

Members of the Board

James Wunderman, Chair
Monique Moyer, Vice Chair
Jessica Alba
Jeffrey DelBono
Anthony J. Intintoli, Jr.

**SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BUSINESS PLAN WORKSHOP**

Wednesday, August 17, 2022 at 10:00 a.m.

BOARD OF DIRECTORS MEETING

Wednesday, August 17, 2022 no earlier than 1:00 p.m.

WETA Ron Cowan Central Bay Operations & Maintenance Facility

670 W Hornet Ave
Alameda, CA 94501

Face masks strongly recommended for in-person participation.

and

Videoconference

Join WETA BOD Zoom Meeting

<https://us02web.zoom.us/j/89718217408>

Meeting ID: 897 1821 7408

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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. ADOPT RESOLUTION MAKING FINDINGS PURSUANT TO ASSEMBLY BILL 361 TO HOLD REMOTE PUBLIC MEETINGS **Action**
4. BUSINESS PLAN WORKSHOP
Discuss WETA's Business Plan, including planning, policies, funding, and strategies to carry out the 2050 WETA Service Vision.
5. RECESS
THE MEETING WILL RESUME NO EARLIER THAN 1:00 P.M.
6. CALL TO ORDER/ROLL CALL
7. REPORT OF BOARD CHAIR **Information**
 - a. Chair's Verbal Report
8. 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.
9. REPORTS OF STAFF **Information**
 - a. Executive Director's Report on Agency Projects, Activities and Services
 - i. Scandinavia Zero-Emissions Findings
 - ii. Passenger Experience Upgrade Update
 - iii. Regional Measure 3 Litigation Update

**Water Emergency Transportation Authority
August 17, 2022 Meeting of the Board of Directors**

- b. Monthly Review of Financial Statements
 - c. Federal Legislative Update
 - d. State Legislative Update
 - e. Monthly Ridership and Recovery Report
10. CONSENT CALENDAR **Action**
a. Board Meeting Minutes – June 2, 2022
11. APPROVE REVISIONS TO FISCAL YEAR 2023 BUDGET AND SALARY SCHEDULE **Action**
12. APPROVE REVISIONS TO THE ADMINISTRATIVE CODE TO CLARIFY THE EXECUTIVE DIRECTOR'S AUTHORITY TO UPDATE AND MAINTAIN THE HUMAN RESOURCES GUIDE **Action**
13. APPROVE CONTRACT AWARD TO DAKOTA CREEK INDUSTRIES, INC. FOR THE MV PYXIS GENERATOR DIESEL PARTICULATE FILTER DEMONSTRATION PROJECT **Action**
14. APPROVE SOLE SOURCE CONTRACT AWARD TO PACIFIC POWER GROUP, LLC FOR MAIN ENGINE PREVENTATIVE MAINTENANCE SERVICES **Action**
15. VALLEJO TERMINAL RECONFIGURATION UPDATE AND AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSAL FOR ENVIRONMENTAL REVIEW AND PERMITTING SERVICES **Action**
16. UPDATE ON FARE COORDINATION AND INTEGRATION STUDY INSTITUTIONAL/EMPLOYER PASS PILOT PROGRAM **Information**
17. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

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

CHANGES RELATED TO COVID-19

Consistent with AB 361, codified in Government Code Section 54953, this meeting will be conducted through an internet-based service option. The public is invited to participate via the link provided at the top of this agenda.

PUBLIC COMMENTS WETA welcomes comments from the public.

If you know in advance that you would like to make a public comment during the videoconference, please email BoardOfDirectors@watertransit.org with your name and item number you would like to provide comment on no later than 15 minutes after the start of the meeting. 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/PLEDGE OF ALLEGIANCE

AGENDA ITEM 4
BUSINESS PLAN WORKSHOP

AGENDA ITEM 5
RECESS

AGENDA ITEM 6
CALL TO ORDER/ROLL CALL

AGENDA ITEM 7
REPORT OF BOARD CHAIR

AGENDA ITEM 8
REPORTS OF DIRECTORS

NO MATERIALS

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director

SUBJECT: Adopt Resolution Making Findings Pursuant to Assembly Bill 361 to Hold Remote Public Meetings

Recommendation

Adopt resolution making findings pursuant to AB 361 to hold remote public meetings.

Background/Discussion

In March 2020, the Governor of California issued several executive orders in response to the COVID-19 pandemic suspending portions of the Ralph M. Brown (Brown) Act to allow Board members to participate remotely in Board meetings without complying with the Brown Act's restrictions on such remote attendance. (Executive Order N-25-20 and N-29-20)

The Governor's executive order that specifically waived certain requirements of the Brown Act expired on September 30, 2021. On September 16, 2021, the Governor signed Assembly Bill (AB) 361 into law, effective on October 1, 2021. AB 361 amends the Brown Act to allow legislative bodies to meet remotely without complying with traditional teleconference meeting rules, provided the legislative body makes findings that there is a state of emergency and either (1) state or local officials have imposed or recommended measures to promote social distancing or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees (the "initial findings").

A legislative body can use the initial findings to continue to meet remotely pursuant to the modified teleconference procedures in AB 361 if, within 30 days of its first meeting under AB 361, and every 30 days thereafter, the body finds that it has reconsidered the circumstances of the state of emergency and that (a) the state of emergency continues to directly impact the ability to meet safely in person and/or (b) state or local officials continue to impose or recommend measures to promote social distancing (the "continuing findings").

The Board has repeatedly adopted the continuing findings in order to meet via AB 361. However, because the Board did not meet in July, it has been more than 30 days since the Board last made continuing findings at its June 2, 2022 meeting. AB 361 does not directly address this particular situation in which more than 30 days have passed since the Board made its continuing findings. To ensure compliance with AB 361, the Board should reauthorize the use of the modified teleconference procedures by making the initial findings once again. This approach is consistent with the spirit of AB 361 and the manner in which other public agencies in the Bay Area are ensuring compliance with AB 361.

The required initial findings include that there is a state of emergency and either (1) state or local officials have imposed or recommended measures to promote social distancing or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees.

The Governor-declared state of emergency is still in effect and both state and local officials recommend measures to promote physical distancing. These conditions allow the Board to once again make the initial findings necessary to meet remotely pursuant to AB 361. This return to the initial findings results in a small change to the wording of the findings the Board has adopted at each meeting since AB 361 was enacted—see the attached resolution—but should not impact how WETA will hold its teleconference meetings pursuant to AB 361.

The Executive Director recommends that the Board adopt these findings with the understanding that the Board would need to approve a resolution making the continuing findings every 30 days if it wishes to continue to meet under AB 361's requirements for teleconference Board meetings.

Fiscal Impact

There is no fiscal impact associated this recommendation.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2022-31

FINDINGS PURSUANT TO ASSEMBLY BILL 361 TO HOLD REMOTE PUBLIC MEETINGS

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State prepare for a broader spread of COVID-19; and

WHEREAS, the March 4, 2020 State of Emergency remains in effect; and

WHEREAS, the California Department of Public Health and the Department of Industrial Relations have imposed or recommended measures to promote social distancing, and the San Francisco Public Health Department continues to recommend measures to promote social distancing in combination with other safety precautions when activities occur in shared indoor spaces to mitigate the risk of COVID-19 transmission; and

WHEREAS, on September 16, 2021, the Governor signed Assembly Bill 361 into law as urgency legislation that went into effect on October 1, 2021, amending Government Code Section 54953 of the Brown Act to allow legislative bodies to continue to meet remotely during a proclaimed state of emergency where the legislative body finds that the state of emergency continues to directly impact the ability of the members to meet safely in person and/or state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, the Board of Directors has previously passed resolutions to declare its intent to meet via teleconference in accordance with Assembly Bill 361 and the provisions of Government Code Section 54953(e), all of which have since expired; now, therefore, be it

RESOLVED, that the Board of Directors finds:

- a. The March 4, 2020 State of Emergency remains in effect; and
- b. State and local officials, including the San Francisco Public Health Department, the California Department of Public Health and the Department of Industrial Relations, continue to impose or recommend measures to promote social distancing; and be it further

RESOLVED, that in order to ensure the health and safety of the public, meetings of the Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority will continue to be held with a teleconference component in accordance with Assembly Bill 361 and the provisions of Government Code Section 54953(e); and be it further

RESOLVED, that the Board of Directors will reconsider the circumstances of the state of emergency and revisit the need to conduct meetings remotely within 30 days of the adoption of this resolution.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on August 17, 2022.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2022-31

END

TO: WETA Board Members

FROM: Seamus Murphy, Executive Director

DATE: August 17, 2022

RE: Executive Director's Report

PLANS, STUDIES & INITIATIVES**Redwood City Ferry Terminal Project**

WETA is studying the feasibility and business case of developing a new ferry terminal at the Port of Redwood City in partnership with the City and Port of Redwood City. The Feasibility Study was concluded in 2021 and determined that the project is feasible and meets WETA Expansion criteria. The San Mateo Transportation Authority now requires completion of a Business Plan before the project can move to the Concept Design and Permitting phase.

August 2022 Update: The San Mateo County Transportation Authority approved the Redwood City Business Plan on June 2 and allocated \$3.4 million in San Mateo Measure A funds towards preliminary design, permitting and environmental activities. Staff has developed a draft amendment to the existing Memorandum of Understanding (MOU) among WETA, the City and Port of Redwood City. The amended MOU will be presented to the WETA Board for approval this fall.

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 plan will be developing work products in six focus areas shared with the Board at the December 2021 meeting. The business plan will be developed throughout the calendar year 2022 and is anticipated to be finalized in the first half of calendar year 2023.

August 2022 Update: After a summer of outreach to stakeholder groups and advisory committees along with a survey posted on the project microsite, staff will share findings at a Board Workshop on August 17 before performing analytical tasks this fall.

Passenger Experience Upgrades

WETA is rolling out several passenger experience upgrades in the summer of 2022. These are based on Board contract awards as well as operational and customer-facing improvements.

August 2022 Update: WETA launched its new integrated ticketing system on July 19. The system, developed by Anchor Operating System, now handles all non-Clipper fare payment on the ferries, including walk-up paper tickets, reserved special event tickets and mobile tickets. Staff is marketing these ticket options to those for whom Clipper is not currently a good solution, especially families, larger groups and tourists. Roll-out of the new system required major time commitment, training and coordination for WETA and Blue & Gold Fleet staff, but has resulted in a more passenger-friendly and flexible ticket purchase experience and easier validation and reporting for WETA staff on the backend. The system replaced the on-board point of sale system in a way that gives WETA better oversight and

monitoring of cash and credit card sales. The Board of Directors authorized the award for the integrated ticketing system in March 2022.

The launch of the new ticketing system also allowed WETA to implement some other changes to streamline the passenger experience across the ferry system. This included altering the fare validation flow on the Vallejo route to match the flow in place on all other regular routes, in which passengers present tickets or fare products at the end of their trip as opposed to the beginning. This allows passengers to purchase mobile or paper tickets on board the ferry during their trip.

In addition, WETA has closed the Vallejo Ferry Ticket Office and centralized customer service response staff at its North Bay Operations and Maintenance Facility. Ticket office employees now answer questions about ferry service via phone and email in a timely manner and assist with ticket needs. In addition, the ticket office closure will allow additional customer service staff to be deployed to the busiest ferry terminals, including Downtown San Francisco and the Vallejo terminal. Staff will share additional information about this effort in future reports.

Scandinavia Zero-Emission Findings

Nordic countries, in particular Sweden and Norway, are widely recognized as global leaders in the effort to transition to zero-emission transportation, especially in the maritime space. In June, Chair Wunderman and Director Alba joined WETA Staff in Sweden and Norway to meet with companies, operators, agencies, and institutions that are leading the effort to transition water transportation to zero-emission technology. At the August 17 Board of Directors meeting, staff will share a summary of the trip along with findings that will help guide the agency's ongoing evaluation and evolution toward zero-emission ferry service.

OTHER BUSINESS

Assembly Bill 2807

WETA has worked with Assemblymember Bonta (District 18) to develop a bill that clarifies ferry project eligibility for existing state programs providing funding for transit providers to transition their fleets from diesel to zero emission vehicles. WETA and the Golden Gate Bridge, Highway and Transportation District are co-sponsoring this bill.

August 2022: At the request of the Transportation Chair, AB2358 (O'Donnell D-70) was amended into AB2807 in late June. Previously AB 2807 included only public transportation ferries. With this amendment the bill now includes all Commercial Harbor Craft. On August 1, AB2807 was sent to suspense in the Senate Appropriations Committee due to the added cost pressures of the bill from the inclusion of all Commercial Harbor Craft. The bill is scheduled to be heard on August 11. An update on this bill will be provided to the Board at the meeting.

Richmond Ferry Fest

WETA hosted the Richmond Ferry Fest on Saturday, June 11, at the Richmond Ferry Terminal. Attendance and media coverage of the first-of-its-kind event were spectacular, with more than 2,000 attendees and a dozen community partners on hand to share information and build community awareness and support for ferry service. KCBS Radio broadcasted live from the event, and WETA leveraged the event to increase partnerships with Contra Costa County organizations and build its email and social media audiences. Staff is planning for future Ferry Fest style events across the system.

California Secretary of Transportation Tour

On August 3, WETA provided a tour for California Transportation Agency Secretary Toks Omishakin. WETA's Executive Director and Chief Financial Officer briefed Secretary Omishakin on WETA's plans

to transition to zero emissions and took a ferry ride on what will become the agency's first zero emission ferry network which will serve Downtown San Francisco, Treasure Island, and Mission Bay.

Department of Transportation Department of Inspector General Tour

On August 5, WETA provided a tour to Eric Suskin, the Inspector General for the Department of Transportation. The tour included a briefing on WETA's current operations and a ferry ride on the future zero emissions route between Downtown San Francisco, Treasure Island, and Mission Bay.

