San Francisco Bay Ferry

Members of the Board

James Wunderman, Chair
Monique Moyer, Vice Chair
Jessica Alba
Pippin Dew
Michael Henneberry

SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING
Thursday, September 11, 2025 at 1:00 p.m.

Bay Area Metro Center
Board Room – 1st Floor
375 Beale Street
San Francisco, CA
and
Videoconference
Join WETA BOD Zoom Meeting
https://us02web.zoom.us/j/89718217408
Meeting ID: 897 1821 7408
Password: 33779
Dial by your location
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The full agenda packet is available for download at sanfranciscobayferry.com/next-board-meeting/

AGENDA

1. CALL TO ORDER

2. ROLL CALL/PLEDGE OF ALLEGIANCE

3. REPORT OF BOARD CHAIR — ***Information***
   a. Chair's Verbal Report

4. REPORTS OF DIRECTORS — ***Information***
   Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.

5. REPORTS OF STAFF — ***Information***
   a. Executive Director's Report on Agency Projects, Activities and Services
      i. South San Francisco Service
      ii. Interferry
      iii. Pilot Committee Report
   b. Review of Financial Statements
   c. Federal Legislative Report
   d. State Legislative Report
   e. Ridership Report
   f. Service Reliability Report

6. CONSENT CALENDAR — ***Action***
   a. Approve Board Meeting Minutes – August 14, 2025
   b. Authorize the Submittal of a Revised Allocation Request to the Metropolitan Transportation Commission for FY 2025/26 Regional Measure 1 (RM1) Bridge Toll Funding
   c. Approve Sole Source Contract Award to Pacific Power Group, LLC for the MV *Mare Island* and *Intintoli* MCU Upgrades

d. Approve Sole Source Contract Award to Lescure Company Inc. for the North Bay Fuel Facilities Upgrade

7. AUTHORIZE THE SUBMITTAL TO THE METROPOLITAN TRANSPORTATION COMMISSION OF AN ALLOCATION REQUEST FOR $8,886,000 IN REGIONAL MEASURE 3 CAPITAL FUNDS FOR THE HYDRUS CLASS CONVERSION TO BATTERY-ELECTRIC FERRIES PROJECT — ***Action***

8. MEMORANDUM OF UNDERSTANDING WITH SAN MATEO COUNTY HARBOR DISTRICT FOR 2026 SOUTH SAN FRANCISCO DREDGING EVENT — ***Action***

9. APPROVE ACTIONS RELATIVE TO RFQ 25-003 TREASURE ISLAND ELECTRIFICATION CONSTRUCTION MATERIALS PROCUREMENT — ***Action***

10. SEA CHANGE HYDROGEN FERRY DEMONSTRATION PROJECT EVALUATION REPORT — ***Action***

11. 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.

PUBLIC COMMENTS WETA welcomes comments from the public.

If you know in advance that you would like to make a public comment during the meeting, please email BoardOfDirectors@sfbayferry.com 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@sfbayferry.com as soon as possible and no later than 5 days prior to the meeting and we will work to accommodate access to the meeting.

AGENDA ITEM 1
CALL TO ORDER

AGENDA ITEM 2
ROLL CALL

AGENDA ITEM 3
REPORT OF BOARD CHAIR

AGENDA ITEM 4
REPORTS OF DIRECTORS

NO MATERIALS

San Francisco Bay Ferry

Memorandum

TO: Board Members

FROM: Seamus Murphy, Executive Director

DATE: September 11, 2025

RE: Executive Director's Report

Regional Revenue Measure
In January 2025, State Senators Wiener and Arreguin introduced Senate Bill (SB) 63, legislation authorizing a transportation revenue measure to be placed on the November 2026 ballot to address transit operating deficits faced by AC Transit, BART, Caltrain and San Francisco Muni. SB 63 authorizes a 10 to 15-year transportation revenue measure of up to one percent in participating Bay Area counties. Revenues would be restricted to funding operating expenses with a small amount proposed to fund rider focused improvements. The bill includes provisions that seek more effective, coordinated and cost-effective transit services and would create the Transportation Revenue Measure District (District), an authorizing body managed by the Metropolitan Transportation Commission (MTC).

In August, San Mateo County Transit District (SamTrans) and Santa Clara Valley Transportation Authority approved opting in to SB 63. Participating Bay Area counties now include San Mateo, Santa Clara, Alameda, Contra Costa and San Francisco counties. Over the last couple weeks, the authors and the county transportation authorities have been finalizing an expenditure plan, which is required to be a part of the final bill. SF Bay Ferry is proposed to receive 0.66% of the revenues, which is anticipated to be approximately $7 million per year, to cover the agency's operating shortfall over the life of the measure.

SB 63 is currently on the Assembly Floor awaiting amendments. At the request of the Assembly Transportation Committee Chair, the bill will be heard a second time in the committee after final amendments. The last day the bill can be amended is on or before September 9 and it must pass the Legislature by September 12. The Governor has until October 12 to act on bills.

