

SAN FRANCISCO BAY AREA WATER TRANSIT AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(January 25, 2007)

The Board of Directors of the San Francisco Bay Area Water Transit Authority met in regular session at the Port of San Francisco, Bayside Conference Room, Pier 1 on the Embarcadero, San Francisco, CA.

1. CALL TO ORDER, ROLL CALL AND PUBLIC COMMENT

A meeting of the Board of Directors began at 1:40 p.m. Directors present were President Johnson, Directors Fang, Intintoli, Mancinelli, Rapport, Wagner and Withington. President Johnson further reviewed the protocol for public comment.

2. REPORT OF BOARD PRESIDENT

President Johnson had no report to make but expressed pleasure at the presence of Directors Fang and Wagner. She mentioned the absence of Director Secchitano due to recent surgery and expressed her hope for a speedy recovery.

3. REPORT OF DIRECTORS

Director Rapport mentioned a meeting with Steve Heminger (MTC), Steve Castleberry (WTA) and himself for the purpose of discussing an emergency response plan for the Bay Area. It was noted that the emergency response committee would probably not meet until legislation is introduced about emergency response.

4. REPORTS OF STAFF

CEO Steve Castleberry reviewed the CEO report highlighting the following issues:

- A contract with Nichols Brothers boat builders to begin building the Authority's first two vessels was executed, as witnessed by President Johnson.
- The Authority's quarterly newsletter is out.
- Tiburon – Discussion with regard to the Tiburon ferry service are ongoing and will be reported on as soon as a determination has been made.
- Berkeley/Albany – The Albany City Council voted at its recent meeting to oppose studies for terminal sites in Albany.
- Staff has been contacted by developers for the Pier 27-31 project (SF) regarding WTA facilities at that location.

5. FEDERAL LEGISLATIVE AGENDA FOR 2007 (Item 8)

Mr. Peter Friedmann, the Authority's Federal Legislative Representative, gave a brief report on the goals of his firm in Federal advocacy in Washington DC.

Director Rapport asked if the Vallejo fuel depot was eligible to obtain federal funding for emergency response and if FEMA would be involved with that. Mr. Friedmann answered that the only funding he is aware of for such projects is through one time grants but he will look into the potential for FEMA funding.

Director Withington moved to approve the item. Director Mancinelli seconded the motion and the item carried unanimously.

6. STATE LEGISLATIVE AGENDA FOR 2007 (Item 9)

Mr. Barry Broad, the Authority's State Legislative Representative, gave a brief report on the goals of his firm in relation to support and funding for the Authority at the State level. He noted that the focus is on bonds for funding and that Senator Don Perata is writing legislation that may affect the Authority but there is no information now available on what changes may be proposed.

Director Withington moved to approve the item. Director Mancinelli seconded the motion and the item carried unanimously.

6 CONSENT CALENDAR (Items 6 and 7)

There were no comments on the consent calendar. Director Intintoli moved to approve the consent calendar. Director Mancinelli seconded the motion and the item carried unanimously.

7 CLOSED SESSION (Items 10 and 11)

The Board recessed into closed session at 2:10 pm. Upon reopening session at 2:20 pm, it was noted that no action was taken in closed session.

Mr. John Sindzinski, Planning and Development manager summarized the proposed agreement with the Harbor District. The San Mateo Harbor District will serve as the lead agency to work with Treadwell and Rollo and Moffatt and Nichol Engineers, for a total amount not to exceed \$300,000 for dredging and geotechnical studies at the Oyster Point ferry terminal site. A motion was made by Director Withington to approve the Authority entering into an agreement with the San Mateo Harbor for the South San Francisco ferry terminal project at Oyster Point. Director Intintoli seconded the motion and the item carried unanimously.

8 AUTHORIZATION TO APPLY TO MTC FOR \$12 MILLION RM2 FUNDS FOR SOUTH SAN FRANCISCO VESSELS PROJECT (Item 12)

Ms. Nina Rannells, Grants Manager, gave a brief review of the request for authorization for RM2 funding for the South San Francisco vessels project.

