonoma-Marin Area Rail Transit District. As WETA's

complexity has grown, including fairly significant reporting in post-employment liabilities, Maze has been able to keep pace with that work. In addition, Maze has produced audits in a timely manner, including during the pandemic when all work was quickly transitioned to being performed remotely. Despite being the only proposer, Maze has offered to complete the work in the coming years for a very small increase in price: an average increase of 3.6% annually over the next three years. In addition, because there will not be a change in audit firms, Maze has agreed to change the managing partner assigned to WETA in the coming year, one year earlier than required by government code, in order to provide a “fresh set of eyes” on this important independent review.

The contract before the Board allows for both the initial three-year contract and two one-year options to be exercised at the discretion of the Executive Director. That would authorize a total of \$75,100 for the first three years, and \$26,800 for year four and \$27,700 for year five. Staff recommends that the Board authorize the Executive Director to execute only the initial three year term at this time and return to the Board prior to year four to discuss whether a new procurement makes sense prior to executing an option for the additional two years.

Fiscal Impact

There are sufficient funds available in the FY 2023/24 Budget for the cost of the audit services through June 30, 2023, and additional funds will be included in future year operating budgets to support the balance of expenses associated with this contract award.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2023-09

APPROVE CONTRACT AWARD TO MAZE & ASSOCIATES FOR INDEPENDENT YEAR-END AUDITING SERVICES

WHEREAS, Government Code Section 66540.54 requires the WETA to contract with an independent certified public accountant for an annual audit of the financial records, books and performance of the agency; and

WHEREAS, on December 8, 2022, the WETA Board of Directors authorized staff to issue an RFP for Independent Year-End Auditing Services for a three-year term with options for two additional audit years; and

WHEREAS, on December 21, 2022, WETA released a Request for Proposals (RFP) for *Independent Year-End Auditing Services*, and one proposal was received by the due date of January 26, 2023, from Maze & Associates, WETA's current auditor; and

WHEREAS, WETA staff conducted industry review and has determined that the competition was adequate and not restrictive; and

WHEREAS, Maze & Associates will assign a new managing partner to WETA to ensure continued independence in its review; and

WHEREAS, Maze & Associates has performed well over the past five years, producing audits in a timely manner, and WETA staff recommends that the WETA Board of Directors award a contract to Maze & Associates for the work; now, therefore, be it

RESOLVED, that the Board of Directors of WETA hereby approves a contract award to Maze & Associates for Independent Year-End Auditing Services in an amount not to exceed \$75,100 for a three-year auditing period, with two one-year options to be exercised only upon subsequent Board approval, in amounts not to exceed \$26,800 for year four and \$27,700 for year five; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute a final agreement and take any other such related actions to support this work; and be it further

RESOLVED, that requisite funds are available in the FY 2023/24 Operating Budget and that future years will be budgeted accordingly.

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 March 2, 2023.

YEA:
NAY:
ABSTAIN:
ABSENT:

/s/ Board Secretary

2023-09

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Kevin Connolly, Planning & Development Manager
Michael Gougherty, Principal Planner
Arthi Krubanandh, Transportation Planner

SUBJECT: Authorize Release of Proposed Fiscal Year 2024-28 Fare Program for Public Comment

Recommendation

Authorize the Executive Director to release the proposed Fiscal Year 2024-28 Fare Program for public comment.

Background

During its January and February 2023 meetings, the Board reviewed various options for adopting new fares for Fiscal Year (FY) 2024 and potentially beyond. In general, the Board indicated an interest in preserving WETA's current fare structure that was implemented as part of the Pandemic Recovery Program. The Pandemic Recovery Program largely eliminated the fare premium previously associated with WETA fares as part of a broader strategy for making the service appeal to a wider demographic of riders. The Board advised staff to develop a multiyear fare program that would define a series of small annual increases designed to maintain fare parity with other regional fares on a long-term basis and keep pace with inflation. It was noted that a multiyear program would provide passengers with predictable fares and create a streamlined public outreach process. The Board also expressed support for staff's interest in including special event fares as part of the multiyear program and potentially pricing these services dynamically.