Vallejo Terminal Access Study
In 2024 the Board adopted its Terminal Access Guidelines setting forth that SF Bay Ferry would work with partner cities to develop terminal access plans to examine the gaps and potential opportunities of first/last mile improvements. As a kick-off to this effort, staff has engaged with the City of Vallejo to initiate the Vallejo Terminal Access Study. This month, staff selected Fehr & Peers from its on-call professional services planning bench to support the Study, which is anticipated to be complete in FY 2026. The Study will be supported by a robust public outreach process and will potentially include work sessions with the Board and Vallejo City Council.

Pilot Service Program
The SF Bay Ferry Pilot Service Program was initiated as part of the 2050 Service Vision and is overseen by the Board Pilot Service Committee (Directors Dew and Henneberry). The purpose of the Pilot Service Program is to partner with public and private entities to demonstrate new technologies and assess the potential market demand of future water transit routes. The Committee met in August to review progress on current pilot projects and the development of future pilot projects. Staff will present an overview of the Pilot Service Program at the September Board meeting.

South San Francisco Ferry Service Study
This Study aims to explore service restructuring options to enhance the productivity and long-term financial sustainability of the South San Francisco Ferry Service. Since its launch in 2012, the service has consistently underperformed in terms of both ridership and farebox recovery compared to the broader San Francisco Bay Ferry system. In May, staff presented a plan to the Board to form a Working Group of public and private stakeholders to identify and evaluate potential improvements. The group held its first meeting in July to review the study process, assess current service performance, and consider an initial set of restructuring concepts. A second meeting was held in August to further analyze and refine these options. In September, staff will be conducting public outreach with current and future potential riders to receive feedback on the options that have been put forth to the Working Group. The Study's findings, including any recommended service changes, will be presented to the Board in early 2026.

Interferry 2028 Conference
Interferry is an association representing the ferry industry world-wide. There are currently more than 260 member companies, representing more than 1,000 individuals from 40 countries. Members include ferry operations of all types and sizes including RoPax, RoRo, Cruise Ferries, Fast Ferries, and Passenger-only Ferries. Members also include shipbuilders and designers, equipment manufacturers, naval architects, marine engineers, ship brokers, classification societies, publishers as well as specialists in information technology, finance, insurance, crewing, training, and more. Interferry represents the industry on regulatory and policy matters, communicates globally on behalf of the worldwide ferry industry, and facilitates networking and communications among our members.

SF Bay Ferry, along with the region's other ferry operators, has proposed to co-host Interferry's 2028 Conference in San Francisco. Interferry staff is currently conducting site visits to evaluate host-city finalists before making a recommendation to the Interferry Board of Directors at their October meeting.

SF Bay Ferry recognized by Sunset Magazine
SF Bay Ferry received a Sunset Travel Award in the "How to Get There" category. SF Bay Ferry was the only public transit agency to receive an award. Sunset noted that "the old travel adage that it's the journey, not the destination, rings true with these **trans-Bay boats** connecting locals and tourists from the city of San Francisco to Alameda, Jack London Square in Oakland, and more—for under $5."

Released Request for Proposals
Procurements Posted in August:
- August 14: Intintoli Repairs and Drydock

END

AGENDA ITEM 5b
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

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

SUBJECT: **Review of FY 2025/26 Financial Statements Ending July 30, 2025**

Recommendation

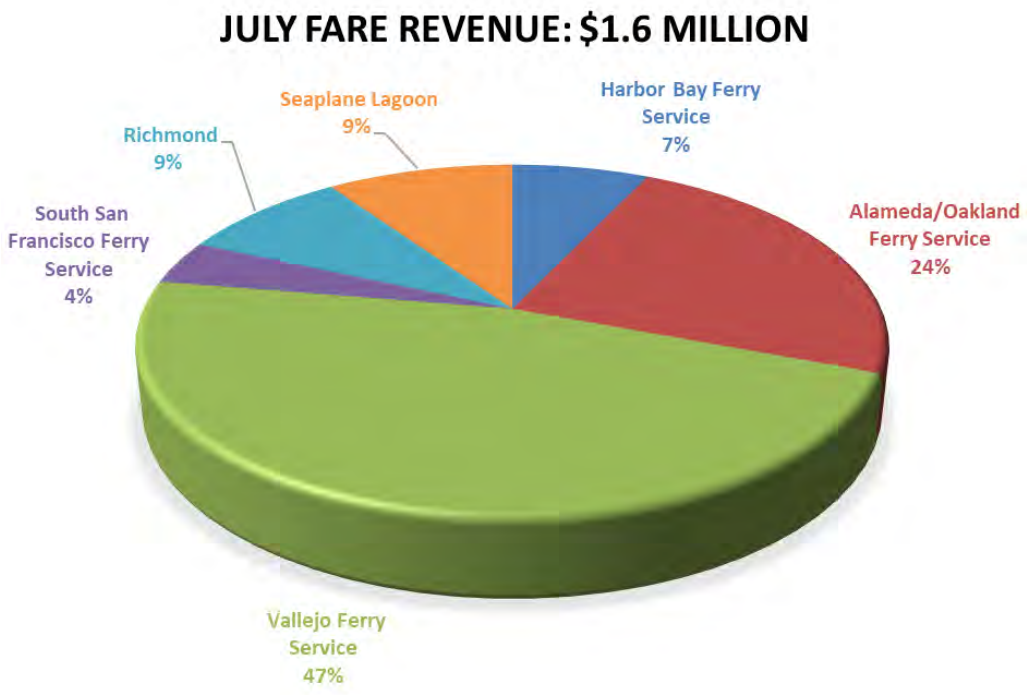
There is no recommendation associated with this informational item.