Director Intintoli moved to authorize the application to MTC for \$12 million in RM2 funds for South San Francisco vessels project. Director Mancinelli seconded the motion and the item carried unanimously.

9 MID-YEAR FY 06/07 BUDGET UPDATE (Item 13)

Ms. Rannells gave a brief review of the budget adjustment for fiscal year 2006/2007, highlighting some of the project changes listed in the memorandum.

Director Withington asked if staff tracks time per project when shifting funding from salary and benefits to capital costs and if the Authority will continue to shift salaries to capital projects in future years. Ms. Rannells answered that in order to balance out operating expenditures in FY 2006/07, such as for the Pier 9 move, the shift to capital needed to occur, that staff time is tracked toward projects on timesheets and that we anticipate similar shifts in salaries toward capital in future years.

Director Withington moved to approve the budget update. Director Intintoli seconded the motion and the item carried unanimously.

10 APPROVAL OF AMENDMENT NUMBER 5 TO AGREEMENT WITH NOSSAMAN, GUTHNER, KNOX & ELLIOTT, LLP FOR LEGAL SERVICES (Item 14)

Mr. Castleberry gave a brief report on the status of the ongoing contract with Nossaman, Guthner, Knox & Elliott, LLP (NGKE) for legal services, noting that due to the recent large projects requiring legal counsel, the firm has exceeded its regular budget amount for the quarter. Mr. Stanley Taylor, legal counsel, added that the lease space negotiations in South San Francisco, spare vessel contract negotiations and Pier 9 lease agreement negotiations contributed significantly to the higher than usual legal costs.

Director Rapport asked the nature of legal dispute on the design-build contract for the boats. Mr. Taylor responded that there were several issues contributed to many hours of negotiations, namely bonding issues, warranty coverage and builders' indemnity.

Director Withington requested staff and legal counsel continue to work together to maintain a reasonable level of spending for legal services.

Director Intintoli moved to approve the item. Director Mancinelli seconded the motion and the item carried unanimously.

11 TRANSPORTATION EMERGENCY RESPONSE PLANNING AND MANAGEMENT (Item 15)

Mr. Castleberry and Mr. Keith Stahnke, Manager of Operations, jointly presented this item, noting efforts made by the Authority with regard to its role in emergency response planning in the Bay Area.

Director Mancinelli complimented staff on their work and asked if other agencies have done anything like it to determine their own roles in the process. Mr. Castleberry answered that he is not aware of any other agencies' plans and noted that Mr. Stahnke continues to attend interagency meetings to discuss coordinating emergency response efforts.

Director Rapport also complimented staff on this effort and noted that we are waiting for a bill to come out to put the plan into motion.

12 AMENDMENT NUMBER 1 TO AGREEMENT WITH ROMA DESIGN GROUP FOR CONCEPTUAL PLANNING FOR SOUTH SAN FRANCISCO FERRY TERMINAL

Mr. Sindzinski presented this item for approval, briefly reviewing the terms of Roma Design Group's current contract with the Authority and noting additional funding is needed in order to study the condition of the Agricultural Building in San Francisco. This work is necessary to understand the implications of the construction of new ferry terminals behind the building for disaster preparation as well as commuter service purposes.

Director Withington made a motion to approve the amendment. Director Mancinelli seconded the motion and the item carried unanimously.

13 OPEN TIME FOR PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Mr. William Alich, MAGLEV Group, commented on his firm's desire to cooperate with the Authority and current ferry operators on emergency response. His company has designed a high-speed, low cost, low-pollution people-mover for Marin and Sonoma Counties that can

transport hundreds of passengers from the ferry through Marin County and up to Sonoma County. He added that the same model people-mover is being planning for the Olympics in China.

14 ADJOURNMENT

All business having concluded, the meeting was adjourned at 3:05 P.M.

Respectfully Submitted,

A handwritten signature in black ink that reads "Karen Shelver". The signature is written in a cursive, flowing style.

Karen Shelver,
Board Secretary