In support of a new multiyear fare program that is consistent with the principles of the Pandemic Recovery Program, staff has developed an update to the WETA Fare Policy. The current WETA Fare Policy (**Attachment A**) was adopted in 2011 with an emphasis on achieving financial sustainability and building ridership. This policy was used to position WETA services as a premium offering designed to appeal to commuters willing to pay a higher fare in exchange for avoiding traffic congestion on the Bay Bridge or crowded BART trains. The updated WETA Fare Policy, provided as **Attachment B**, would supersede the previous policy and incorporate several core principles set forth by the Pandemic Recovery Program, such as promoting equity, diversity, affordability, and regional integration. This updated policy is designed to guide current and future decisions regarding fares, including the proposed FY 2024-28 Fare Program described below, and will be presented for consideration by the WETA Board alongside a final version of the FY 2024-28 Fare Program in May.

Discussion

Staff has developed a proposed FY 2024-28 Fare Program that defines annual fare adjustments for both regular and special event services over a five-year period based on Board direction and consistency with the draft revised WETA Fare Policy. Below is an overview of the proposed fares; a detailed description of the fare structures for each service is included as **Attachment C**.

Table 1: Summary of FY 2024-28 Fare Program

| Service | FY2024 | FY2025-FY2028 |
|-------------------------------|--|----------------------------|
| Regular Services | Annual fare increase of 3% | Annual fare increase of 3% |
| Oakland/Alameda Special Event | One-time adjustment of 10% fare increase | |
| Vallejo Special Event | One-time adjustment of 15% fare increase | |

Regular Services: The proposed FY 2024-28 Fare Program would introduce an annual fare increase of 3 percent for regular services. The small annual increase is designed to maintain affordability for passengers while helping to offset inflationary cost increases and rising operational expenses. The annual adjustment amount of three percent is broadly consistent with the expected increases of other operators, the long-term average annual rate of regional cost inflation, and increases made as part of WETA's previous multiyear fare program. The first increase would take effect on July 1, 2023, at the beginning of FY 2024 with subsequent adjustments made at the start of each fiscal year through FY 2028.

Special Event Services: Special event fares, consisting of service from Vallejo and Oakland/Alameda to basketball and baseball games in San Francisco, will be included as part of the proposed FY 2024-28 Fare Program. The current WETA Fare Policy stipulates that the fares for these services be set to fully recover operating costs. Staff previously indicated that it would explore pricing these services dynamically to potentially generate additional revenue that could be reinvested into the WETA system. Upon further review, staff is recommending that the current policy of cost recovery be preserved to minimize potential passenger confusion and impacts.

Staff analysis indicates that current special event fares are projected to recover approximately 83 percent of Oakland/Alameda and 79 percent of Vallejo special event operating costs. Two factors contributing to this revenue shortfall are that special event fares have not been increased since 2019 and that demand, while strong compared to regular services, has not fully returned to pre-pandemic levels. The proposed FY 2024-28 Fare Program includes one-time adjustments of 10 percent for the Oakland/Alameda and 15 percent for the Vallejo special events services in FY 2024. These increases, in combination with continuing demand growth, are expected to result in full cost recovery. An annual three percent fare increase from FY 2025-28, again in combination with continuing demand growth, is expected to generate sufficient revenues to cover special event operating costs for the remaining duration of the proposed Fare Program.

The proposed increase of special event fares in FY 2024, while required to preserve operating subsidies for regular services, could negatively impact the ability of some riders to access special event services. To promote use of special event services by lower income riders and to meet the Draft Fare Policy's focus on equity, staff is exploring partnerships with special event hosts to include ferry access as part of their discount programs that serve disadvantaged communities.