Financial Summary

This report provides a summary and review of financial activity against budget through July 2025, which is the first month of Fiscal Year 2025/26.

Operating Budget:

Total authorized expenses for the year are $80.8 million. With one month elapsed, expenses are within anticipated amounts with 8% of the budget expended. Fare revenue for the month was strong, with total revenue of $1.6 million which is 10% higher than the prior year for the same month of July 2024. The graphic below shows the percentage of fare revenue for the month from each route.



Capital Program Expense

Capital Budget expenses for the month were $3.75 million. Significant payments were processed last month for milestones related to the 400 Passenger Electric vessel and the *MV Gemini* refurbishment project. More detailed capital project data is provided on the last page of this report and a more narrative update is provided in the quarterly report by the Chief Capital Officer.

Investment Report

The total monthly balance held in both the Local Agency Investment Fund (LAIF) and our commercial bank as of July 30 is $17.9 million as shown below.

	July 2025
Bank of America (Checking)	$2,721,788
Bank of America (Measure B/BB)	6,791,314
Local Agency Investment Fund (LAIF)	8,352,195
Total	**$17,865,297**

Fiscal Impact
There is no fiscal impact associated with this informational item.

END

Attachment A – Monthly Financial Statements

San Francisco Bay Ferry (WETA)
Operating & Administration Monthly Budget Report FY 2025/26
Through the Month Ending 7/31/2025

% of Year Elapsed *8%*

	Month Jul. 2025 Actual	Year - To - Date FY2024-25 Actual	Year - To - Date FY2025-26 Actual	Total FY2025-26 Budget	% Budget
OPERATING REVENUE					
Fare Revenue	$1,614,359	$1,462,453	1,614,359	$15,790,355	*10%*
Revenue Transfer to Reserve	-	-	-	-	*0%*
Regional - Bridge Toll	4,249,179	3,145,440	4,249,179	57,064,302	*7%*
State Operating Assistance	-	645,924	-	3,000,000	*0%*
Local	320,448	358,954	320,448	3,845,380	*8%*
Other Revenue	5,575	550	5,575	1,170,130	*0%*
Total Operating Revenue	**$ 6,189,562**	**$ 5,613,321**	**$ 6,189,562**	**$ 80,870,168**	***8%***
OPERATING EXPENSE					
Harbor Bay Ferry Service					
Operations Labor	$171,931	$172,613	171,931	$2,092,240	*8%*
Vessel Fuel	83,020	70,455	83,020	1,146,055	*7%*
Vessel Operations & Maintenance	41,073	47,553	41,073	1,276,676	*3%*
Facility Operations & Maintenance	29,937	61,267	29,937	723,138	*4%*
Systemwide Expense	69,105	75,910	69,105	1,005,573	*7%*
Total Harbor Bay	**$ 395,066**	**$ 427,798**	**$ 395,066**	**$ 6,243,682**	***6%***
Farebox Recovery	***29%***	***22%***	***29%***	***20%***	
Alameda/Oakland Ferry Service					
Operations Labor	$439,379	$397,010	$439,379	$5,381,783	*8%*
Vessel Fuel	237,200	201,723	237,200	3,110,721	*8%*
Vessel Operations & Maintenance	161,576	85,919	161,576	2,637,783	*6%*
Facility Operations & Maintenance	158,823	161,442	158,823	1,916,370	*8%*
Systemwide Expense	193,573	202,763	193,573	2,585,846	*7%*
Total Alameda/Oakland	**$ 1,190,552**	**$ 1,048,856**	**$ 1,190,552**	**$ 15,632,503**	***8%***
Farebox Recovery	***32%***	***35%***	***32%***	***24%***	
Vallejo Ferry Service (Vallejo)					
Operations Labor	$534,896	$466,056	$534,896	$6,673,614	*8%*
Vessel Fuel	521,841	443,789	521,841	$6,876,330	*8%*
Vessel Operations & Maintenance	449,181	110,042	449,181	$4,280,296	*10%*
Facility Operations & Maintenance	494,437	445,562	494,437	4,031,352	*12%*
Systemwide Expense	252,014	259,411	252,014	3,140,878	*8%*
Total Vallejo	**$ 2,252,368**	**$ 1,724,860**	**$ 2,252,368**	**$ 25,002,470**	***9%***
Farebox Recovery	***34%***	***41%***	***34%***	***28%***	
South San Francisco Ferry Service (SSF)					
Operations Labor	$171,931	$155,352	$171,931	$2,060,405	*8%*
Vessel Fuel	59,300	50,282	59,300	1,637,221	*4%*
Vessel Operations & Maintenance	18,481	43,945	18,481	1,127,413	*2%*
Facility Operations & Maintenance	57,674	59,838	57,674	792,046	*7%*
Systemwide Expense	62,605	56,251	62,605	1,059,093	*6%*
Total South San Francisco	**$ 369,991**	**$ 365,669**	**$ 369,991**	**$ 6,676,177**	***6%***
Farebox Recovery	***18%***	***15%***	***18%***	***11%***	
Richmond Ferry Service (Richmond)					
Operations Labor	$362,965	$310,704	$362,965	$4,392,511	*8%*
Vessel Fuel	166,040	141,354	166,040	2,292,110	*7%*
Vessel Operations & Maintenance	49,475	113,271	49,475	1,818,521	*3%*
Facility Operations & Maintenance	127,336	133,703	127,336	1,659,169	*8%*
Systemwide Expense	136,654	142,220	136,654	2,011,145	*7%*
Total Richmond	**$ 842,470**	**$ 841,252**	**$ 842,470**	**$ 12,173,456**	***7%***
Farebox Recovery	***17%***	***14%***	***17%***	***12%***	