Regional Measure 3 (RM3) Litigation

A verbal report on the California Supreme Court's decision in *Zolly v. City of Oakland* will be provided at the meeting.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Review of FY 2021-22 Financial Statements Ending June 30, 2022

Recommendation

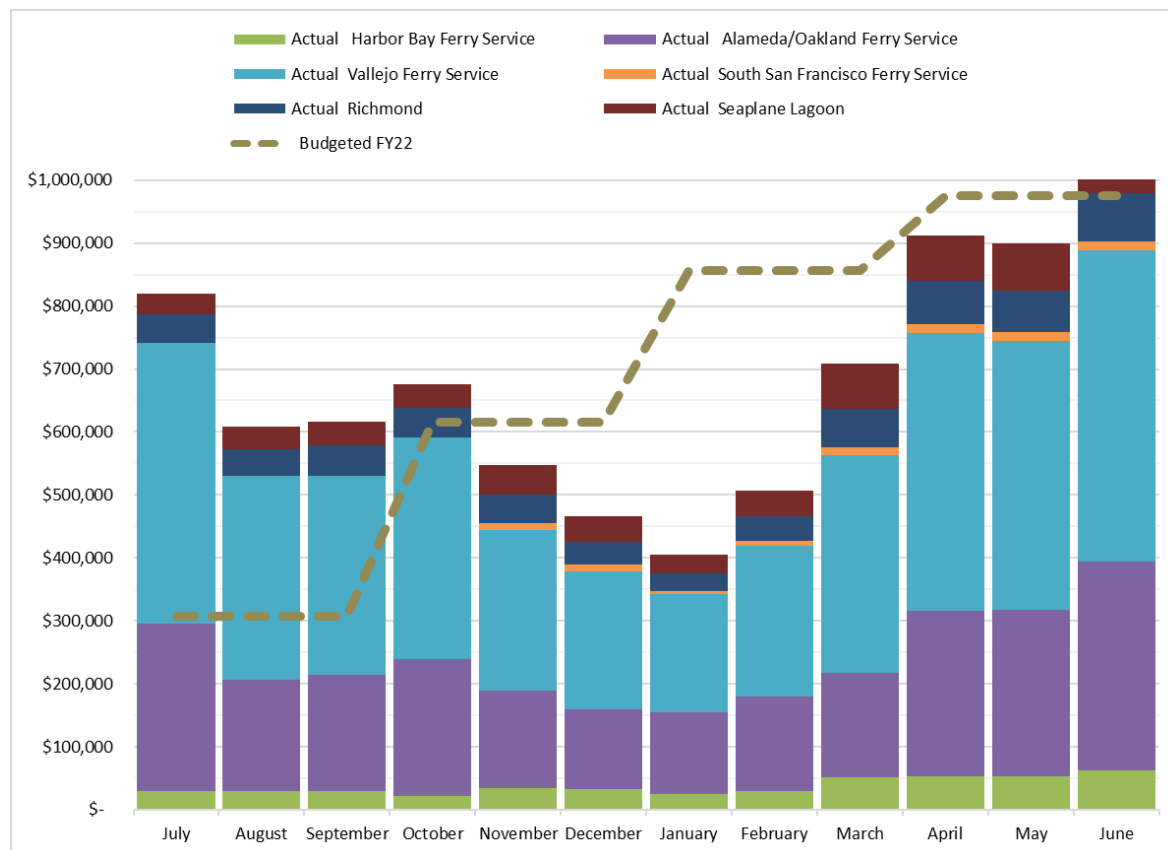
There is no recommendation associated with this informational item.

Financial Statements Summary

This report provides a summary of Fiscal Year 2022 activity against the approved budget through the end of June excluding any audit adjustments. Final revenue and expense are summarized in the summary chart below:

Operating Budget vs. Actual	Year - To - Date	Annual	
	FY2021-22 Actual	FY2021-22 Approved Budget	% of FY 22 Approved Budget
	Current YTD		
Revenue - Year To Date:			
Fare Revenue	\$8,232,071	\$ 8,268,000	100%
Federal - COVID-19 Relief Funds	21,924,452	22,069,400	99%
State Operating Assistance	-	450,000	0%
Bridge Toll Revenues	15,554,999	15,555,000	100%
Contra Costa Measure J	3,651,299	3,651,300	100%
Other Revenue	74,736	-	0%
Total Operating Revenues	\$49,437,557	\$49,993,700	99%
Expense - Year To Date:			
Ferry Services	\$ 46,887,492	\$46,993,700	100%
Planning & Administration	2,550,065	3,000,000	85%
Total Operations Expenses	49,437,557	\$49,993,700	99%
System-Wide Farebox Recovery %	18%		

There are a few highlights worth noting in the June 30, 2022, reports. First, fare revenue rebounded in the last quarter -- particularly in June -- to bring revenues in essentially on budget. The chart below illustrates that result:



All other operating revenues, which are linked to actual expense were received as anticipated in the budget or slightly below due to expenses coming in under budget.

Second, the final amount of fuel impact on the budget is shown in the chart below:

FY22 OPERATIONS FINAL EXPENSE (Prior to Audit)

	Actual	Budgeted	% of Budget
Vessel Crew Labor	\$ 14,826,653	\$ 15,246,000	97%
Vessel Fuel	\$ 14,109,866	\$ 9,637,000	146%
Vessel Operations & Maintenance	\$ 3,628,386	\$ 4,937,000	73%
Facility Operations & Maintenance	\$ 8,042,275	\$ 8,482,300	95%
System Expense	\$ 6,280,311	\$ 8,691,400	72%
Total Operations	\$ 46,887,492	\$ 46,993,700	100%

Final fuel expense exceeded budget by \$4.5 million, or 146%. As reported in May, this is due partly to the excessive fuel price increases in the market and the higher number of gallons needed than originally budgeted. Final savings in other operational areas balanced the additional cost of fuel. Planning and administration costs ended as anticipated during the budget process, with slightly less than anticipated costs overall, removing the need for any use of WETA reserves.

Final Capital Budget expenses, as shown in the chart below, were \$12.4 million, which is 26% of the originally anticipated expense. As outlined during the budget process, this is almost exclusively due to the delay in vessel construction projects which are approximately one year behind due to COVID and supply chain delays. Progress on those projects has resumed with the delivery of the Dorado this summer and an additional vessel arriving by this Spring.

Capital Budget vs. Actual	FY2021-22 Actual Current YTD	FY2021-22 Approved Budget	% of FY 2021-22 Approved Budget
Revenue:			
Federal Funds	\$2,803,988	\$21,720,621	13%
State Funds	8,760,191	21,225,184	41%
Bridge Toll Revenues	287,320	2,894,082	10%
Other Revenues	576,884	1,711,502	34%
Total Capital Revenues	\$12,428,383	\$47,551,389	26%
Expense:			
Total Capital Expenses	\$12,428,383	\$47,551,389	26%

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

Investment Report

In May the Board adopted WETA's investment policy. As discussed during that meeting, in order to comply with Government Code § 53607, this month's report contains the monthly balances held in both the Local Agency Investment Fund (LAIF) and our commercial bank. In addition, to comply with GC § 53646, which requires a quarterly report with more detailed information on investment, this month's report also includes a statement showing LAIF performance.

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 2021-22 Operating & Administration Revenues and Expenses
Through the Month Ending 6/30/2022

% of Year Elapsed 100%

	Month Jun-22 Actual	Year - To - Date		Total FY2021-22 Budget	Total Budget
		FY2018-19 Actual	FY2021-22 Actual		
OPERATING EXPENSE					
FERRY OPERATIONS:					
Harbor Bay Ferry Service (AHBF)					
Vessel Crew Labor	\$140,203		\$1,536,190	\$1,693,200	91%
Vessel Fuel	150,373		998,252	658,700	152%
Vessel Operations & Maintenance	81,860		491,469	673,400	73%
Facility Operations & Maintenance	79,400		547,338	758,600	72%
System Expense	61,190		651,854	897,500	73%
Total Harbor Bay	\$513,025	\$3,608,269	\$4,225,104	\$4,681,400	90%
Farebox Recovery - AHBF	12%	46%	11%	15%	
Alameda/Oakland Ferry Service (AOFS)					
Vessel Crew Labor	\$307,136		\$3,840,392	\$3,777,800	102%
Vessel Fuel	338,338		2,742,417	2,032,900	135%
Vessel Operations & Maintenance	85,953		723,344	992,700	73%
Facility Operations & Maintenance	172,033		1,523,564	1,262,200	121%
System Expense	169,795		1,772,769	2,387,800	74%
Total Alameda/Oakland	\$1,073,256	\$13,329,240	\$10,602,486	\$10,453,400	101%
Farebox Recovery - AOFS	31%	58%	23%	18%	
Vallejo Ferry Service (Vallejo)					
Vessel Crew Labor	\$339,797		\$4,203,312	\$4,427,100	95%
Vessel Fuel	864,642		6,784,469	\$4,817,300	141%
Vessel Operations & Maintenance	109,557		959,536	\$1,260,500	76%
Facility Operations & Maintenance	365,728		3,872,552	3,969,100	98%
System Expense	200,580		1,949,220	2,711,500	72%
Total Vallejo	\$1,880,304	\$17,676,924	\$17,769,090	\$17,185,500	103%
Farebox Recovery - Vallejo	26%	65%	23%	23%	
South San Francisco Ferry Service (SSF)					
Vessel Crew Labor	\$109,803		\$769,627	\$1,018,700	76%
Vessel Fuel	93,983		512,744	385,000	133%
Vessel Operations & Maintenance	70,159		420,708	585,300	72%
Facility Operations & Maintenance	58,142		536,666	709,700	76%
System Expense	38,321		307,802	568,600	54%
Total South San Francisco	\$370,407	\$3,179,777	\$2,547,546	\$3,267,300	78%
Farebox Recovery - SSF	4%	33%	3%	13%	
Richmond Ferry Service (Richmond)					
Vessel Crew Labor	\$250,884		\$2,839,413	\$2,755,300	103%
Vessel Fuel	263,152	Service launched in January 2019	1,886,524	1,146,700	165%
Vessel Operations & Maintenance	106,670		634,702	878,600	72%
Facility Operations & Maintenance	137,250		1,052,974	1,164,400	90%
System Expense	101,670		836,217	1,108,800	75%
Total Richmond	\$859,626	\$1,723,570	\$7,249,830	\$7,053,800	103%
Farebox Recovery - Richmond	9%	28%	8%	8%	
Seaplane Lagoon Ferry Service (SPL)					
Vessel Crew Labor	\$167,879	Service launched in July 2021	\$1,637,720	\$1,573,900	104%
Vessel Fuel	169,169		1,185,459	596,400	199%
Vessel Operations & Maintenance	51,495		398,627	546,500	73%
Facility Operations & Maintenance	59,470		509,181	618,300	82%
System Expense	71,426		762,449	1,017,200	75%
Total Seaplane Lagoon	\$519,439	\$0	\$4,493,436	\$4,352,300	103%
Farebox Recovery - SPL	17%	0%	14%	19%	
Sub-Total Ferry Operations	\$5,216,057	\$39,517,780	\$46,887,492	\$46,993,700	100%
FAREBOX RECOVERY - SYSTEMWIDE	20%	57%	18%	18%	

(continued on next page)

San Francisco Bay Area Water Emergency Transportation Authority
FY 2021-22 Operating & Administration Revenues and Expenses
Through the Month Ending 6/30/2022

% of Year Elapsed 100%

	Month Jun-22 Actual	Year - To - Date		Total FY2021-22 Budget	Total Budget
		FY2018-19 Actual	FY2021-22 Actual		
OPERATING EXPENSE (continued)					
PLANNING & GENERAL ADMIN:					
Wages and Fringe Benefits	\$310,608	\$1,273,574	\$1,807,036	\$1,601,600	113%
Professional & Other Services	102,343	\$1,145,081	1,302,283	2,054,200	63%
Materials and Supplies	8,475	\$175,488	69,932	59,800	117%
Utilities	3,427	\$47,022	26,667	43,800	61%
Insurance	1,307	\$25,438	15,687	17,100	92%
Miscellaneous	28,745	\$236,398	64,077	94,700	68%
Leases and Rentals	\$20,052	\$384,961	256,247	326,400	79%
Admin Overhead Expense Transfer	(69,130)	(\$754,447)	(991,864)	(1,197,600)	83%
Sub-Total Planning & Gen Admin	\$405,827	\$2,533,515	\$2,550,065	\$3,000,000	85%
Total Operating Expense	\$5,621,884	\$42,051,295	\$49,437,557	\$49,993,700	99%
OPERATING REVENUE					
Fare Revenue	\$1,065,577	\$22,434,943	\$8,232,071	\$8,268,000	100%
Federal Operating Assistance	3,789,619	\$0	21,924,452	22,069,400	99%
State Operating Assistance		\$0	-	450,000	0%
Regional - Bridge Toll	506,097	\$18,355,769	15,554,999	15,555,000	100%
Regional - Contra Costa Measure J	258,218	\$1,240,188	3,651,299	3,651,300	100%
Other Revenue	2,373	\$20,396	74,736	-	0%
Total Operating Revenue	\$5,621,884	\$42,051,295	\$49,437,557	\$49,993,700	99%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2021-22 Capital Revenues and Expenses
Through the Month Ending 6/30/2022