Outreach Plan

A comprehensive round of public outreach will be conducted to solicit public comments for the proposed FY 2024-28 Fare Program, consistent with WETA's Title VI Program. Elements of the Outreach Plan will include:

- A public hearing
- Detailed information about the proposal on the San Francisco Bay Ferry website in English, Spanish, Tagalog and Chinese.
- Virtual Open house event – Virtual open house events will be conducted in March. During the event, attendees will receive an overview of the proposed program.
- Media outreach to boost awareness of the proposed program.
- Social media messaging.
- Signage on all vessels.
- Access to a translator, if requested, for the virtual open house will be provided to serve Chinese and Spanish-speaking communities.
- Outreach to community-based organizations, City Council and County organizations, as well as the State and Federal Legislative Delegations.

Next Steps

Pending Board approval to initiate the public outreach process, the following steps will be taken:

- March 2023: Begin outreach process and receive public comments.
- May 2023: Hold Public Hearing and present updated WETA Fare Policy and FY 24-28 Fare Program for Board approval.
- May - June 2023: Coordinate with WETA vendors and Clipper staff to prepare for implementation.
- July 1, 2023: Begin implementation of the new fare program.

Should the final FY 2024-28 Fare Program be adopted by the Board, the Fare Program would be monitored on a regular basis with periodic updates provided to the Board. The Board would retain the authority to revise or discontinue the multi-year Fare Program at any point and for any reason, such as changes in Clipper development, regional fare policy, economy recovery, unforeseen fare adjustments by other operators, or further shifts in travel demand patterns.

Fiscal Impact

There is no fiscal impact associated with this informational item. A detailed fiscal impact analysis will be provided as part of a future action item to consider approval of a final FY 2024-28 Fare Program.

END

Attachment A – Current Fare Policy

Attachment B – Revised Fare Policy

Attachment C – Route Specific Fare Structures

ATTACHMENT A
WETA FARE POLICY (Adopted in 2011)

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development
Michael Gougherty, Planner/Analyst

SUBJECT: Approve Ferry Service Fare Policy

Recommendation

Approve an agency fare policy to guide establishment and modification of ferry service fares.

Background

Staff has coordinated with its on-call planning consultant, Cambridge Systematics, to assist in developing the agency's Fare Policy. As part of this work, an extensive review of best practices was undertaken by the consultant and policy options were presented to staff. Staff identified those policy options that best meet the needs of WETA and developed a set of guiding principles that were presented to the Board as an informational item last month. Staff has developed a final fare policy for Board consideration based upon those principles and the feedback received from the Board at the October meeting.

Discussion

WETA's primary objective as a transit agency is to provide service to the maximum number of travelers that would otherwise use their cars, especially those currently traveling along congested bridge corridors. However, due to limited operating subsidy, system fares must be established to support a share of annual system operating costs. The proposed WETA fare policy is designed to both support system cost recovery and promote system ridership as described below.

SYSTEM COST RECOVERY

- **Meet Farebox Recovery Requirements:** WETA will maintain a minimum 40 percent farebox recover ratio for commuter (peak) services and a 30 percent farebox recovery for all day service to remain eligible for Regional Measure 2 (RM2) funding. New services will have three years to achieve these targets. For special event services, WETA's objective is to recover the full incremental cost of this service through farebox or other special revenues identified for this event.
- **Consider Local Contributions:** WETA will seek local contributions outside of fare revenues to support the operation of all ferry service routes. Where provided, this contribution will be considered when setting fares for each route.
- **Maintain Operating Cost Recovery:** WETA will utilize fares to off-set operating cost changes over time, as appropriate, through the following mechanisms:

- Annual Fare Adjustments: WETA will consider fares relative to operating costs annually based upon prior year and projected cost increases and will consider implementing annual fare adjustments to cover changing costs. Individual fare changes may be proposed as a separate Board action or may be made as a part of a multi-year fare program authorized by the Board. The purpose of a multi-year fare program would be to promote financial sustainability through small annual inflationary cost increases.
- Fare Surcharge for Unanticipated Expenses: WETA will consider implementing a fare surcharge when there is a significant and unforeseen increase in expenses that affects the agency's ability to continue to operate services at existing levels. Implementation of specific fare surcharge program and initiation of a surcharge would be subject to Board action. Once a surcharge is implemented, costs triggering the surcharge would be monitored to determine when and if the surcharge should end.