(continued on next page)

San Francisco Bay Ferry (WETA)
Operating & Administration Monthly Budget Report FY 2025/26
Through the Month Ending 7/31/2025

% of Year Elapsed *8%*

	Month Jul. 2025 Actual	Year - To - Date FY2024-25 Actual	Year - To - Date FY2025-26 Actual	Total FY2025-26 Budget	% Budget
OPERATING EXPENSE (continued)					
Seaplane Lagoon Ferry Service					
Operations Labor	$229,241	$224,397	$229,241	$2,802,985	*8%*
Vessel Fuel	118,600	101,009	118,600	1,309,777	*9%*
Vessel Operations & Maintenance	31,239	54,112	31,239	1,157,422	*3%*
Facility Operations & Maintenance	103,785	78,435	103,785	915,887	*11%*
Systemwide Expense	96,905	96,681	96,905	1,452,494	*7%*
Total Seaplane Lagoon	**$579,771**	**$ 554,634**	**$ 579,771**	**$ 7,638,565**	***8%***
Farebox Recovery	***27%***	***22%***	***27%***	***18%***	
Subtotal Operations (Regular Service)	**$ 5,630,219**	**$ 4,963,068**	**$ 5,630,219**	**$ 73,366,852**	***8%***
Farebox Recovery (exclud. Admin.)	***29%***	***29%***	***29%***	***22%***	
Alameda - Oakland Demonstration Project (Woodstock)	$104,071	$66,287	104,071	**$1,170,130**	*9%*
Subtotal Ferry Operations (All)	**$ 5,734,290**	**$ 5,258,938**	**$ 5,734,290**	**$ 74,536,982**	***8%***
Planning and Administration					
Wages and Fringe Benefits	$289,220	$217,770	$289,220	$3,192,907	*9%*
Professional & Other Services	113,703	99,354	113,703	1,874,950	*6%*
Information Tech., Office, Supplies	4,667	2,992	4,667	227,815	*2%*
Utilities/Communications	1,391	18,925	1,391	31,204	*4%*
Insurance	7,011	3,594	7,011	29,893	*23%*
Dues, Memberships, Misc.	17,280	11,319	17,280	233,315	*7%*
Leases and Rentals	22,000	429	22,000	743,104	*3%*
Subtotal Planning & Administration	**$ 455,272**	**$ 354,383**	**$ 455,272**	**$ 6,333,188**	***7%***
Total Operating Expense	**$ 6,189,562**	**$ 5,613,321**	**$ 6,189,562**	**$ 80,870,170**	***8%***
Systemwide Farebox Recovery (Regular Service, incl. Admin.)			**27%**		

San Francisco Bay Ferry (WETA)
FY 2025/26 Capital Revenue and Expense
Through the Month Ending 7/31/2025