Project Description	Jun-22 Total	Total Project Budget	Total Prior Expense	Total FY2021/22 Budget	YTD FY2021/22 Actual	Total Future Year	% of Total Project Budget Spent
CAPITAL EXPENSES:							
<u>FACILITIES:</u>							
Operations and Maintenance Facilities							
North Bay Facility Fuel System Improvement	\$899	\$530,450	\$220,680	\$309,770	\$99,472	\$0	60%
Central Bay Facility Oil System Modification	8,647	650,000	-	650,000	373,268	-	57%
Terminal Improvement							
Terminal Rehabilitation - Alameda Main Street	18,922	6,127,700	21,269	2,429,831	485,987	3,676,600	8%
Shoreside Infrastructure for All-Electric Vessel	101,439	4,760,000	-	2,002,000	124,685	2,758,000	3%
Passenger Float Rehabilitation - South San Francisco	4,729	908,500	-	908,500	9,995	-	1%
Terminal Dredging - Vallejo	-	2,787,600	-	2,787,600	1,294,760	-	46%
<u>FERRY VESSELS:</u>							
Vessel Construction							
New Commuter Class High-Speed Vessels - 2 each	247	30,082,500	18,583,816	11,498,684	5,297,661	-	79%
New All-Electric Vessel	(1,341)	4,300,000	-	1,834,000	-	2,466,000	0%
Replacement Vessels - MV Bay Breeze and MV Solano	1,072,055	34,600,000	3,277,919	17,825,781	1,215,125	13,496,300	13%
Replacement Vessel - MV Intintoli	8,712	26,446,700	-	500,000	62,794	25,946,700	0%
Vessel Rehabilitation and Refurbishment							
Vessel Engines Conversion - Gemini Class Vessels	2,932	5,982,500	61,869	3,891,431	3,027,268	2,029,200	52%
Vessel Engines Overhaul - MV Argo and MV Carina	-	240,000	125,730	114,270	85,607	-	88%
Vessel Engines Overhaul - MV Cetus	-	419,100	-	419,100	-	-	0%
Vessel Engines Overhaul - MV Hydrus	-	419,100	-	419,100	-	-	0%
Vessel Reduction Gears Overhaul - MV Pisces	2,376	120,000	3,728	116,272	50,551	-	45%
Vessel Engines & Reduction Gears Overhaul - MV Bay Breeze	-	491,400	49	491,351	140,719	-	29%
Vessel Engines & Fuel Injectors Overhaul - MV Pyxis	-	613,200	-	613,200	78,610	-	13%
Vessel Engines & Fuel Injectors Overhaul - MV Vela	-	613,200	-	613,200	58,024	-	9%
Vessel Fuel Injectors Overhaul - MV Intintoli	-	127,300	-	127,300	23,855	-	19%
Total Capital Expenses	\$1,219,619	\$120,219,250	\$22,295,061	\$47,551,389	12,428,383	\$50,372,800	
CAPITAL REVENUES:							
Federal Funds	\$885,434	\$58,684,860	\$2,725,949	\$21,720,621	\$2,803,988	\$34,238,290	9%
State Funds	261,714	47,543,850	13,583,816	21,225,184	8,760,191	12,734,850	47%
Regional - Bridge Toll	5,630	9,078,490	5,298,448	2,894,082	287,320	885,960	62%
Regional - Alameda Sales Tax Measure B / BB	66,842	4,912,050	686,848	1,711,502	576,884	2,513,700	26%
Total Capital Revenues	\$1,219,619	\$120,219,250	\$22,295,061	\$47,551,389	\$12,428,383	\$50,372,800	

San Francisco Bay Area Water Emergency Transportation Authority
June 30, 2022 Investment Report

	Jun-22
Bank of America (Checking)	\$ 4,181,651
Bank of America (Prop 1B)	4,639,524
Bank of America (Measure B/BB)	6,522,654
Local Agency Investment Fund (LAIF)	11,900,217
Total	\$ 27,244,046



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name

SAN FRANCISCO BAY AREA WATER

Account Number

As of 07/15/2022, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 06/30/2022.

Earnings Ratio		.00002057622201151
Interest Rate		0.75%
Dollar Day Total	\$	1,211,762,821.84
Quarter End Principal Balance	\$	11,900,216.74
Quarterly Interest Earned	\$	24,933.50

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – August, 2022

This report covers the following topics:

- **House Transportation/HUD Appropriations Bill Includes “Community Project Funding” for WETA Emission Reduction Project**
- **WETA Advocates for Additional Funding for FTA Ferry Grant Programs**
- **WETA Seeking Funding through FTA Grant Programs**
- **WETA Continuing to Work with Rep Garamendi on Public Ferry Legislation**

House Transportation/HUD Appropriations Bill Includes “Community Project Funding” for WETA Emission Reduction Project

The FY23 House Transportation/HUD Appropriations bill includes \$1,520,000 in Community Project Funding (formerly referred to as earmarks) that was requested by WETA to install diesel particulate filters (DPFs) on two of WETA’s vessels under construction. Congressman John Garamendi “sponsored” this project, which will allow WETA to achieve 85% emission reductions on these vessels while the organization works to implement its plan to shift 50% of its vessels to zero emissions by 2035.

Inclusion in the House-passed bill is the first step in what will be a long process. After the House and Senate each pass their respective Transportation/HUD Appropriations bills, members of the House and Senate Appropriations Committee will need to come together to reconcile differences between the two bills. This process is unlikely to happen until after the election. We anticipate that Congress will complete work on the FY23 appropriations process in mid-December which means this funding would be available to WETA in early calendar year 2023.

WETA Advocates for Additional Funding for FTA Ferry Grant Programs

The Infrastructure Investment and Jobs Act (IIJA) created the Electric and Low Emission Ferry Program and provided \$250 million in advanced appropriations for this program (\$50 million per year for five years). The IIJA also authorized an additional \$50 million per year for this program, (referred to as the “Low-No Ferry Program”), but this funding is subject to appropriations. While we advocated for this additional funding for the Low-No Ferry Program in the FY23 appropriations process (just as we advocated for the initial \$250 million that was included in the IIJA), House and Senate Appropriators failed to include anything additional for the Low-No Ferry Program in their respective FY23 Transportation/HUD Appropriations bills. While this is disappointing,

the House and Senate Transportation/HUD Appropriations bills both included an additional \$20 million for the FTA 5307(h) passenger ferry grant program – we also advocated for this additional funding. We will continue advocating for additional funding for the Low-No Ferry Program as the FY23 appropriations process moves forward (and in future fiscal years).

WETA Seeking Funding through FTA Grant Programs

On July 11th, the Federal Transit Administration (FTA) issued a combined Notice of Funding Opportunity (NOFO) for three public ferry grant programs:

- Electric and Low Emission Ferry Program (Low-No Ferry Program)
- 5307(h) Passenger Ferry Grant Program
- Rural Ferry Program

These programs collectively support FTA's priorities and objectives through "investments that (1) renew public transit systems, (2) reduce greenhouse gas emissions from public transportation, (3) advance racial equity, (4) maintain and create good-paying jobs with a free and fair choice to join a union, and (5) connect communities." Because this a combined NOFO, applicants can submit a single application for multiple grant programs. WETA is eligible to apply for funds through the Low-No Ferry Program and the Passenger Ferry Grant Program – \$85.5 million is available through these two programs for FY22.

Applications are due to FTA on September 6th. We are working with WETA staff to develop the project request and obtain political support from members of Congress, state and local elected officials, unions, business groups, and other key stakeholders. It is notable that FTA indicates in the NOFO that the agency may award any additional funding made available to the program prior to the announcement of project selections. The Board may recall that FTA has on a number of occasions awarded two years' worth of funding for the Passenger Ferry Grant Program even though the original NOFO only solicited applications for a single year of funding. Because FTA references the potential for additional funding beyond what is announced in the NOFO, and given the agency's track record, we are designing a project application that will be scalable and will therefore be competitive if the FTA only awards FY22 funding but also put WETA in a position to compete for additional funding should FTA ultimately award funding for FY22 and FY23.

Additional Background:

- **5307(h) Passenger Ferry Grant Program:** According to FTA, projects funded under the Passenger Ferry Grant Program should improve the condition and quality of existing passenger ferry services, support the establishment of new passenger ferry services, and repair and modernize ferry boats, terminals, and related facilities and equipment.

- **Electric and Low Emission Ferry Program:** According to FTA, grants awarded under the Low-No Ferry Program are for the purchase of electric or low-emitting ferries, the electrification of or other reduction of emissions from existing ferries, and related charging or other fueling infrastructure (for which the applicants will maintain satisfactory continuing control) to reduce emissions or produce zero onboard emissions under normal operation.

WETA Continuing to Work with Rep Garamendi on Public Ferry Legislation

We are continuing to work with Congressman John Garamendi and his staff to develop legislation to enhance WETA's ability to obtain additional funding from the federal government for making investments in low and zero emission technology, and to support the organization's expansion plans. We expect Rep Garamendi to introduce the bill in the House in September. Washington Senator Patty Murray will likely introduce the same legislation in the Senate shortly after.

While we will be seeking to enact this legislation in the future, in the near term, this legislation will serve as a means of gaining additional political support for WETA priorities. In particular, we will be working in the months ahead with other Public Ferry Coalition members to gain support from other members of Congress (i.e. get other members of Congress to sign onto the bill as "co-sponsors"). By starting this process now, we will be able to maximize our ability to obtain support from a larger and more diverse set of members of Congress, which will put us in a position of strength the next time there is an opportunity to push for additional funding for public ferries.

Respectfully Submitted,
Peter Friedmann and Ray Bucheger



NOSSAMAN LLP | Memorandum

TO: WETA Board of Directors

FROM: Nossaman LLP - Nate Solov
Jennifer M. Capitolo & Associates – Jennifer Capitolo

DATE: August 5, 2022

RE: June - August - Legislative Update

Legislative Update

Legislative measures are pending in the Senate and Assembly Appropriations Committees – the suspense hearing will be held on Thursday, August 11. Bills will either pass as-is, pass as amended, or be held in committee. Legislators must vote on all the bills and send them to the Governor by August 31. The Governor has until September 30 to sign or veto bills.

Here are updates on bills of interest to WETA:

1. SB 922 (Wiener) - CEQA streamlining for zero emission transit projects - includes shore-side charging infrastructure for ferries. This bill is an extension of SB 288 (2020).
 - We submitted a support letter highlighting the benefits this bill would have on streamlining our shore-side ZE charging infrastructure projects.
 - Passed the Assembly Natural Resources Committee – pending on the Assembly Floor.
2. AB 2807 (Bonta) – Clarifies that ferries are eligible to apply to existing state programs providing funding for transit providers to transition their fleets from diesel to zero emission vehicles.
 - We are sponsoring and supporting the measure.
 - Passed Senate Transportation & Environmental Quality – pending in Senate Appropriations Committee.
3. SB 917 (Becker) – Directs the Metropolitan Transit Commission (MTC), in coordination with regional transit agencies in the Bay Area, to develop and adopt a connected network; develop a comprehensive, standardized regional mapping and wayfinding system; and establish open data standards that allow real-time transit vehicle location, arrival time and predications, and service alerts; and requires regional transit agencies to adopt a system of local and regional transit service transfers. The bill authorizes MTC to withhold certain state public transit funding from transit agency that does not comply with mapping and wayfinding requirements or transit data requirements.
 - We submitted a support letter along with other Bay Area transit agencies.
 - Passed the Assembly Transportation Committee - pending in the Assembly Appropriations Committee.

4. AB 1919 (Holden) – Creates a 5-year pilot program giving transit agencies the option to offer free youth transit passes to all persons under 25 years of age pending appropriation of funds by the legislature.
 - Amendments were made to the bill making it an optional opt-in for transit providers.
 - Passed the Senate Transportation Committee - is currently pending in the Senate Appropriations Committee.

State Budget Victories

Nossaman helped secure funding opportunities for WETA in the state budget, including:

- \$900 million in TIRCP funding for Northern California transit projects that have previously received TIRCP funding. The California Transportation Agency (CalSTA) is developing guidelines on this competitive funding source.
- Changed state budget language to make ferries eligible for \$600 million in California Air Resources Board (CARB) funding to help WETA transition its fleet to zero emission ferries.

TIRCP Success

WETA was awarded a second TIRCP grant that Nossaman helped write and finalize. In 2020 we wrote the successful \$9 million TIRCP grant and last month it was announced that the \$15 million TIRCP grant we wrote was awarded to WETA. Both grants will help WETA transition its fleet to zero emission vessels and offset the cost of shoreside charging infrastructure.

WETA Tour with CalSTA Secretary Toks Omishakin

On August 3, Nossaman organized a tour for California Transportation Agency Secretary Toks Omishakin to ride on a ferry and be briefed on WETA's plans to transition to zero emission ferries and develop the first high-frequency, zero emission ferry network serving SF, Treasure Island, Mission Bay, and the East Bay.

State Budget Overview for Transportation Funding

Investments included in the state budget that benefit public transit or clean transportation projects include:

1. \$3.65 billion starting in FY 2021-22 for transit capital projects to be administered through the Transit and Intercity Rail Capital Program.

Of this total, \$1.4985 billion is dedicated to Northern California for high-priority transit and rail infrastructure projects. No less than \$900 million of the \$1.4985 billion shall be administered as a General Fund set-aside for an "Existing TIRCP Projects Leveraging Federal & Local Funds Reserve" and shall be available for multiyear grants to support the delivery of capital projects that have previously received grants from the Transit and Intercity Rail Capital Program and that can demonstrate that a supplemental state grant would leverage or maintain an identified source of significant local or federal investment, including through the federal Capital Investment Grant Program, Expedited Project Delivery Program, or other such federal funding source.

In addition, up to \$150 million shall be administered as a General Fund set-aside for a "Major Projects Project Development Reserve" and shall be available for multiyear grants to support the delivery of capital projects and programs of projects that have entered or have applied to enter

federal project development processes for at least a portion of the project or program of projects, and that expect to receive federal funding in the future once complete with project development.

2. \$4 billion in FYs 2023-24 and 2024-25 for transit capital projects statewide, allocated via population-based formula.

Of this total \$2 billion shall be available for each fiscal year, for the 2023-24 and 2024-25 fiscal years for transit and intercity rail capital projects.

3. \$1.049 billion starting in FY 2021-22 for the Active Transportation Program.

The Active Transportation Program encourages increased use of active modes of transportation, such as walking and biking.

4. \$198 million starting in FY 2021-22 for local climate adaptation projects.

Of this total, \$148 million shall be allocated through the Local Transportation Infrastructure Climate Adaptation Project program. These funds shall be administered by the California Transportation Commission for purposes of development and implementing projects adapting local transportation infrastructure to climate change.

Of this total, \$50 million shall be allocated through the Transportation Infrastructure Climate Adaptation Strategy Grant program. These funds shall be available for competitive grants awarded and administered by the California Department of Transportation to local agencies to identify transportation-related climate vulnerabilities through the development of climate adaptation plans and to identify ways to incorporate transportation climate adaptation needs into existing transportation plans.