PROMOTE RIDERSHIP

- Provide Frequent Rider Discounts: WETA will provide fare discounts for frequent riders utilizing pre-paid fare instruments. Clipper will ultimately be the exclusive pre-paid fare payment media for discounted Adult, Youth, Senior and RTC fare categories per MTC program requirements. All discounted Clipper fares shall be set at a level initially equivalent to discount fares available through legacy fare products, such as monthly passes and ticket books. Once Clipper is implemented on existing services, legacy products such as ticket books and monthly passes will be phased out.
- Offer Other Fare Incentives: WETA will explore options for encouraging ridership on each route, including offering transfer discounts, promotional fares, group sales and other incentives. These options will be considered to the full extent feasible given other objectives of the Fare Policy.

All fare changes proposed as a result of this policy will conform to Title VI regulations and requirements, as set forth by the Federal Transit Administration, and agency public information and outreach requirements for fare changes.

Establishing the above fare policy will provide the guidance required to establish fare structures for future services operated by WETA and make adjustments to fare structures for existing services, as necessary. As a next step, staff will develop and bring forward a recommended fare structure for the new South San Francisco service utilizing the principles identified in the fare policy above.

Fiscal Impact

There is no fiscal impact associated with this item.

END

ATTACHMENT B

WETA FARE POLICY - DRAFT

March 2, 2023

The purpose of the Water Emergency Transportation Authority's (WETA) Fare Policy for San Francisco Bay Ferry services is to provide direction in making decisions about changes in WETA's fare structure, including establishing fare structures for new services. When making fare-related decisions, all goals in this Fare Policy should be considered as a whole.

- ❖ **Fares should promote equity and foster a robust and diverse ridership base**
 - Align fares with other comparable regional transit operators in the Bay Area
 - Offer discount on Youth, Senior, and Disabled fares on all fare media (Clipper and non-Clipper), as feasible
 - Participate in regional low-income fare discount programs (such as Clipper START)
 - Offer promotional fares to encourage ridership diversity
 - Set school group fares to support access for field trips and other enrichment activities, including youth employment development programs
 - Solicit and consider input on proposed fares from all individuals in the service area without regard to race, color or national origin, including language proficiency
- ❖ **Fares and fare adjustments should promote financial sustainability**
 - Align fare adjustments to help offset operating expense increases due to factors such as inflation or cost of living adjustments
 - Ensure farebox recovery and other applicable funding source or regulatory requirements are addressed
 - Fares for non-Clipper media should offset additional incremental expenses
- ❖ **Fares should be transparent and result in predictable costs for riders**
 - Adopt a five-year fare program that sets forth a schedule of predictable annual fare adjustments
 - Utilize translation services and a full suite of outreach strategies to communicate fare modifications to WETA riders and the general public
- ❖ **Fares should facilitate seamless transfers with connecting transit and mobility services**
 - When feasible, establish reciprocal discounts with other transit operators to reduce barriers to intermodal passenger transfers
 - Offer discounts through Clipper fare media for intermodal transfers
 - Support regional efforts to better coordinate and integrate transit fares

- ❖ Fare structures and fare payment media should maximize the rider experience
 - Offer fare media products that provide access for all rider markets, including families and infrequent riders
 - Streamline fare collection process to expedite efficient passenger boarding and alighting
 - Simplify paper ticket use and cash handling by rounding fares
- ❖ Special events fares should be priced to offset operating costs
 - Consider both passenger demand and the cost of providing special event services when establishing a fare
 - Adjust special event fares to manage demand on special event trips with the goal of meeting demand on limited capacity trips and ensuring full cost recovery through fares
- ❖ Five-year fare programs should be regularly monitored and modified if significant changes in operating conditions occur
 - Fully leverage future Clipper technological capabilities to maximize the goals of the fare policy
 - Ensure that the needs of shifting work schedules, travel patterns, and rider expectations are met
 - Address impacts of shifts in operating funding sources