	Total Project Revenue/Expense	Prior Years	FY 2025/26 Budget	Year-To-Date FY2025/26 Actual	Total Future Year	% of Project Budget
CAPITAL REVENUE						
Federal Funds	$ 191,044,549	$ 27,988,502	$ 72,863,435	$ 2,996,037	90,192,612	*16%*
State Funds	87,811,845	4,824,816	32,024,677	$ 226,810	50,962,352	*6%*
Regional - Bridge Toll	97,764,401	7,710,219	32,863,390	$ 485,972	57,190,792	*8%*
Local /Other	4,446,698	701,964	896,223	$ 44,017	2,848,511	*17%*
Pending/Unfunded	115,383,914	-	8,475,429		106,908,485	
Total Revenue	**$ 496,451,407**	**$ 41,225,501**	**$ 147,123,154**	**$ 3,752,836**	**$ 308,102,752**	
CAPITAL EXPENSE						
Vessel Projects: Dorado Class						
Vessel Replacements (Karl, Zalophus)	37,636,402	28,813,002	4,960,176	315,953	3,863,225	*77%*
Repair and Replacement Program: Vessels						
Vessel Mid-Life Reburbishment - MV Gemini	4,488,000	78,197	3,206,239	609,469	1,203,564	*15%*
Vessel Mid-Life Refurb. & Engine Overhaul - MV Pisces	4,679,000	14,054	4,664,946	3,032	-	*0%*
Engine Overhauls and Improvements	15,857,210	1,527,386	8,270,693	201,594	6,059,131	*11%*
Component Improvements/Dry Dock	2,279,500	-	2,279,500	2,526	-	*0%*
Repair and Replacement Program: Facilities						
Vallejo Terminal Reconfiguration	16,696,000	593,149	6,910,525	190,864	9,192,326	*5%*
Passenger Floats Rehabilitation - Pier 9	1,362,000	-	1,337,000	-	25,000	*0%*
Water Jet Equipment				2,720		
Multiuse Emergency Float	200,000	-	200,000	1,327	-	*1%*
Vallejo Ferry Terminal Dredging	3,030,735	108,989	2,897,500	5,817	24,246	*4%*
North Bay Fuel Farm Upgrades	540,000	-	540,000	-	-	*0%*
Administrative Facility Improvements	1,149,830	46,030	769,500	189,964	334,300	*21%*
South SF Dredging & Dredging Program Work	3,747,000	-	255,000	4,109	3,492,000	*0%*
Electrification Program (REEF)						
Vessels						
New Electric Vessels (Three - 150 PX)	58,407,000	6,439,279	9,858,638	8,384	42,109,083	*11%*
New Electric Vessels (Two - 400 PX)	77,351,393	1,301,968	41,086,609	2,057,969	34,962,816	*4%*
Hydrus Conversion to Battery Electric Propulsion	14,085,302	-	3,312,060	2,556	10,773,242	
Facility Electrification						
Central Bay Terminal	3,106,250	10,241	2,141,750	8,388	954,259	*1%*
Downtown San Francisco	77,929,201	1,526,178	24,644,971	68,735	51,758,052	*2%*
Treasure Island	6,798,681	80,251	3,350,000	22,664	3,368,430	*2%*
Main Street	11,887,500	-	255,000	-	11,632,500	*0%*
Seaplane Lagoon	25,508,000	253,431	7,711,807	23,064	17,542,762	*1%*
Harbor Bay	36,731,737	241,016	4,999,471	3,898	31,491,250	*1%*
Richmond Terminal	4,235,853	-	302,713	-	3,933,140	*0%*
Mission Bay Project	52,050,519	88,302	12,500,000	4,074	39,462,217	*0%*
Berkeley Pier/Ferry Project	3,000,000	68,188	179,683	10,916	2,752,129	*3%*
Oakland Ferry Terminal	33,694,294	35,840	489,373	14,813	33,169,081	*0%*
Total Expense	**$ 496,451,407**	**$ 41,225,501**	**$ 147,123,154**	**$ 3,752,836**	**$ 308,102,752**	

TO: **SF Bay Ferry Board Members**

FROM: **Ray Bucheger, Mana Shim, Madison Higginbotham and Meghan Flynn**
SF Bay Ferry Federal Legislative Representatives

SUBJECT: **SF Bay Ferry Federal Legislative Board Report – September 2025**

This report covers the following topics:

- Update on FY26 Federal Appropriations Process
- Surface Transportation Reauthorization Priorities Submitted to DOT
- Congressional Visits during August Recess
- Public Ferry Coalition (PFC) Coordination

Update on FY26 Federal Appropriations Process

We are now less than a month away from the deadline to pass FY26 appropriations bills, with little progress to date. Congress has two options as we approach the September 30th deadline:

1. Pass a short-term Continuing Resolution (CR) that would fund the government until November or December and give Congressional leaders more time to negotiate a full year funding package; or
2. A government shutdown.

Democrats remain concerned the executive branch will ignore direction from Congress when spending appropriated funds, increasing pressure on Leaders Chuck Schumer (D-N.Y.) and Hakeem Jeffries (D-N.Y.) to consider a shutdown. At the same time, House and Senate Republicans remain divided over FY26 funding levels, with some backing traditional toplines and others aligning with the significant cuts proposed by President Trump.

SF Bay Ferry has a big stake in these negotiations. Recall that we were able to secure $1.98 million for SF Bay Ferry in the Senate THUD bill for phase one of the Oakland Modernization Project. Additionally, for the sixth year in a row we have also been able to secure additional funding the FTA 5307(h) ferry program.

Surface Transportation Reauthorization Priorities Submitted to DOT

The U.S. Department of Transportation asked transportation stakeholders to submit their Surface Transportation Reauthorization Priorities to inform the Department's own process for developing priorities the Trump Administration will present to Congress. We made a submission on behalf of SF Bay Ferry and the Public Ferry Coalition. The priorities we

submitted were the same priorities we submitted to Congressional committees earlier this year, including:

- Increase the Federal Highway Administration's Ferry Boat Program to $160M annually
- Make permanent the Federal Transit Administration's Electric/Low Emission Ferry Program at $240M annually and rename to Alternative Energy Ferry Program or Alternative Energy for Water Transit
- Increase the Federal Transit Administration's Passenger Ferry Grant Program to $100M annually
- Make permanent the Federal Transit Administration's Rural Ferry Grant Program at $100M annually

These priorities were developed by SF Bay Ferry, in collaboration with other PFC members and were approved by PFC membership.