5. \$350 million starting in FY 2021-22 for grade separation projects.

Separate from these investments, the budget agreement provides \$3.53 billion in FY 2022-23 for zero-emission vehicle deployment and charging/refueling infrastructure. Of this total, \$100 million is earmarked for zero-emission transit buses and supporting infrastructure; \$600 million may be available to transit agencies through the California Air Resources Board's Clean Trucks, Buses, and Off-Road Equipment Program, which funds HVIP, advanced technology demonstrations, and pilot commercial deployment projects.

MEMORANDUM

TO: Board Members

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

SUBJECT: Monthly Ridership and Recovery Report – June 2022

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 in an effort to meet 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

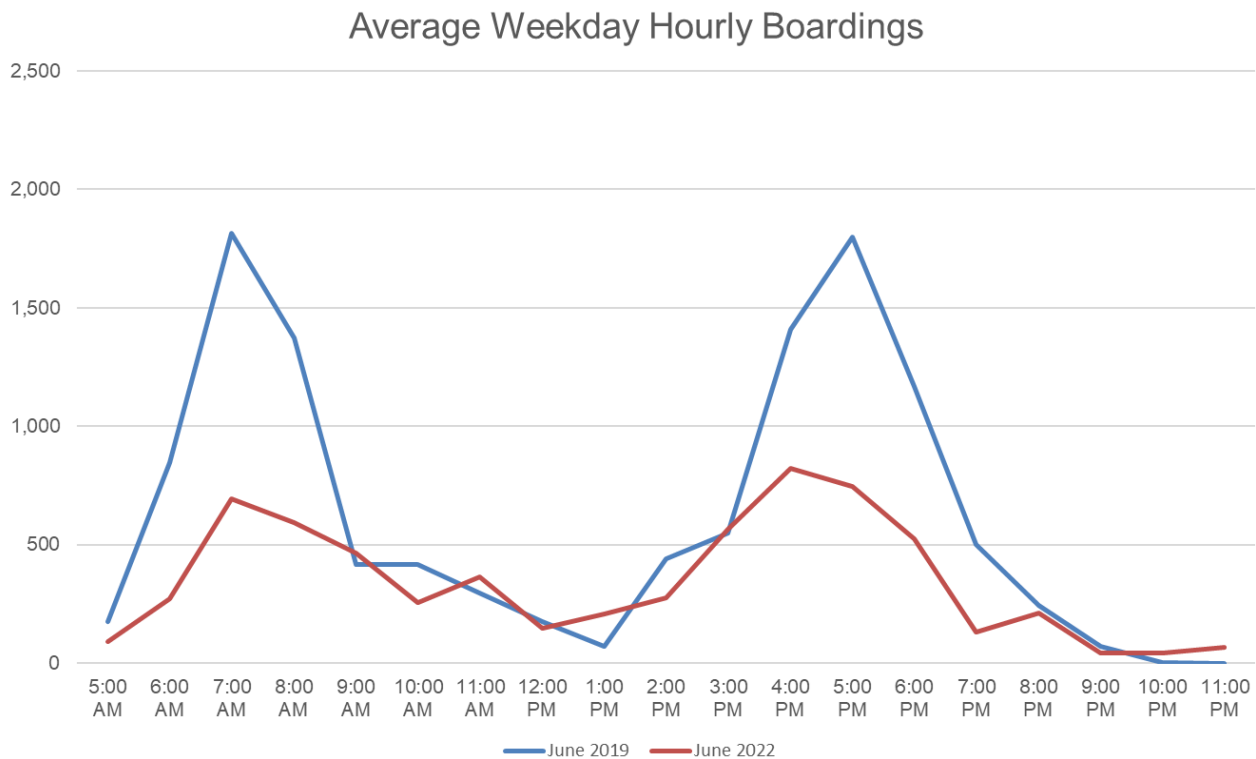
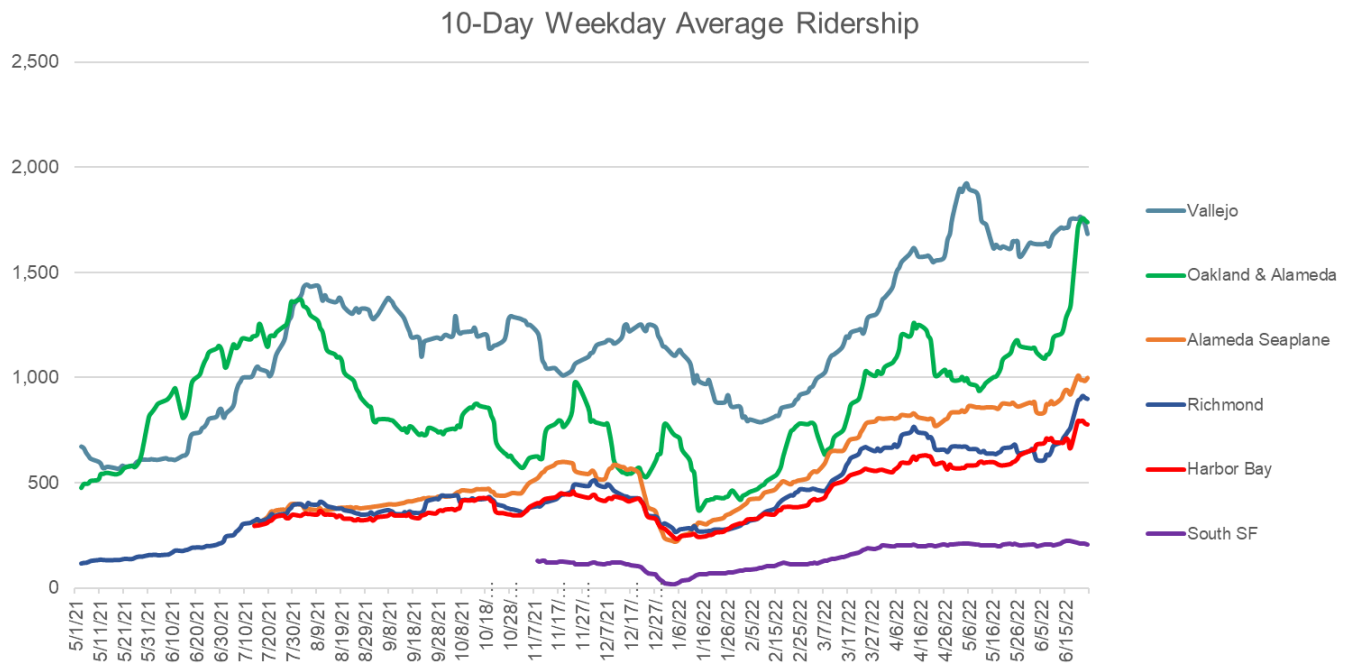
Systemwide ridership grew significantly in July 2021 as WETA launched the Plan. Ridership grew through October and November, dropping through the winter due to the impact of the Omicron COVID variant. Ridership numbers saw steady growth through late February and March. Ridership in the final quarter of fiscal year 2022 are above WETA's budget projections and continue to compare favorably to other regional transit operators (measured as a percent of pre-pandemic ridership). 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. On a monthly basis, WETA is outperforming BART's ridership recovery by a margin of nearly 2:1.

Highlights:

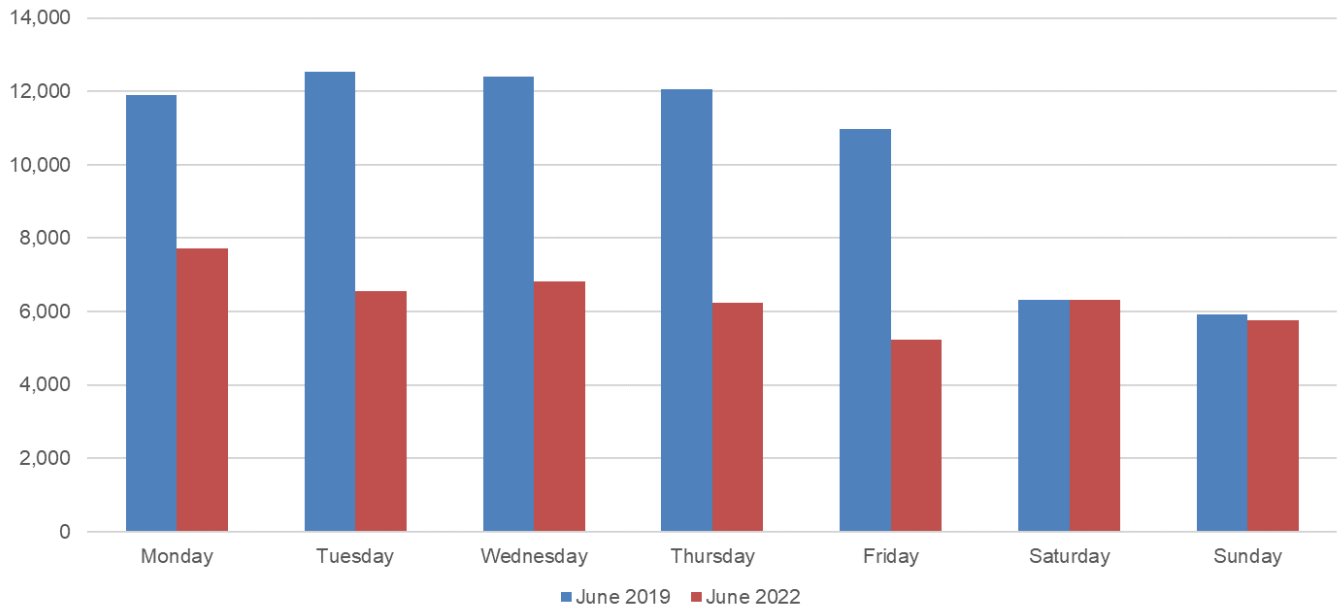
- Weekend ridership has stayed strong since implementing the Plan. Average weekend ridership currently outperforms pre-pandemic weekends.
- Systemwide boost in ridership due to large events in San Francisco (Warriors parade and Pride weekend).
- The Vallejo route remains WETA's busiest route with an average of 2,000 daily riders in June.
- The Warriors continued success helped keep Chase Center special event ridership high with about 470 riders on service days.

Recommendations

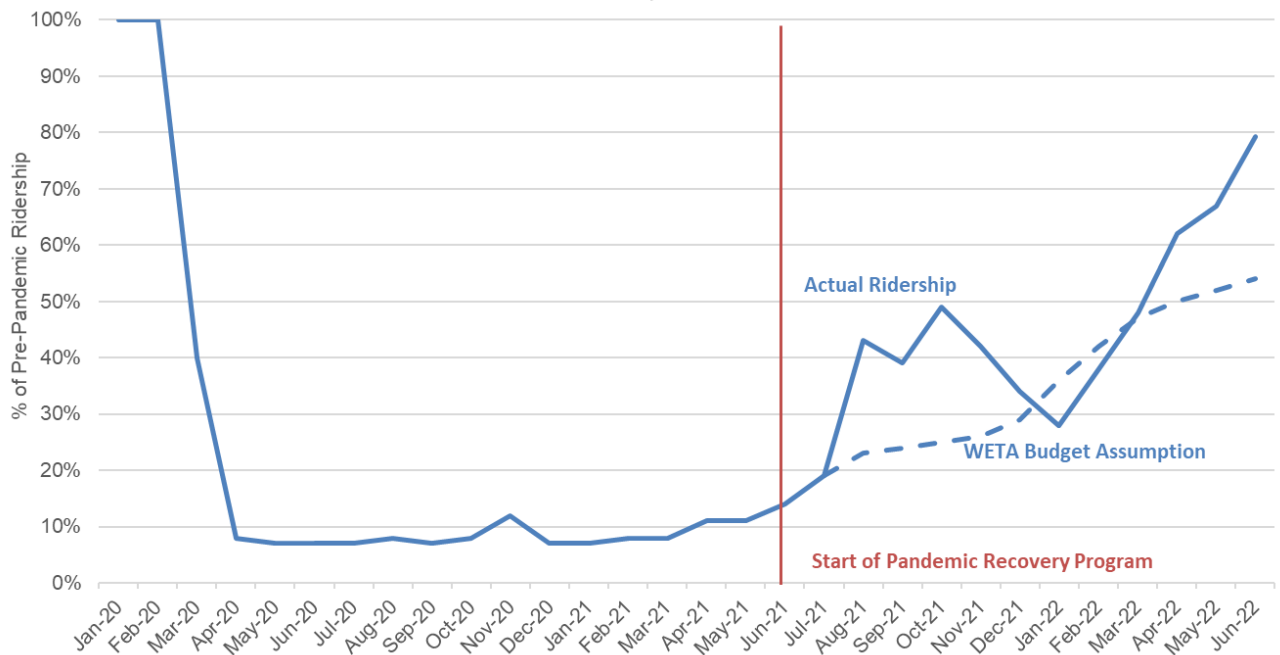
There are no proposed service adjustments at this time. Weekend service has been enhanced on peak summer weekends in an effort to avoid leave-behinds and impacts to the overall schedule. Staff will be considering weekend adjustments and other enhancements for an anticipated fall service change.