Proposed Fare Structure for Regular Services

| South San Francisco | | | | | | |
|--|--------------|--------|---------|---------|---------|---------|
| Fare Category | Current Fare | FY2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| Paper Ticket | \$8.50 | \$8.75 | \$9.00 | \$9.25 | \$9.50 | \$9.75 |
| Clipper/Mobile Ticket | \$6.75 | \$7.00 | \$7.20 | \$7.40 | \$7.60 | \$7.90 |
| Discount Paper Ticket ¹ | \$4.25 | \$4.25 | \$4.50 | \$4.50 | \$4.75 | \$4.75 |
| Discount Clipper ² /Mobile Ticket ³ | \$3.25 | \$3.50 | \$3.60 | \$3.70 | \$3.80 | \$3.90 |
| School Groups ⁴ | \$2.75 | \$2.80 | \$2.90 | \$3.00 | \$3.10 | \$3.20 |
| Children under 5 | FREE | FREE | FREE | FREE | FREE | FREE |
| ¹ Discount paper tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking | | | | | | |
| ² Discount Clipper includes Clipper START, RTC Clipper, Senior Clipper and Youth Clipper | | | | | | |
| ³ Mobile Tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking placards | | | | | | |
| ⁴ School/Group Fares by Advanced Reservation Only | | | | | | |

| Vallejo | | | | | | |
|--|--------------|---------|---------|---------|---------|---------|
| Fare Category | Current Fare | FY2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| Paper Ticket | \$11.25 | \$11.50 | \$12.00 | \$12.25 | \$12.50 | \$13.00 |
| Clipper/Mobile Ticket | \$9.00 | \$9.30 | \$9.60 | \$9.90 | \$10.20 | \$10.50 |
| Discount Paper Ticket ¹ | \$5.50 | \$5.75 | \$6.00 | \$6.00 | \$6.25 | \$6.50 |
| Discount Clipper ² /Mobile Ticket ³ | \$4.50 | \$4.60 | \$4.70 | \$4.90 | \$5.00 | \$5.20 |
| School Groups ⁴ | \$3.50 | \$3.60 | \$3.70 | \$3.80 | \$3.90 | \$4.10 |
| Children under 5 | FREE | FREE | FREE | FREE | FREE | FREE |
| ¹ Discount paper tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking | | | | | | |
| ² Discount Clipper includes Clipper START, RTC Clipper, Senior Clipper and Youth Clipper | | | | | | |
| ³ Mobile Tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking placards | | | | | | |
| ⁴ School/Group Fares by Advanced Reservation Only | | | | | | |

Proposed Short Hop Fare Structure

| Short Hops: Pier 41 Short Hop, Alameda Short Hop | | | | | | |
|--|--------------|--------|---------|---------|---------|---------|
| Fare Category | Current Fare | FY2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| Paper Ticket | \$1.25 | \$1.25 | \$1.25 | \$1.25 | \$1.25 | \$1.50 |
| Clipper/Mobile Ticket | \$1.00 | \$1.00 | \$1.00 | \$1.10 | \$1.10 | \$1.10 |
| Discount Paper Ticket ¹ | \$0.50 | \$0.50 | \$0.50 | \$0.50 | \$0.50 | \$0.75 |
| Discount Clipper ² /Mobile Ticket ³ | \$0.50 | \$0.50 | \$0.50 | \$0.50 | \$0.60 | \$0.60 |
| Children under 5 | FREE | FREE | FREE | FREE | FREE | FREE |
| ¹ Discount paper tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking | | | | | | |
| ² Discount Clipper includes Clipper START, RTC Clipper, Senior Clipper and Youth Clipper | | | | | | |
| ³ Mobile Tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking placards | | | | | | |