Congressional visits during August recess

During August recess Accelerate Strategies worked with Lauren Gularte to coordinate SF Bay Ferry tours for Congresswoman Lateefa Simon (D-CA) and Senator Padilla (D-CA) staff. These visits help members and staff get a firsthand look at SF Bay Ferry operations and continue to cultivate strong relationships.

- Senator Padilla has been one of our leading advocates the past several years but has had some staff turnover in recent weeks. The Padilla staff that visited SF Bay Ferry are taking over a key issue portfolio for the Senator and will be one of our key contacts in that office in the coming months.
- Rep Simon's visit followed up on several meetings with the Congresswoman and her staff in Washington, D.C. and resulted in a very productive conversation about how the Congresswoman can work with SF Bay Ferry to advocate for additional federal funding.

We will continue to look for opportunities to get other members of Congress and staff to visit with SF Bay Ferry staff and ride a ferry boat.

Public Ferry Coalition (PFC) Coordination

Accelerate Strategies is actively working to grow, organize, and formalize the operations of the PFC. Our team has drafted bylaws, which are undergoing revisions to ensure they are ready as the coalition progresses. Accelerate Strategies is also in the process of organizing both the current contact list and a potential members list to support targeted outreach and expansion of the PFC. A shared drive has been created for PFC members to access resources and contact information, and we plan to share it with the group in November. Additionally, several polls have been shared with PFC members to facilitate efficient data collection and information sharing among members.

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Yoder
Antwih
Schmelzer
& Lange

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Suite 1000
Sacramento
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916-446-4656

September 2, 2025

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

FM: Matt Robinson, Partner
Michael Pimentel, Partner

RE: STATE LEGISLATIVE UPDATE – September 2025

General Update

After breaking for Summer Recess on July 18, the Legislature reconvened on August 18 to wrap up the first year of the 2025-26 Legislative Session. August 29 was the appropriations committees' suspense file hearings. Bills which passed this last committee hurdle are now moved to the floors of each house for final votes. Bills will need to be in their final form 72 hours prior to final votes. The Legislature will recess the first year of the two-year 2025-26 Legislative Session on September 12. For information about key legislative and budget deadlines, please see the 2025 Legislative Calendar available here.

Cap-and-Trade Reauthorization

Earlier this year, Governor Newsom and Legislative leaders expressed their intent to act in 2025 to reauthorize the Cap-and-Trade program beyond 2030. Yet, with scarcely two weeks until the Legislature's September 12 recess, no agreement has been reached to lift the sunset on this landmark program. While there was some urgency to act quickly to reassure the allowance markets, the August auction proceeded on the 20th without an extension in place. This auction generated an estimated $843 million for the state – far *more* than the last auction in May – but $107 million *less* than the equivalent August auction from 2024.

Experts argue this dip in auction proceeds have been primarily driven by uncertainty in the future of the program, which has led to a reduction in demand for allowances and the price emitters are willing to pay for an allowance, resulting in lower revenues. This lack of certainty and confidence is one of the main reasons the Governor and Legislature want to extend the program an additional 15 years. The California Transit Association, of which SF Bay Ferry is a member, has led the fight in Sacramento to ensure that any Cap-and-Trade reauthorization maintains strong funding for public transportation programs.

In the final two weeks of the session, the Legislature and the Governor could agree to extend the program and leave the revenue allocations/funding programs for another day, essentially leaving the current programs (e.g. TIRCP) in place. They could also agree to extend the program and alter the funding programs to address evolving administration and legislative priorities, including specified

funding for the high-speed rail project or energy affordability. We have seen draft plans from each house that speak to different approaches to expenditures (shorter multi-year commitments versus long-term, continuously appropriated programs) with very little detail other than broad categories consistent with existing law (e.g. clean transportation). All parties seem to agree on an extension to 2045.

The California Transit Association has asked its member agencies to engage with their state representatives and urge them to ensure any final agreement maintains continuous appropriations to transit programs – including TIRCIP and LCTOP – through 2045 at funding levels equal to or greater than historic funding levels.

Fiscal Year 2025-26 GGRF Funding for Transit Agencies

Earlier this summer, the Governor and Legislature agreed on the Fiscal Year 2025-26 Budget. This budget included intent language honoring the appropriation of $368 million in one-time GGRF funding for TIRCP Cycle 6 and SB 125 formula TIRCP, previously established by the Governor and Legislature.

However, the Budget Act did not contain the actual appropriation to fulfill the commitment – this action was promised to happen later in 2025 through the FY 2025-26 GGRF Expenditure Plan.