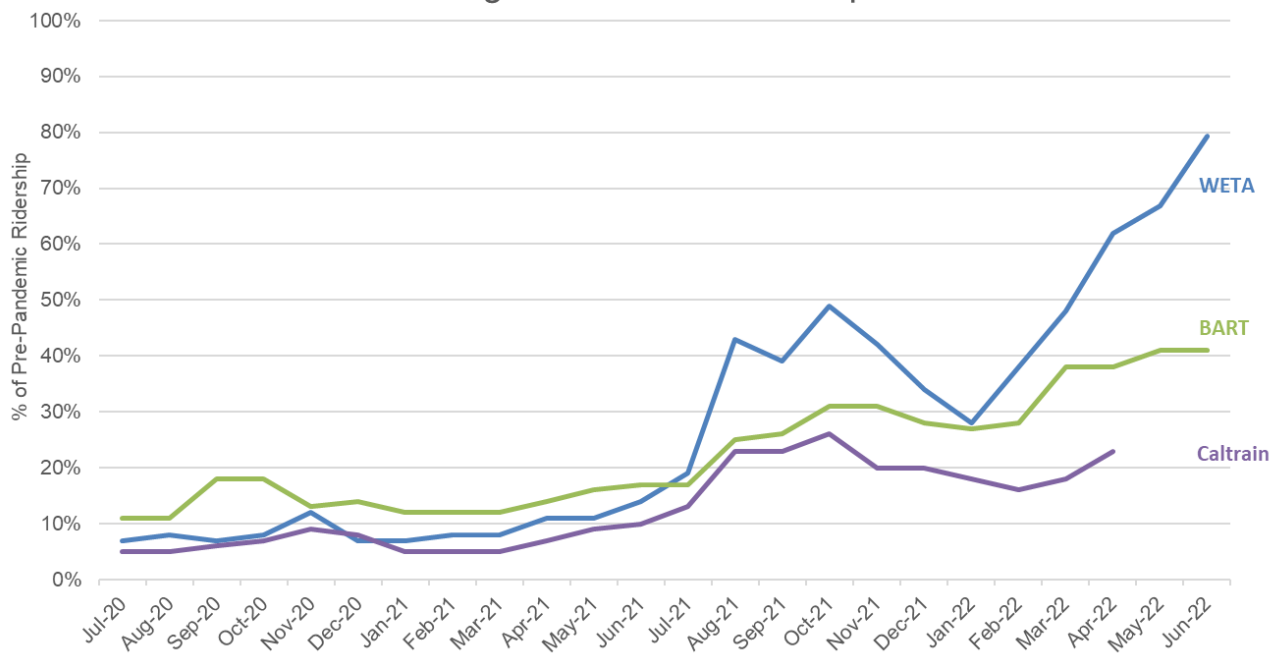
Average Boardings by Day of Week Systemwide



Actual vs. Budgeted Ridership



Regional Transit Ridership



Note: Caltrain Ridership Recovery is only available through April as of now. Updated data from Caltrain will be available following their August board meeting.

Monthly Operating Statistics Report

June 2022			Oakland & Alameda*	Vallejo*	Richmond	Harbor Bay	Alameda Seaplane	South San Francisco**	Systemwide
Boardings	vs. last month	Total Passengers June 2022	58,316	64,035	22,412	15,759	21,036	4,597	186,155
		Total Passengers May 2022	50,614	52,947	18,268	12,938	18,130	4,303	157,200
		Percent change	15.22%	20.94%	22.68%	21.80%	16.03%		18.42%
	vs. same month last year	Total Passengers June 2022	58,316	64,035	22,412	15,759	21,036	2,187	183,745
		Total Passengers June 2021	21,302	20,524	4,264	-	-	-	46,090
		Percent change	173.76%	212.00%	425.61%	-	-	-	298.67%
	vs. prior FY to date	Total Passengers Current FY To Date	479,196	484,686	158,986	113,207	145,786	24,075	1,405,936
		Total Passengers Last FY To Date	102,482	137,328	24,688	-	-	-	264,498
		Percent change	367.59%	252.94%	543.98%	-	-	-	431.55%
Ops Stats	Avg Weekday Ridership June 2022		2,651	2,911	1,019	716	956	209	8,462
	Passengers Per Hour June 2022		130	88	66	78	110	33	91
	Revenue Hours June 2022		449	725	340	201	190	137	2,043
	Revenue Miles June 2022		6,311	19,696	6,104	4,145	3,146	2,392	41,794
	Farebox Recovery Year-To-Date		23%	23%	8%	11%	14%	3%	18%
	Peak hour utilization, AM – June 2022		15%	32%	34%	32%	29%	19%	27%
	Peak hour utilization, PM – June 2022		33%	48%	30%	38%	26%	16%	32%
Fuel	Fuel Used (gallons) – June 2022		60,676	155,060	47,192	26,967	30,338	16,854	337,087
	Avg Cost per gallon – June 2022		\$5.58	\$5.58	\$5.58	\$5.58	\$5.58	\$5.58	

* 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

(June 2, 2022)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at WETA Central Bay Operations & Maintenance Facility at 670 W Hornet Ave, Alameda, CA and via videoconference consistent with AB 361 as codified in Government Code Section 54953.

1. CALL TO ORDER

Chair James Wunderman called the meeting to order at 1:01 p.m.

2. ROLL CALL

Chair James Wunderman, Director Jeffrey DelBono, and Director Anthony Intintoli were in attendance.

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

3. REPORT OF BOARD CHAIR

Chair Wunderman expressed his condolences on the unexpected passing of Chief Financial Officer Erin McGrath's son, James McGrath Wong and offered to adjourn the meeting in James McGrath Wong's honor.

Vice Chair Monique Moyer arrived at 1:06 p.m.

Chair Wunderman commented on the implications of the Pandemic Recovery Program and the move toward zero-emission propulsion. He thanked Vice Chair Moyer for leading the christening of the MV *Dorado*.

4. REPORTS OF DIRECTORS

Vice Chair Moyer thanked guests joining in person and virtually. She recommended that everyone take the opportunity to tour the new, beautiful MV *Dorado* and thanked everyone involved with its delivery.

The Directors expressed their sympathies to Ms. McGrath.

5. REPORTS OF STAFF

Executive Director Seamus Murphy commented that WETA was trying to be on the forefront in leading the way and asked Public Information & Marketing Manager Thomas Hall to provide details on the increased marketing efforts.

Mr. Hall noted that WETA was participating in the first Richmond Ferry Fest which included offering free ferry rides to give the community an opportunity to get on the ferry. He said that WETA would be launching video live board ad campaigns at the Embarcadero BART station and one of the Oakland BART stations to raise awareness about service changes over the past year.

Mr. Murphy invited Government & Regulatory Affairs Manager Lauren Gularte to provide an update on the emergency response program. Mr. Murphy stated that WETA was making changes organizationally in that the Government & Regulatory Affairs Team would lead and manage collaboration externally with third party organizations and that the Operations Team would take over internal training and coordination.

Mr. Murphy thanked Vice Chair Moyer for hosting the MV *Dorado* christening and thanked San Francisco Board of Supervisors President Shamann Walton and Metropolitan Transportation Commission (MTC) Chair Alfredo Pedroza for being present to help celebrate.

Mr. Murphy updated work related to the business plan, the upcoming workshop, and the launch of bayferry2050.org.

Planning & Development Manager Kevin Connolly introduced Transportation Planning Intern Ossmand Ruano to present the Monthly Ridership and Recovery Report. Mr. Connolly happily reported that Mr. Ruano accepted a permanent job at the San Francisco Municipal Transportation Agency (SFMTA) and that Mr. Ruano's master thesis, *By Water: Equity Considerations of Ferry Service in the Bay* won the award at San Jose State.

Mr. Ruano reminded the Board that the ridership report was adjusted to 2019 summer seasonal averages for statistical comparison. He stated that actual ridership was above projected budget assumptions and that Vallejo continued to be the busiest route.

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

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

6. CONSENT CALENDAR

Director DelBono made a motion to approve the consent calendar:

- a. Adopt Resolution Regarding Remote Meetings Pursuant to Assembly Bill 361
- b. Board Meeting Minutes – May 5, 2022
- c. Board Meeting Minutes – May 19, 2022
- d. Designate Authorized Agents to Apply for Federal or State Disaster Assistance Funds
- e. Authorize Release of a Request for Proposal for Dredging Support Services
- f. Contract Amendment with CivicMakers, LLC to Provide Strategic Planning Services for 2050 Service Vision & Business Plan

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

Vice Chair Moyer seconded the motion, and the consent calendar carried unanimously.

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

7. APPROVE THE PROPOSED FISCAL YEAR 2023 BUDGET AND SALARY SCHEDULE

Mr. Murphy presented this item recommending approving a resolution to adopt the Fiscal Year (FY) 2023 Operating and Capital Budget and Salary Schedule. He shared his presentation noting that the budget would reflect the continuation of the Pandemic Recovery Program. He highlighted FY 2023 key capital projects and operating expenses and associated revenues.

Mr. Murphy stated that WETA expected to receive the Regional Measure 2 (RM2) funds projected by the Metropolitan Transportation Commission (MTC) and that receipt of RM3 funding would

enable WETA to advance projects and services more quickly and aggressively in response to Chair Wunderman.

Referencing the RM3 litigation, WETA General Counsel Steven Miller from Hanson Bridgett LLP added that the most aggressive action would have the California Supreme Court set a briefing schedule for consideration by August 25 with the absolute fastest outcome six months later.

Mr. Murphy clarified that the 4.5 percent cost of living (COLA) that was presented in the budget was a placeholder in recognition of the outcome of labor negotiations and that WETA had a contingency to support some increase but would need to identify revenue if COLA exceeded projections or make other decisions about ferry services in response to Director DelBono.

Vice Chair Moyer expressed her sadness for Ms. McGrath and her circumstances. She thanked Ms. McGrath for the ease of reading the budget report and expressed her concern about fuel prices and WETA's continued commitment to the quality of service and program initiatives despite increasing costs.

Director Intintoli made a motion to adopt Resolution No. 2022-25 approving this item.

PUBLIC COMMENT

A guest speaker asked for clarification on the COLA and unknown labor costs.

Mr. Murphy thanked Ms. McGrath for her work in completing the budget work and acknowledged Mr. Connolly and Mr. Hall for their efforts in finalizing it.

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

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

8. AUTHORIZE ACTIONS RELATED TO RECEIVING FUNDING TO SUPPORT THE FISCAL YEAR 2023 OPERATING AND CAPITAL BUDGET

Mr. Murphy presented this item recommending approving the following actions relative to securing operating and capital grant funds to support WETA's FY 2023 Operating and Capital Budget:

1. Adopt Resolution 2022-26, authorizing the request of \$26,498,156 in Regional Measure 1 (RM1) and Regional Measure 2 (RM2) funds from the Metropolitan Transportation Commission (MTC)
2. Adopt Resolution 2022-27, approving a project list that is comprised of the Diesel Particulate Filter (DPF) Demonstration Project, and authorizing other actions necessary to receive funds from the FY 2023 California State of Good Repair (SGR) Program

Vice Chair Moyer made a motion to adopt Resolution No. 2022-26 and 2022-27 approving this item.

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

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

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

9. APPROVE DISADVANTAGED BUSINESS ENTERPRISE (DBE) AND SMALL BUSINESS ENTERPRISE (SBE) OVERALL TRIENNIAL GOALS FOR FFY 2023 THROUGH FFY 2025

Government & Regulatory Affairs Specialist Terence Candell presented this item recommending approving the following actions associated with the WETA's federal fiscal year (FFY) 2023-2025

overall triennial Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) goals:

1. Establish a 0.48% overall triennial DBE goal applicable to anticipated WETA contracts assisted by the Federal Transit Administration (FTA), and authorize the Executive Director to transmit the DBE goal to FTA; and
2. Establish a 7.5% Small Business Enterprise (SBE) goal applicable to anticipated WETA contracts assisted by FTA.

The Directors thanked Ms. Gularte and Mr. Candell for their efforts in raising awareness.

Director Intintoli made a motion to adopt Resolution No. 2022-28 approving this item.

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

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

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

10. CONTRACT WITH NEMATODE HOLDINGS, LLC TO SUPPORT CONTINUATION OF FERRY INFORMATION AND TICKETING SERVICES IN DOWNTOWN SAN FRANCISCO

Mr. Hall presented this item recommending authorizing the Executive Director to exercise a five-year contract with Nematode Holdings, LLC (Nematode) to support continuation of ferry information and ticketing services in Downtown San Francisco in the amount of \$138,637 annually.

He noted a few changes that were being proposed including a five-year contract in lieu of a one-year contract with a clause allowing the Executive Director to approve small increases of up to 5 percent on an annual basis and partially replacing ticket sale commissions by adjusting WETA's direct subsidy. He stated that Nematode agreed to provide space for San Francisco Bay Ferry branded products at its retail shop, Bay Crossings and give access to some critical storage space that Nematode manages at the Ag Building.

Mr. Murphy acknowledged Mr. Hall for finding creative ways to add more value to the contract adding that the annual renewal of the contract would be in consideration of the lease term.

The Directors agreed that the services provided by Bay Crossings is a huge benefit to the customer experience.

In response to Vice Chair Moyer, Mr. Hall stated that he would update the Board once the real time system was launched and visit Bay Crossings periodically to witness interactions to determine if questions were being answered. He added that WETA was working to get Bay Crossings a ticket point of sale device from WETA's new integrated ticketing system. He said that would enable Bay Crossings to offer paper tickets to visitors from out of town or out of the country and reduce some of the burden on the crews on the boats.

Mr. Hall said that he thought that it would be a significant improvement to have a highly visible staffed stationary cart in addition to the roving Guest Assistance Representatives employed through Blue & Gold Fleet to assist passengers with ferry information.

Director DelBono made a motion to adopt Resolution No. 2022-29 approving this item.

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

Vice Chair Moyer seconded the motion, and the item passed unanimously.

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

11. APPROVE CONTRACT AWARD TO ROMERO'S WELDING AND MARINE SERVICES INC. FOR THE SOUTH SAN FRANCISCO FLOAT REFURBISHMENT PROJECT

Engineering & Maintenance Manager Jeffery Powell presented this item recommending approving contract award to Romero's Welding and Marine Services Inc. (Romero's Welding) for the South San Francisco Float Refurbishment project in an amount not to exceed \$513,255 and authorize the Executive Director to negotiate and execute an agreement for these services.

Chair Wunderman commented that labor shortages, various supply chain factors and such contributed to the decline in response to the request for proposal.

Director Intintoli made a motion to adopt Resolution No. 2022-30 approving this item.

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

Vice Chair Moyer seconded the motion, and the item passed unanimously.

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

12. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

Inlandboatmen's Union (IBU) of the Pacific Regional Director Robert Estrada thanked WETA for its patience during labor negotiations.