Proposed Fare Structure for Special Event Services

| Between Oakland & Alameda and Oracle Park/Chase Center | | | | | | |
|--|--------------|---------|---------|---------|---------|---------|
| Fare Category | Current Fare | FY2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| Paper Ticket | \$9.60 | \$10.50 | \$10.75 | \$11.25 | \$11.50 | \$11.75 |
| Discount Paper Ticket ¹ | \$7.20 | \$8.00 | \$8.25 | \$8.50 | \$8.75 | \$9.00 |
| Children under 5 | FREE | FREE | FREE | FREE | FREE | FREE |

¹Discount paper tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking

| Between Vallejo and Oracle Park | | | | | | |
|------------------------------------|--------------|---------|---------|---------|---------|---------|
| Fare Category | Current Fare | FY2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
| Paper Ticket | \$15.90 | \$18.25 | \$18.75 | \$19.25 | \$20.00 | \$20.50 |
| Discount Paper Ticket ¹ | \$11.80 | \$13.50 | \$14.00 | \$14.25 | \$14.75 | \$15.25 |
| Children under 5 | FREE | FREE | FREE | FREE | FREE | FREE |

¹Discount paper tickets can be used by those 65 or older, 17 or younger, or those with Medicare cards or DMV disabled parking

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Release of Request for Proposals For Emergency Response and Pilot Program Ferry Services

Recommendation

Authorize the Executive Director to release a Request for Proposals for emergency response services and pilot program ferry services on an on-call task order basis for a five-year term.

Background

WETA has long followed a practice of contracting with firms on an on-call basis to provide professional services such as engineering and planning. The practice involves releasing a Request for Proposals (RFP) seeking expertise in a professional practice, entering into agreements with a panel of qualified firms, and then issuing task orders for specific projects to a select firm when the need arises. This model allows staff to be flexible and responsive, eliminating the need to release a discreet, formal RFP for every project, especially when the work itself may be brief and inexpensive in nature.

Staff is proposing to follow this same structure for vessel operators that may be needed for both emergency response purposes and/or future pilot program ferry services. The proposed RFP would ask operators to provide basic vessel, operations, experience, and cost information. After proposals are reviewed by an evaluation committee, staff expects to return to the Board with a recommendation to approve agreements with a selected list of qualified vessel operators. Staff will seek Board authorization for a pilot program before issuing any task order to a vessel operator for such service.

Discussion

Establishing a panel of on-call operators will allow WETA to quickly identify operators with the vessels and resources necessary to supplement the WETA fleet without having to conduct time-consuming due-diligence and negotiations with potential providers. This advantage will be particularly important during an emergency, when conditions may require WETA to quickly identify and secure vessels outside of the WETA fleet to provide sufficient response. The time needed to do this in the absence of a pre-qualified list of operators has been consistently identified as a gap in WETA's emergency response capabilities. The appropriate terms and conditions will be included in the on-call contract to ensure that costs are eligible for reimbursement from state and federal emergency response agencies.

Establishing a panel of on-call operators will also allow WETA to advance the operation of temporary pilot services to measure ridership demand and inform potential permanent additions to the WETA network. The Board has previously directed staff to explore the operation of pilot service between San Francisco and South San Francisco. Another service currently under consideration would operate in the Oakland Estuary. The City of Alameda was awarded funding for one year of Oakland Estuary service from the Alameda County Transportation Commission. The City engaged WETA to help inform the development of the

application for this funding and has expressed interest in WETA engaging a private operator to provide the service, which would also receive funding through a partnership between the City and Jack London Square employers. Given WETA's limited available vessels, private vessel operators are better suited to provide this type of service with a small vessel that does not need to travel at high speeds and operates at a lower cost.

It is anticipated that the current phase of the WETA's 2050 Service Vision and Business Plan and partner efforts such as an upcoming Contra Costa Transportation Authority study will help identify potential pilot service expansion opportunities. Each of these possibilities will require more detailed evaluation by WETA staff. An on-call list of qualified operators would allow WETA to more accurately and efficiently evaluate many of these opportunities through the operation of pilot services.