Unfortunately, SF Bay Ferry's state representatives now understand that, notwithstanding the recency of the budget's adoption, and the Legislature's impending adjournment for the year on September 12, the Governor and Legislature have not yet finalized the FY 2025-26 GGRF Expenditure Plan.

The California Transit Association is lobbying the Legislature and Administration to emphasize the need for the FY 2025-26 GGRF Expenditure Plan to honor all existing one-time GGRF commitments to transit programs, consistent with the intent language in the Budget Act of 2025.

Bay Area Transit Loan

At the start of 2025, Senator Jesse Arreguín (D-Berkeley) and Assemblymember Mark Gonzalez (D-Los Angeles) proposed that the Legislature allocate $2 billion in new monies for transit agencies across the State. After the Governor's May Revision revealed California was facing a $12 billion deficit, that effort seemed like a long shot. Instead, the Governor and Legislative leaders agreed to a $750 million emergency loan for four Bay Area transit agencies (AC Transit, BART, Caltrain, and SF Muni). Pursuant to the Budget Act, this emergency loan is generally conditioned upon the agencies having repayment plans *and* the passage of the Bay Area Regional Measure (by the Legislature, not the voters). Additional details have been scarce, but the impacted agencies are working on loan terms with Bay Area legislators, and we expect the Department of Finance to be engaged as these details are finalized and agreed to amongst the parties.

Bay Area Regional Measure

The Bay Area Regional Measure, ensconced in SB 63 (Wiener and Arreguín), is currently on the Assembly Floor awaiting its final set of amendments. As you are aware, the bill seeks to authorize a sub-regional sales tax in five Bay Area counties – one-half cent in Alameda, Contra Costa, Santa Clara & San Mateo Counties and one cent in San Francisco County – to generate additional revenue to support Bay Area public transit systems. The bill passed the Assembly Appropriations Committee on August 29. Per an

agreement between SB 63's Authors and Assembly Transportation Committee Chair Wilson, the bill will be heard a second time in the Committee once the final amendments have been agreed to.
The current expenditure plan calls for SF Bay Ferry to receive 0.66 percent of the total revenue from the tax measure – predicted to be approximately $7 million annually by Fiscal Year 2031. The measure would also provide 4.4 percent of the revenues for transit transformation to be controlled by MTC and 0.22 percent of revenues for administration of the measure. However, as of this writing, the approach to distributing revenues to the counties and the operators is still under discussion. While we don't believe the amounts will change, the bill may be amended to define each county's share more clearly to the regional operators as a subvention from each county.

Additionally, the final governance and oversight functions in the bill are being discussed. The bill currently requires financial audits of the major transit systems facing fiscal cliffs (AC Transit, BART, Caltrain, SF Muni), as well as provisions for stronger regional network management and authorizes a regional network manager to implement the network management framework in exchange for access to SB 63 funds. The final version of the bill will include an additional five-county oversight committee to address performance and operational issues.

Brown Act Reform
At the start of 2025, multiple Brown Act-related bills were introduced in the Legislature. In recent years, legislation has successfully authorized the (limited) use of remote participation for board/council members under certain circumstances (illness, caring for others, travel, etc.) as long as a quorum of the agency's members participate in person from the same location identified on the agenda and that the location is open to the public and is within the local agency's jurisdiction. Prior to this authorization, members participating remotely would have had to post their location and open that location to the public. This authority was created by AB 2449 (Rubio) and is primed to sunset on January 1, 2026.

AB 259 (Rubio) sought to extend these provisions to January 1, 2030. However, after passing the Assembly, the bill did not move out of the Senate Local Government Committee.

In addition, for several years, local agencies have worked to allow for *entirely* remote participation for advisory or subsidiary bodies. During the last legislative session, AB 817 (Pacheco) tried and failed to grant this authority. This year SB 239 (Arreguín) was introduced to authorize members of subsidiary bodies to participate remotely – with requirements for notice, agenda, and public participation. SB 239 would have still required *elected officials* serving on a subsidiary body and participating remotely to post their location and open that location to the public. SB 239 was ordered to the inactive file by Senator Arreguín in early June.

The last Brown Act bill remaining is SB 707, authored by Senate Local Government Committee Chair Maria Elena Durazo. SB 707, as amended July 17, is intended to serve as a comprehensive update to the Brown Act, and includes most of the provisions originally proposed in AB 259 and SB 239, in addition to several other components.

SB 707 creates a new category of legislative bodies for purposes of the Brown Act. Called an "*eligible legislative body*" – these include:

- A city council of a city of 30,000 or more people
- A county board of supervisors with a population of 30,000 or more
- A city council located in a county of 600,000 or more people
- Board of directors of a special district whose boundaries include a population of 200,000 or more

SB 707 requires the above eligible legislative bodies to provide two-way teleconference opportunities for the public, to provide language translations of their agenda, and to *reasonably* assist members of the public with translation services. Bodies which are *not* covered by the above, and who meet in person, would not have to offer a two-way platform.

Further, SB 707 extends existing teleconference flexibility provisions allowing remote participations – as proposed in AB 259 – until January 1, 2030, and permits teleconferencing flexibility for subsidiary bodies – as proposed by SB 239 – until January 1, 2030, but requires that the legislative body offer remote participation *and* one physical location where members of the public may attend and participate.