Chair Wunderman expressed his appreciation for the relationship with the parties that make WETA possible especially the workers and being able to move forward together.

With all business concluded, Chair Wunderman adjourned the meeting in honor of James McGrath Wong at 2:37 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Revisions to Fiscal Year 2023 Budget and Salary Schedule

Recommendation

Staff recommends that the Board approve revising the Fiscal Year (FY) 2023 Operating and Capital Budgets and the FY 2023 Salary Schedule.

Background

When the Board adopted the budget in June, labor negotiations between WETA's contracted service operator, Blue and Gold Fleet, and its labor unions had not yet completed. Today's action proposes to revise the Operating Budget to add additional funds to account for the higher labor costs WETA will incur as a result of those negotiated labor agreements. This action also proposes to revise the WETA salary schedule to reflect an additional Cost of Living Adjustment (COLA) and revise one position authorization. Finally, this action proposes to revise the Capital Budget authorization to make both technical corrections and reduce the necessary FY 2023 expenditure authorizations. If the Board approves these actions, the revised total authorization for the FY 2023 budget will be \$108,496,416.

Operating Budget Revisions

Following the adoption of the budget in June, WETA staff were informed that Blue and Gold Fleet reached agreement with represented employees that resulted in a 6% COLA for FY 2023 retroactive to May 1, 2022, with an additional 3% COLA beginning on January 1, 2023, for a total increase of 9% by the end of FY 2023. In addition, Blue and Gold Fleet agreed to provide their administrative staff with a 4% COLA effective August 16, 2022. These changes result in additional costs to both the FY 2022 and FY 2023 Operating Budgets.

The increase to the FY 2022 Operating Budget is \$136,187. This small amount was able to be absorbed within the authorized expenses for FY 2022. For FY 2023, the approved budget assumed a 4.5% COLA. The higher COLAs for Blue and Gold Fleet employees add an additional cost of \$687,286 to the FY 2023 Operating Budget. The FY 2023 increase will be funded by Federal COVID relief funds. The attached resolution would therefore increase the authorized expenditures for the FY 2023 Operating Budget by \$687,286 to a new total authorization of \$61,711,508, or a 1% increase to the budget approved by the Board in June. If the Board adopts this resolution, staff will update all the applicable Operating Budget tables and post a revised detailed budget on WETA's website.

Salary Schedule Revisions

The approved FY 2023 Planning and Administration Budget and Salary Schedule included a 4.5% COLA increase for WETA staff. Prior to budget approval, the Board discussed aligning

WETA staff salary increases at levels consistent with the outcome of Blue and Gold Fleet's labor negotiations for the current FY. In order to bring WETA staff salaries in line with the adjustments to the contracted employee salaries, staff proposes an additional 4.5% salary increase for WETA staff effective August 16, 2022. The total cost of this COLA is \$189,000 which would be allocated as appropriate between the Operating, Planning and Administration, and Capital Budgets. However, no budget increase is proposed for this change because staff projects that this increase can be absorbed within the current expenditure authorizations.

Attachment B reflects this change in the FY 2023 Salary Schedule. Attachment B has also been updated to show the total number of Full-Time Equivalent (FTE) positions authorized in the budget.

Staff also proposes one change in the position authorization related to the Grants Administrator. This critical position was authorized in the FY 2022 budget as part of a larger reorganization of staff positions. The top range of the Grants Administrator salary is currently \$139,069. The position is critical to cashflow because the funding for over 25 active capital projects and operations is reimbursement-based and requires continuous attention to monthly grant tracking, invoices, reporting and compliance. It is also critical for WETA's future to strategically plan and apply for more than 20 existing funding sources and potential new sources of funding.

Over the last year, efforts to recruit and retain a Grants Administrator have been very difficult. We have received feedback from qualified candidates that the salary range was too low to be considered. In addition, research on comparable positions at other transit agencies, utilizing publicly available salary schedules, confirms that the position would require additional pay to attract quality candidates. A review of comparable positions indicates that, on average, the high end of salaries for such positions is \$169,000. The position also is typically referred to as a Manager rather than an Administrator due to the scope of funding sources and complicated analysis associated with it. In **Attachment B**, staff proposes to retitle the position Grants Manager and adjust the salary range to make it comparable to parallel positions at WETA's peer agencies.

Capital Budget Revisions

The approved FY 2023 Capital Budget authorized \$48.6 million for projects necessary to maintain existing services and facilities and to further develop WETA's near-term expansion projects. During fiscal year-end reconciliation of capital projects and rebalancing of available funding allocations, some changes to anticipated expenses in FY 2022 affected the authorizations required in the new Fiscal Year. These changes are generally minor and in the past have been reflected as a footnote to the monthly financial statements. However, one change worth mentioning is the higher expenses incurred in FY 2022 for the Gemini Class Vessel Engine Conversion Project. Costs that occurred in FY 2022 were incorrectly included in the FY 2023 budget. Staff proposes to correct this by reducing the FY 2023 Capital Budget by \$2 million to move the Gemini Class Vessel Engine Conversion Project expenses to the prior year. Additional smaller changes to project budgets include an increase of \$73,379 to the Central Bay Facility Oil System Project and an increase of \$124,685 in the total budget for the Infrastructure Project for Electric Vessels. The net decrease in the Capital Budget due to these changes, and other very minor changes, is \$1.7 million, from \$48.6 million to \$46.8 million total. **Attachment C** reflects the revised project list, prior year expense, and new FY 2023 Capital Budget authorization of \$46.8 million. The funding mix for the projects authorized has been revised to reflect actual FY 2022 revenues and anticipated revenues for FY 2023.

Summary of Changes

The FY 2023 budget approved by the Board in June provided a total expenditure authorization of \$109,582,387. The changes proposed in this report would result in a reduction in the total budget authorization in the amount of \$1,085,971, consisting of an Operating Budget increase of \$687,286 (funded by federal COVID relief funds) and a Capital Budget decrease of \$1,773,256 as described above.

Below is a summary table showing this revised authorization and the funding needed to balance the revised budget.

FY 2023 Revised Budget			
Expense		Revenue	
		Bridge Tolls	25,392,670
Operating Budget Expenditures	\$61,711,508	Federal Funds	52,394,544
- Ferry Service	58,311,508	State Funds	10,379,421
- Planning and Administration	3,400,000	Local Funds	7,800,855
Capital Budget Expenditures	46,784,908	Passenger Fares	11,228,927
		Other Funds	1,300,000
Total Budget Expense	\$108,496,416	Total Budget Revenue	108,496,416

If this authorization adjustment is approved by the Board, all of the budget charts and materials will be updated and posted on WETA's website.

Fiscal Impact

The revisions to the FY 2023 Operating and Capital Budgets will decrease the total approved budget by \$1,085,971 to a revised total of \$108,496,416. The revised budget is fully funded with a combination of fare revenues and various federal, state, and local grant funds available to support WETA's ferry services and capital projects.

****END****

Attachment A – Resolution Amending the Fiscal Year 2023 budget

Attachment B – Proposed FY 2023 Salary Schedule

Attachment C – Revised Fiscal Year 2023 Capital Budget

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2022-32

ADOPTION OF AMENDMENT TO THE FISCAL YEAR 2022-23 BUDGET

WHEREAS, the WETA Board of Directors approves the annual Operating Budget, Capital Budget, and Salary Schedule; and

WHEREAS, the Board adopted the Fiscal Year 2022-23 (FY 2023) Operating Budget in the amount of \$61,024,222, the FY 2023 Capital Budget in the amount of \$48,558,164, and the FY 2023 Salary Schedule on June 2, 2022; and

WHEREAS, subsequent to adoption of the FY 2023 budget, WETA's service operator, Blue and Gold Fleet, agreed to higher cost of living adjustments for its employees than originally anticipated by WETA, and as a result, staff now propose changes to the FY 2023 Operating Budget and Salary Schedule to reflect higher operating costs and higher WETA staff salaries; and

WHEREAS, staff propose that the Board amend the FY 2023 Operating Budget to add \$687,286 to fund increased labor costs for Blue and Gold Fleet employees; and

WHEREAS, staff propose that the Board revise the FY 2023 Salary Schedule to reflect an additional 4.5% cost of living adjustment for WETA staff, to be paid for with federal COVID relief funds; and

WHEREAS, staff also propose to revise the title and salary range for the Grants Administrator position in the FY 2023 Salary Schedule to attract qualified candidates to apply for this open position; and

WHEREAS, as a result of reconciliation of capital project expenses for FY 2022, staff propose a number of adjustments to prior year-end spending, resulting in a proposed decrease to the FY 2023 Capital Budget in the amount of \$1,773,256; now, therefore, be it

RESOLVED, that the Board of Directors hereby adopts an amendment increasing the FY 2023 Operating Budget by \$687,286 to a total amount of \$61,711,508; and be it further

RESOLVED, that the Board of Directors hereby adopts an amendment decreasing the FY 2023 Capital Budget by \$1,773,256 to a total amount of \$46,784,908; and be it further

RESOLVED, that the Board of Directors hereby adopts a new FY 2023 Salary Schedule reflecting an additional 4.5% cost of living adjustment for all WETA staff and changes to the Grants Administrator position title and salary.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on August 17, 2022.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2022-32

END

Attachment B

FY 2022-23 Salary Schedule *(effective date 8/16/2022)*

Position	Authorized FTE	Salary Range: Annually	
		Low	High
Accountant	1	\$ 96,994	\$ 138,578
Administration & Business Services Manager	1	\$ 96,994	\$ 138,578
Chief Financial Officer	1	\$ 171,819	\$ 245,706
Customer Experience Specialist	1	\$ 77,949	\$ 111,354
Engineering & Maintenance Administrator	1	\$ 119,457	\$ 170,651
Government & Regulatory Affairs Manager	1	\$ 119,457	\$ 170,651
Government & Regulatory Affairs Specialist	1	\$ 77,949	\$ 111,354
Grants Manager*	1	\$ 119,457	\$ 170,651
Operations & Maintenance Manager	1	\$ 146,495	\$ 209,276
Operations Administrator	2	\$ 97,343	\$ 139,069
Planning & Development Manager	1	\$ 157,197	\$ 224,553
Principal Planner	1	\$ 149,258	\$ 213,218
Public Information & Marketing Manager	1	\$ 129,285	\$ 184,705
Senior Planner/Project Manager	1	\$ 124,382	\$ 177,683
Transportation Intern (non-exempt, part-time)	0.5	\$ 39,750	\$ 56,785
Transportation Planner	2	\$ 95,782	\$ 136,831

**San Francisco Bay Area Water Emergency
Transportation Authority
FY 2023 Capital Budget**

	Total Project Budget	Prior Years Actual	Fiscal Year 2021-22 Actual	Fiscal Year 2022-23 Budget	Future Years
CAPITAL REVENUES:					
Federal Funds	\$86,969,449	\$2,622,384	\$1,549,946	\$25,171,292	\$57,625,827
State Funds	43,413,075	13,583,816	8,571,184	10,379,421	10,878,653
Bridge Toll Revenues	23,765,525	5,272,555	162,816	7,142,670	11,187,484
Local Dedicated Funds	5,972,114	686,848	576,884	4,091,525	616,858
Total Capital Revenues	\$160,120,163	\$22,165,603	\$10,860,830	\$46,784,908	\$80,308,822
CAPITAL EXPENDITURES:					
FACILITIES:	\$17,567,617	\$241,949	\$1,093,408	\$10,412,350	\$6,369,910
Operations and Maintenance Facilities					
North Bay Facility Fuel System Improvement	530,450	220,680	99,472	100,000	110,298
Central Bay Facility Oil System Modification**	383,968	-	373,268	10,700	-
Terminal Improvement					
Terminal Rehabilitation - Alameda Main Street **	8,535,014	21,269	485,987	4,943,465	3,084,292
Infrastructure for All-Electric Vessels**	5,184,685	-	124,685	1,924,685	3,135,315
Passenger Float Rehabilitation - South San Francisco	908,500	-	9,995	858,500	40,005
Terminal Dredging - Vallejo - Surveys & Permitting *	113,000	-	-	113,000	-
Terminal Reconfiguration -- Vallejo *	550,000	-	-	550,000	-
Central Bay Terminal Expansion *	550,000	-	-	550,000	-
Passenger Float Rehabilitation - Pier 9 *	1,362,000	-	-	1,362,000	-
FERRY VESSELS:	\$142,002,546	\$21,923,654	\$9,767,422	\$36,372,558	\$73,938,911
Vessel Construction					
New Commuter Class High-Speed Vessels - 2 each	30,082,500	18,583,816	5,297,661	3,925,652	2,275,371
Electric Vessels - Expansion - 2 each **	9,000,000	-	-	2,800,000	6,200,000
Replacement Vessels - MV Bay Breeze and MV Solano **	36,002,382	3,277,919	1,215,125	12,491,614	19,017,723
Replacement Vessel - MV Intintoli	26,446,700	-	62,794	4,000,000	22,383,906
Replacement Vessel - MV Mare Island *	26,500,000	-	-	2,650,000	23,850,000
Vessel Rehabilitation and Refurbishment					
Vessel Engines Conversion - Gemini Class Vessels	5,524,100	61,869	3,027,268	2,434,963	-
Vessel Engines Overhaul - MV Cetus **	434,564	-	-	434,564	-
Vessel Engines Overhaul - MV Hydrus **	354,600	-	-	354,600	-
Vessel Engines & Gears Overhaul - MV Bay Breeze	491,400	49	140,719	210,277	140,355
Vessel Fuel Injectors Overhaul - MV Intintoli	127,300	-	23,855	31,888	71,557
Test Engine Components Replacement - MV Pyxis *	315,000	-	-	315,000	-
Test Engine Components Replacement - MV Vela *	250,000	-	-	250,000	-
Vessel Mid-Life Refurbishment - MV Gemini *	4,488,000	-	-	4,488,000	-
Vessel Engine Overhaul - MV Intintoli *	356,000	-	-	356,000	-
Vessel Engine Midlife Overhaul - MV Argo *	563,000	-	-	563,000	-
Vessel Engine Injector Overhaul - MV Mare Island *	132,000	-	-	132,000	-
Vessel Waterjet System Upgrade - Pyxis Class Vessels *	600,000	-	-	600,000	-
Generator Diesel Particulate Filter Demonstration Project *	335,000	-	-	335,000	-
Total Capital Expenditures	\$160,120,163	\$22,165,603	\$10,860,830	\$46,784,908	\$80,308,822

* Denotes new project

** Denotes revised project scope and/or budget

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director

SUBJECT: Approve Revisions to the Administrative Code to Clarify the Executive Director's Authority to Update and Maintain the Human Resources Guide

Recommendation

Adopt a resolution approving revisions to the Administrative Code clarifying that the Executive Director has the authority to update and maintain the Human Resources Guide.