Fiscal Impact

There is no fiscal impact associated with this item. If the Board approves this item, any future pilot program will require further Board authorization with additional detail including crewing, fuel, and other costs before issuing a task order.

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Kevin Connolly, Planning & Development Manager
Michael Gougherty, Principal Planner
Gabriel Chan, Transportation Planner

SUBJECT: Business Plan Focus Area #2 – Emergency Response

Recommendation

There is no recommendation associated with this informational item.

Background

The WETA 2050 Service Vision & Business Plan is being developed to define a long-term service vision based on input from agency stakeholders, the public, and other parties with an interest in the future of the agency. During an initial outreach effort in 2021, staff identified six focus areas for consideration in the Business Plan. These include:

1. Regional Ferry Network
2. Emergency Response
3. Environmental Stewardship
4. Community Connections
5. Financial Capacity
6. Organizational Capacity

At its August 2022 workshop, the Board identified a set of network expansion concepts that would be evaluated based on the focus areas above. Staff has prepared the initial evaluation results, which are being reviewed with project stakeholders and will ultimately be presented to the Board this summer. The outcome of this process will be the identification of a preferred 2050 Service Vision. The six focus areas will also function as an organizing element for drafting the Business Plan, ultimately framing the short, medium, and long-term policies and strategies necessary to advance the preferred 2050 Service Vision.

Staff intends to engage the Board with a series of targeted discussions concerning specific focus areas over the coming months to help inform the preparation of a preferred Service Vision and Business Plan. This month will feature a targeted discussion regarding Focus Area #2 – Emergency Response. The goal of today's discussion is to think about how WETA should approach its emergency response mandate in terms of ferry network expansion. Staff will provide a high-level overview of the history of emergency response at WETA, the current role it plays in the agency, and the potential role of emergency response in terms of system expansion.

Discussion

Staff have identified four ways WETA could approach emergency response as it relates to system expansion. A slide presentation will be provided by staff elaborating on each approach

listed below. Feedback provided by the Board will be considered as staff further develops WETA's 2050 Service Vision and Business Plan.

1. Continue Status Quo

Currently, WETA's facilities serve as transit facilities that support robust passenger service. In addition, these facilities are built to essential facility standards so they are able to withstand natural disasters and operate in the immediate aftermath of an emergency. For new terminal construction, prospective locations generally need to be able to support regional passenger service and be financially and operationally feasible.

2. Transit Approach

This approach would prioritize limited funds for transit projects specifically. This approach would give WETA the opportunity to construct new terminals without essential facility standards specifications. There could be potential cost and time savings from constructing non-essential facility standards terminals. This would allow the agency to use the same amount of capital funding for more projects. WETA would be strategic about which facilities have emergency response capability. For example—if there are three terminals all within a few miles of each other on the East Bay shoreline, one of them could be built to essential facility standards while the other two are not.

3. Increased Emergency Response Approach

This approach would allow for the agency to pursue projects that serve primarily an emergency response function and may not be able to support robust regional transit ridership. This approach is contingent upon the agency identifying new capital and operating & maintenance funding sources specifically dedicated to emergency response. Current capital funding sources would continue to fund projects that serve a passenger transit purpose. One of the benefits of this approach would be the larger reach and flexibility of the network in the event of an emergency. It would also allow WETA to fill gaps in the region's emergency response network. In locations where there is some transit demand but not enough to support robust regional service, WETA could explore partnerships, smaller vessels, or pilot services.

4. Hybrid Approach

This approach would allow the agency to move a combination of different project types forward. This includes some transit projects not built to essential facility standards and some projects that may primarily service an emergency response role and cannot support regional ferry service. This blended approach would allow for greater flexibility in WETA's project delivery model. However, the agency would still need to identify a new funding source for the primarily emergency response projects and define prioritization criteria between the different project types.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END