Background/Discussion

The Administrative Code provides that the Executive Director has the power and duty to administer WETA's personnel system in accordance with policies established by the Board of Directors. On March 31, 2008, the Board of Directors approved WETA's Human Resources Guide (HR Guide), which contains policies and procedures governing WETA personnel.

From time to time, revisions to the HR Guide are necessary to incorporate statutory, policy and other updates. As a matter of practice, the Executive Director must periodically revise and update the HR Guide in accordance with legal requirements and policies established by the Board of Directors. However, neither the Administrative Code nor the HR Guide expressly address the Executive Director's authority to make such necessary revisions.

The Executive Director recommends the Board of Directors approve the revisions to Chapter 1, Section 104.1(D)(4)(c) of the Administrative Code provided as **Attachment A** attached to this report, which expressly authorize the Executive Director to maintain, and update as necessary, the HR Guide, consistent with policies established by the Board of Directors. If approved, this authorization, will codify the Executive Director's existing practice and provide procedural clarity for implementing necessary updates to the HR Guide in the future.

Fiscal Impact

There is no fiscal impact associated this recommendation.

END

CHAPTER 1
ADMINISTRATIVE CODE

Article I
Officers and Duties

104.1 In General.

(A) The Officers of the Authority. The Officers of the Authority shall consist of the Chair and Vice Chair, each of whom shall be a Member, an Executive Director, a General Counsel, a Chief Financial Officer, and such other officers as the Board may appoint.

(B) Appointment of Executive Director, General Counsel, Chief Financial Officer, and Other Officers. The Executive Director, General Counsel, Chief Financial Officer, and such other officers as the Board may deem necessary shall be appointed by the affirmative votes of a majority of the Members.

(C) Removal of Officers and Staff. Officers of the Authority other than officers who are Members shall serve at the pleasure of the Board and may be removed by the affirmative vote of a majority of the Members.

(D) Duties of Various Officers.

(1) Duties of Chair. The Chair shall

(a) Preside over all meetings of the Board, including, but not limited to, setting the dates and times of meetings, declaring the opening and closing of each proceeding of the board, ruling on points of order, regulating the individuals that, except for board members, may address the board at its meetings, and putting issues to the vote and announcing decisions following those votes.

(b) Appoint Members to committees and serve as an ex officio member of all committees.

(c) Propose the annual budget for the Authority.

(d) Sign all orders issued by the Board and contracts and grant documents as approved by the board.

(e) Represent the Authority at all proceedings. The Chair may appoint individuals to represent the Board on other boards or commissions, subject to ratification by the Board. Appointees serve at the pleasure of the Board and those appointments will be subject to review by the Board at least once every two years.

(f) Have such other powers and duties as may be prescribed from time to time by the Board.

The Chair may delegate any of the powers described in this section, other than the power to delegate, to any Member of the Board

Attachment A: Redline of Administrative Code

(2) Duties of the Vice Chair. The Vice Chair shall perform the duties of the Chair in that person's absence or disability and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair, and shall exercise and perform such other powers and duties as may from time to time be prescribed by the Board.

(3) Chair Pro Tempore. In the event of the absence, or inability to act, of the Chair and Vice Chair, the Members present at any meeting of the Board, by order entered in the minutes, shall select one of their members to act as Chair Pro Tempore, who, while so acting, shall have all of the authority of the Chair.

(4) Duties of Executive Director. The Executive Director shall be a full-time officer of the Authority. As delegated by the Board, the powers and duties of the Executive Director are:

(a) To have full charge of the administration of the day-to-day business affairs of the Authority, within policy guidelines established by the Board.

(b) To establish services (with Board approval) and manage the Authority to meet the Board's expected outcomes, including the provision of data from which the Board can evaluate the Authority's achievements.

(c) To administer the personnel system of the Authority, including without limitation hiring, supervising, promoting, transferring, disciplining, suspending with or without pay or discharging any employee. **The Board has adopted the Authority's Human Resources Guide; the Executive Director will maintain, and update as necessary, the Human Resources Guide, consistent with policies established by the Board.**

(d) Subject to any limitation and to the terms and conditions set forth in Chapter 5 hereto, to act as the purchasing agent for the Authority.

(e) To see that all rules, regulations, ordinances, policies, procedures and resolutions of the Authority are observed and enforced.

(f) To keep the Board advised as to the needs and the status of operations of the Authority.

(g) To develop short and long-term goals for the Authority, working with the Board, partner agencies, and the public, with criteria for determining effective achievement and evaluating outcomes, which may be incorporated into the Board adopted Strategic Plan.

(h) To keep the Board advised of progress relating to the Board adopted Strategic Plan and goals.

(i) To represent the interests of the Authority in day to day contact with community members, other interested parties, community, and governmental agencies.

(j) To advise the Board, seek out, and make recommendations regarding possible sources of funds which may be used to implement present or contemplated Authority services.

Attachment A: Redline of Administrative Code

(k) To establish and maintain an effective community relations program including effective relationships with the media.

(l) To communicate openly, systemically, and in a timely manner to the Board, staff, and the community, and promptly inform the Board of critical issues or incidents.

(m) Except as otherwise provided herein or in the Act, to execute and deliver contracts and agreements on behalf of the Authority following such approvals as may be required hereunder and to administer Authority contracts in accordance with and subject to the limitations set forth in Chapter 5 attached hereto.

(n) To authorize, approve and make expenditures in accordance with and subject to the limitations set forth in Chapters 2 and 3 hereof.

(o) To prepare or cause to be prepared and distributed the agenda for all Board meetings.

(p) To undertake such other duties, powers and responsibilities as may from time to time be assigned to him by the Board.

(q) To accept and consent to deeds or grants conveying any interest in or easement upon real estate to the Authority pursuant to California Government Code Section 27281 and to prepare and execute certificates of acceptances therefor from time to time as the Executive Director determines to be in furtherance of the purposes of the Authority. Such authority shall be limited to actions of a ministerial nature necessary to carry out conveyances authorized by the Board.

(r) Unless specifically delegated to an officer appointed by the Executive Director with the approval of the Board, to assume the responsibilities of a Secretary to the Board. Until such time as the Board appoints a Secretary, any reference in this Code to such officer shall be deemed to be a reference to the Executive Director or his or her appointee.

If the Executive Director is absent or incapacitated, or if there is no Executive Director, the Board Chair may appoint any person to serve as an interim Executive Director until the Executive Director's return or until the next meeting of the Board. The interim Executive Director shall perform the duties of the Executive Director in that person's absence and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Executive Director, and shall exercise and perform such other powers and duties as may from time to time be assigned that person by the Board. The Board may appoint an Executive Director or interim Executive Director at any meeting; provided, however, that at no time shall there be more than one person appointed to act as the Executive Director.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2022-33

APPROVE REVISIONS TO THE ADMINISTRATIVE CODE TO CLARIFY THE EXECUTIVE DIRECTOR'S AUTHORITY TO UPDATE AND MAINTAIN THE HUMAN RESOURCES GUIDE

WHEREAS, the Executive Director administers the WETA personnel system in accordance with the Administrative Code and in conformance with WETA's Human Resources (HR)Guide, which was approved by the Board of Directors on March 31, 2008 and contains policies and procedures governing WETA personnel; and

WHEREAS, from time to time, revisions to the HR Guide are necessary to incorporate statutory, policy and other updates; and

WHEREAS, neither the Administrative Code nor the HR Guide expressly address the Executive Director's authority to make necessary revisions to the HR Guide procedures, in accordance with Board-adopted policies; and

WHEREAS, the Executive Director recommends the Board of Directors approve revisions to Chapter 1, Section 104.1(D)(4)(c) of the Administrative Code to clarify that the Executive Director has the authority to maintain, and update as necessary, the HR Guide, consistent with policies established by the Board of Directors; now, therefore, be it

RESOLVED that, the WETA Board of Directors approves the revisions to Chapter 1, Section 104.1(D)(4)(c) of the Administrative Code indicated in the attachment to the report accompanying this Resolution, to authorize the Executive Director to maintain, and update as necessary, the Human Resources Guide, consistent with policies established by the Board of Directors.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on August 17, 2022.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2022-33

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Timothy Hanners, Operations & Maintenance Manager

SUBJECT: Approve Contract Award to Dakota Creek Industries, Inc. for the MV *Pyxis* Generator Diesel Particulate Filter Demonstration Project

Recommendation

1. Approve contract award to Dakota Creek Industries, Inc. (DCI) for the MV *Pyxis* Diesel Particulate Filter (DPF) Demonstration Project in the amount of \$300,000; and
2. Approve a contract contingency in the amount of \$30,000; and
3. Authorize the Executive Director to negotiate and execute an agreement with DCI and take any other related actions to support this work.

Background

The California Air Resources Board recently enacted changes to its Commercial Harbor Craft regulations which will require DPF retrofits to generator and main propulsion diesel engines throughout the WETA fleet. The marine diesel industry has not yet advanced this technology to the point of commercial viability.

In anticipation of these regulations, WETA staff initiated discussions with engine and DPF manufacturers to explore the development of a filter that would enable the generator engines on some vessels in WETA's fleet to accommodate a DPF. WETA's marine generators are powered by diesel engines that produce mechanical energy that is then converted to electrical energy inside the generator. The electricity is used onboard to power various electrical loads throughout the vessel. WETA has a total of 32 marine generators in use on 16 vessels.

Staff identified the recently built *Pyxis* Class vessels as the best candidate to undertake a demonstration project for the DPF retrofits. This project will be the first example of using DPF technology to reduce emissions from a marine generator on a high-speed passenger ferry. The *Pyxis* Class vessels have the requisite space available near the generator set engines to enable the installation of the DPF assemblies without negative effects on the vessel.

Discussion

On September 2, 2021 the WETA Board authorized the release of a Request for Proposals (RFP) for the MV *Pyxis* Generator DPF Demonstration Project. On October 29, 2021, the RFP was released. A pre-proposal meeting was convened on November 12, 2021 and attended by a total of two shipyards and four engineering/design organizations.

WETA received one proposal from DCI of Anacortes, WA. Staff reviewed the proposal and determined it was complete and fully responsive to the RFP. Staff analyzed DCI's original price proposal and found it to be fair and reasonable. DCI's original price proposal was within 10% of WETA's Independent Cost Estimate.

Given the various unknowns with the technology as a whole, and the demonstration nature of this project, DCI and WETA Staff held a series of meetings and negotiations to identify ways to refine the definition of the work and explore areas where cost savings might be realized. As a result of these negotiations, DCI has agreed to perform the work for \$32,257 less than its original price proposal for an all-inclusive fixed price of \$300,000. The total contract authorization amount includes a 10% contract contingency in the amount of \$30,000.

DCI was the original builder of the PYXIS Class vessels and is therefore in a very good position to perform this demonstration project in the most efficient and cost effective manner, and with the highest degree of technical skill and expertise.

WETA Staff reached out to the other shipyard that attended the pre-proposal conference to ascertain their reasons for not submitting a proposal. That shipyard cited the high risk nature of the project and its unfamiliarity with DPF technology as hurdles to its participation. Considering this feedback and WETA's efforts to advertise the solicitation to maximize competition, staff concluded that WETA received a single proposal due to the characteristics of this project, not because the RFP was restrictive.

Fiscal Impact

This project is included in the FY 2023 Capital Budget and is 100% funded with California State of Good Repair Program administered through the California Department of Transportation (Caltrans) funds.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2022-34

**APPROVE CONTRACT AWARD TO DAKOTA CREEK INDUSTRIES, INC. FOR THE MV PYXIS
GENERATOR DIESEL PARTICULATE FILTER DEMONSTRATION PROJECT**

WHEREAS, the San Francisco Bay Area Water Emergency Transportation Authority (WETA) has identified the need for furthering the technology for the installation of diesel particulate filters (DPFs) on the generator and main propulsion engines of its fleet to enable compliance with new California Air Resources Board regulations for Commercial Harbor Craft; and,

WHEREAS, on October 29, 2021, WETA issued a Request for Proposals (RFP) for the MV *Pyxis* Generator DPF Demonstration Project; and

WHEREAS, WETA received one proposal from Dakota Creek Industries, Inc. (DCI) in response to the RFP; and,

WHEREAS, DCI was the original builder of the PYXIS Class vessels and is therefore in a very good position to perform this demonstration project in the most efficient and cost effective manner, and with the highest degree of technical skill and expertise; and

WHEREAS, WETA staff determined DCI's proposal was complete and responsive to the RFP, and that DCI's price is both fair and reasonable based on WETA's independent cost estimate for this project; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into an agreement with Dakota Creek Industries, Inc. to perform the work necessary for the MV *Pyxis* Generator DPF Demonstration Project in the amount of \$300,000; and be it further

RESOLVED, that the Board of Directors establishes a contract contingency in the amount of \$30,000; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to execute an agreement with DCI and take any other required actions to support this work.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on August 17, 2022.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2022-34

END

MEMORANDUM

TO: Board Members

FROM: Seamus Murphy, Executive Director
Timothy Hanners, Operations & Maintenance Manager

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

Recommendation

1. Approve the award of a Sole Source Contract to Pacific Power Group, LLC (PPG) in the amount of \$1,747,479 for main propulsion engine maintenance services for the MV *Cetus*, *Hydrus*, *Argo*, *Intintoli*, and *Mare Island*; and
2. Approve a contract contingency in the amount of \$87,374; and
3. Authorize the Executive Director to negotiate and execute an agreement with PPG and take any other required actions to support this work.

Background/Discussion

Five WETA vessels are due for preventative maintenance work.

The two MTU 16V4000 M64 main propulsion engines installed in MV *Cetus*, *Hydrus*, and *Argo* have been in operation since 2015, and are approaching the time for mid-life overhaul at 13,500 engine hours. The two MTU 16V4000 M73 main engines in MV *Intintoli* are approaching their mid-life overhaul maintenance interval at 10,500 engine hours. In order to remain in compliance with the preventative maintenance schedule for these engines, they must undergo a mid-life overhaul by an authorized MTU service dealer. The work will take place while the engines remain in the vessel as several major engine subcomponents are removed for inspection, refurbishment, or replacement. The work will take 2-2½ weeks per engine.

The engine work on one of the two engines in the *Cetus* and *Hydrus* will occur concurrently with the biannual routine drydocking at Bay Ship & Yacht Co.; work on the other engines in these vessels will be completed dockside at the Central Bay Operations & Maintenance Facility (CBOMF). For *Argo*, the work on both engines will be carried out dockside at the CBOMF. The MV *Intintoli* will be off line for 4-5 weeks for this maintenance and the work will occur dockside at WETA's North Bay Operations & Maintenance Facility (NBOMF). Following each mid-life overhaul, the vessels will undergo a complete sea trial to prove the maintenance actions.

The two MTU 16V4000 M73 main engines in MV *Mare Island* will soon be approaching the end life of the diesel fuel injectors at 7,000 hours of engine run time. In order to remain in compliance with the preventative maintenance schedule for these engines, the injectors must be removed from the engines and replaced with new injectors. This work will occur during the vessel's biannual routine drydocking in order to minimize impacts to WETA's service schedule. PPG will need 1 week to complete the fuel injector changes during the drydock period.

Scope of Work and Proposed Schedule

In order to accomplish the necessary services noted above, WETA requires an authorized MTU service dealer to provide parts, labor, materials, testing, and commissioning. The necessary preventative maintenance is scheduled to occur throughout 2022-2023 at times that minimize impacts to service schedules as discussed above.

Sole Source Discussion

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

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

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

Staff analyzed PPG's price proposal and finds it to be fair and reasonable. PPG's pricing is within 3% of WETA's independent cost estimate; and the price is in alignment with historical engine overhaul services on these families of engines.

The recommended contract authorization amount of \$1,834,853 includes a base award for engine overhaul work, transportation, testing, sea trials, and 5% percent contingency. The contingency is smaller than normal based on the nature of mid-life versus complete engine overhauls.

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

Fiscal Impact

Funding is included in the approved FY 2022-23 Capital Budget with a combination of Federal Transit Administration, RM1-2%, and AB664 Bridge Toll Net Revenue funds.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2022-35

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

WHEREAS, the WETA has identified the need for the maintenance and overhaul of main propulsion engines and diesel fuel injectors on the ferry vessels *Cetus*, *Hydrus*, *Argo*, *Intintoli*, and *Mare Island* in order to remain in compliance with the preventative maintenance schedule for these engines; and,

WHEREAS, WETA has determined that Pacific Power Group, LLP (PPG) is the MTU factory-assigned dealership for the sales, parts, and service of MTU Series 4000 engines in the Bay Area region, and hence is the only firm able and qualified to perform the needed services; and,

WHEREAS, WETA has determined that engaging PPG to perform the needed services meets the requirements for a sole source procurement under federal regulations and as set forth in WETA's Administrative Code; and

WHEREAS, WETA has conducted an analysis of PPG's proposed price and determined it to be fair and reasonable; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into an agreement with Pacific Power Group, LLP for the necessary preventative maintenance services in an amount up to \$1,747,479; and be further

RESOLVED, that the Board of Directors establishes a contract contingency in the amount of \$87,374; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to execute the agreement with PPG and take any other required actions to support this work.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on August 17, 2022.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2022-35

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Vallejo Terminal Reconfiguration Update and Authorization to Release a Request for Proposal for Environmental Review and Permitting Services

Recommendation

Authorize the release of a Request for Proposal (RFP) for environmental review and permitting services for the Vallejo Terminal Reconfiguration Project (Project).

Background

The Vallejo Terminal is located on the east shore of Mare Island Strait and is subject to ongoing siltation that requires maintenance dredging every three to four years to support ongoing service operation. A full dredge of the Vallejo Terminal area was completed in 2021. Maintenance dredging is required to ensure that the passenger float is buoyant at all tidal levels and to ensure access is maintained for WETA ferry vessels. The basin and approaches have subsequently undergone maintenance dredging in 2003, 2008, 2011, 2015, 2017 and 2018. WETA was responsible for all dredging episodes after 2011. In 2017 and 2021, the sedimentation resulted in service disruptions due to lack of depths required for safe ferry operations. During the 2021 episode, ferry service was relocated to Mare Island on two occasions, causing inconvenience and disruption to passengers.

Dredging costs have increased substantially since 2011. The accretion rate has also increased requiring a greater amount of material to be dredged at increasing frequency. In 2011, the cost per cubic yard of dredged material was \$10 per cubic yard. The average cost per cubic yard for dredging and upland disposal for the four projects between 2015 and 2021 increased to \$38 per cubic yard. WETA is required to place most of the dredge material from its terminals at an upland beneficial reuse site at Cullinan Ranch Restoration Project (CRRP). There is uncertainty about how much longer CRRP will be accepting material. Once CRRP stops accepting material, the costs for dredging and placement are anticipated to increase.

During dredging activities, the ferry terminal is moved approximately 110 feet south to a temporary location, and the temporary loading float and gangway are brought to the site to facilitate continued ferry services. Maintenance dredging events at the existing facility therefore require transportation of the temporary float and gangway, relocation of the permanent float, installation and then removal of the temporary float and gangway including the installation and removal of temporary piles, re-installation of the permanent float, and return of the temporary float and gangway at the conclusion of dredging activities. In addition, passengers must be noticed of the change to allow for greater access time. The existing passenger float often requires rehabilitation and maintenance resulting in additional costs. The costs associated with this work have also increased over time and are anticipated to continue increasing because of rising fuel, marine construction and shipyard costs.

Discussion

In 2021, staff initiated an effort to analyze terminal reconfiguration options that would substantially reduce or eliminate the need for maintenance dredging. The initial phase of this work includes development of reconfiguration concepts, sedimentation analysis, and stakeholder and resource

agency consultation. Staff worked with Foth & Van Dyke and Associates, Inc. (Foth) to perform an alternative analysis study for reconfiguration options for the terminal. Foth was tasked to provide WETA with conceptual alternatives for reconfiguration of the Ferry Terminal at this site. Staff will provide a presentation at the Board meeting to illustrate the final preferred terminal reconfiguration options. Foth subcontracted Integral Corporation, Inc. (Integral) to perform a sedimentation and accretion study of the site. The objective of Integral's analysis was to determine the dredging recurrence interval for each of the proposed alternatives and to confirm the proposed reconfigurations met WETA's goal of reducing the frequency of dredge episodes.

Each alternative relocates the ferry landing float away from the basin area where the heaviest accumulation of sediment occurs. The location of the federal navigational channel was considered when locating the outer limits of the ferry terminal. Both alternatives would be located more than 300 feet from the federal channel.

The alternatives are summarized and illustrated below.

Alternative 1

The Alternative 1 concept relocates the ferry terminal outside of the basin, with an access point south of the ferry terminal structure. This access point is similar to the point used for the temporary terminal during dredging events. A pile supported fixed pier would extend 180 feet from the shoreline and a 90-foot gangway would extend to the north, landing on the passenger float. The passenger float design would match the standard design of WETA's spare passenger float and other facilities in the system. The passenger float would be secured with steel pipe piles. Other piles would be located around to the facility to support navigational safety and to protect the facility from impact.



Alternative 2

A second alternative relocates the ferry terminal outside of the basin, with an access point west of the terminal structure. A pile supported fixed pier would extend 180 feet from the shoreline and a 90-foot

gangway would extend to the north, landing on the passenger float. The passenger float design would match the standard design of WETA's spare passenger float and other facilities in the system. The passenger float would be secured with steel pipe piles. Other piles would be located around to the facility to support navigational safety and to protect the facility from impact. An important difference between Alternatives 1 and 2 is that the temporary ferry terminal for Alternative 2 could be installed during construction, mitigating the disruption to ferry service.



The goal of this study was to analyze the existing site conditions and determine the impact of future accretion on each of the conceptual alternatives. Staff has shared the proposed alternatives with the City of Vallejo and select regulatory agencies during the design development process, to ensure a reconfigured terminal is compatible with larger public goals for the Vallejo waterfront.

Both alternatives accomplish several goals of the reconfiguration study:

- **Improve terminal operations.** Each adds additional length to the passenger access gangways leading to the terminal, providing more passenger queuing area than the existing configuration, helping to manage crowds and organize queues during passenger loading and unloading. Additionally, both alternatives feature vessel berthing in a direction parallel to the current of Mare Island Strait, speeding up docking maneuvers.
- **Improve Safety.** The terminal orientations provide for safer landings during inclement weather, as ferry vessels will be less affected by current sweep in the perpendicular direction.
- **Reduce or eliminate dredging needs.** Both were designed with the goal of reducing the frequency of dredge events at the terminal. The sedimentation analysis conducted conservatively estimates that future dredging cycles could exceed 20 years between dredging events. This represents a substantial reduction in long term operating costs for the Vallejo ferry service.

- **Reduce capital expenses.** The initial engineer's estimate for construction of either alternative is approximately \$11 million. Based on a 10-year cost projection comparing the dredging costs of the existing facility against construction of either alternative, the investment in a reconfigured terminal could result in a break-even point within eight years.

This item requests Board authorization to release an RFP to provide environmental review and permitting services in support of the Project. The firm selected for this work would prepare environmental review documentation in accordance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). The selected consultant would also assist staff with environmental resource agency permitting. Staff anticipates awarding a contract for these services in the Fall of 2022.

Fiscal Impact

Issuance of this RFP does not commit WETA to an expenditure of funds for this work at this point. The approved Fiscal Year 2022-23 budget includes \$550,000 for initial work on terminal reconfiguration. Staff expects to return to the Board with a recommendation for contract award in late Fall 2022.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Update on Fare Coordination and Integration Study Institutional/Employer Pass Pilot Program

Recommendation

There is no recommendation associated with this informational item.

Background/Discussion

In early 2020, the Fare Coordination and Integration Study (FCIS) was launched by the Bay Area's transit operators and the Metropolitan Transportation Commission (MTC), to identify changes to the Bay Area's transit fare policies that could improve the passenger experience and grow transit ridership. Staff from BART and MTC have served as Co-Project Managers for the FCIS project, and collaborated closely with a Staff Working Group from Bay Area transit operators, including WETA. FCIS project oversight was provided by the Fare Integration Task Force, consisting of the members of the Clipper Executive Board, additional members representing Bay Area County Transportation Authorities and small transit operator representatives. In January 2020, upon WETA's invitation, MTC staff presented an overview of and status of this regional fare integration study.

In November 2021, the Fare Integration Task Force approved the fare policy vision statement, which lays out the high-level initiatives and serves as a policy guide to improve fare integration in the Bay Area. In December 2021, WETA received an update of the recommended fare policy initiatives and next steps of the study. The four policy initiatives identified for advancement in the fare policy vision statement are:

- Deploy an all-agency regional institutional pass pilot in the current Clipper system (2022)
- Implement low-cost or no-cost transfers in Clipper 2.0 (2023)
- Continue developing the all-agency pass in Clipper 2.0 (2023)
- Continue refining the vision of creating a common fare structure for regional services

The first and near-term action in the fare policy vision statement is the implementation of an all-transit agency institutional/employer pass pilot in 2022.

The pilot went into effect on August 15, 2022 and will run for two years. MTC and BART are the lead agencies for this pilot for purposes of program administration and the Title VI process.

The objective of the pilot is to evaluate the pass coverage for all operators and to better meet the needs of users and institutions compared to single-agency passes. Hence, the pilot is focused on institutions already participating in a transit pass program. The pilot will evaluate program performance and collect data that could be used as the basis of a revenue model for a potential permanent program.

The pilot will be implemented on Clipper (Clipper BayPass) and will provide unlimited rides on all participating Bay Area transit systems, including WETA. The pilot will be implemented in two phases:

- Phase 1: Focus on four educational institutions namely, UC Berkeley, San Francisco State University, Santa Rosa Junior College, and San Jose State University, and three affordable housing properties on the mid-Peninsula. About 50,000 passes were distributed to select students from these educational institutions and to the residents of the mid-peninsula housing properties. Phase 1 launched on August 15, 2022.
- Phase 2: Extend focus to employers in transit-concentrated locations such as downtown San Jose, San Francisco, and Oakland. This phase is expected to launch in early 2023.

MTC is working with the participating institutions on the marketing efforts to support the launch of this pilot.

Funding Plan

MTC has identified approximately \$6 million of regional funds targeted toward the two phases of this pilot, with \$5.5 million distributed to transit agencies to offset fare revenue risk incurred by the participating transit agencies. The remaining \$0.5 million will be utilized for other administrative costs such as support, communications, and Clipper card purchases. Of the \$5.5 million budgeted to make whole transit operators for revenue impacts, \$4.5 million is budgeted to offset impacts associated with Phase 1 and the remaining \$1 million is budgeted to offset impacts associated with Phase 2 of the pilot. Of the \$4.5 million budgeted for Phase 1, \$2.2 million will be distributed upfront to the transit operators for Year 1 of the pilot. The remaining funding will be distributed as "top up" funds in Year 2 based on the actual usage from Year 1 of the pilot and estimated Year 2 results.

Fiscal Impact

There is no fiscal impact associated with this item as MTC has committed to fully cover the cost of transit agency participation in the Phase 1 and Phase 2 of the pilot.

END