We understand that SB 707 will be further amended in the coming days to delay its implementation and to update its definition of "special district." **This bill is on the Assembly Floor.**

Bills of Interest

SB 63 (Wiener) Regional Measure – SUPPORT

This bill seeks to generate additional revenue to support the Bay Area's public transit systems by way of a regional transportation measure. See *"Bay Area Regional Measure"* for additional information.

SB 71 (Wiener) CEQA Exemptions for Transit Projects – SUPPORT

Co-Sponsored by the California Transit Association, this bill would extend the current January 1, 2030 sunset date established by SB 922 (Wiener, 2022) for statutorily authorized CEQA exemptions for transit and transportation projects to January 1, 2040, add additional project-types to the list of exemptions (ferry terminals, transit operational analysis, bus stops, bus shelters), and make substantive procedural changes surrounding board actions (i.e. board process for establishing a project's cost estimate). Amendments taken to the bill on September 2 add joint development projects to the list of projects eligible to claim an exemption under the bill and remove Section 3 related to environmental leadership projects in Los Angeles County.

SB 79 (Wiener) Transit Oriented Development – SUPPORT

This bill would require that a residential development proposed within one-half or one-quarter mile of a transit-oriented development stop be an allowed use on any site zoned for residential, mixed, commercial, and further requires that the development be eligible for streamlined, ministerial approval, while establishing allowable densities on these properties. Amendments taken to the bill on September 2 reduce the number of communities impacted by the bill by: limiting the applicability of its streamlining provisions to projects located near existing or currently planned Tier 1 or Tier 2 transit-oriented development stops in the 8 most transit-rich counties of the state, unless a local jurisdiction chooses to designate a station as a Tier 3 transit-oriented stop; removing ferries and low frequency commuter rail from the service types that may define a Tier 3 transit-oriented stop; and creating exemptions from its streamlining provisions to protect historical resources and limit greater density in very high fire severity zones, sites that are vulnerable to one foot of sea level rise, and in local jurisdictions that have already

upzoned station areas. Additionally, these amendments would advance new housing affordability and anti-demolition and displacement provisions and limit transit agencies' land use authority. As of this writing, your advocates are working with Senator Wiener's office to see if there is a way to add ferry terminals/services back to the bill

SB 707 (Durazo) Brown Act Reform – WATCH
This bill would make a number of changes to the Brown Act. Including new public access and participation requirements for specified legislative bodies, new exemptions from certain teleconferencing requirements for eligible subsidiary bodies and eligible multi-jurisdictional bodies, and extensions of law providing exemptions from certain teleconferencing requirements for specified legislative bodies or under specified circumstances. This bill contains several other provisions related to the Brown Act, including that certain special districts provide agenda translations and to reasonably assist members of the public with translation services, but does not require an agency to provide an interpretation for a meeting.

SB 239 (Arreguín) Brown Act Teleconferencing Advisory Bodies – WATCH
This bill would authorize a subsidiary body to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation. The bill would require the subsidiary body to post the agenda at the primary physical meeting location. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform and would require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting. The bill would require the legislative body that established the subsidiary body electing to use teleconferencing pursuant to these provisions to establish the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter. The bill would require the subsidiary body to approve the use of teleconference by two-thirds vote before using teleconferencing. ***This is a two-year bill.***

AB 259 (Rubio) Brown Act Teleconferences – WATCH
Existing law authorizes local agencies to use teleconferencing for board/council members under certain circumstances (illness, caring for others, travel, etc.) as long as a quorum of the members participate in person from the same location identified on the agenda and that the location is open to the public and in within the local agency's jurisdiction. Existing law establishes limits on the number of meetings members may participate in via teleconference to two meetings per year if the legislative body regularly meets once per month or less. These provisions sunset on January 1, 2030. This bill would remove the sunset date and extend the alternative teleconferencing procedures indefinitely. ***This is a two-year bill.***

AB 394 (Wilson) Transit Safety – SUPPORT
Co-Sponsored by the California Transit Association, this bill, as amended July 17, would enhance the safety and security of California's public transportation systems by strengthening protections for transit operators, employees, and passengers. The bill accomplishes this goal by expanding existing law (Penal Code Section 243.3) to protect all transit employees against battery and empowering agencies to seek a court-issued temporary restraining order against a perpetrator for a violation of Penal Code Section 243.3. The Amalgamated Transit Union and the Teamsters are co-sponsors of this bill.

AB 939 (Schultz) Transportation Bond – WATCH
This bill would enact the Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026 which, subject to voter-approval, would authorize $20 billion in General Obligation bonds to finance transit and passenger rail improvements, local streets and roads and active transportation projects, zero-emission vehicle investments, transportation freight infrastructure improvements, and grade separations and other critical safety improvements. The bill still needs additional substantive amendments, but it sets aside $6 billion for transit capital improvements, $4 billion for intercity, regional, and commuter passenger rail improvements, and $3 billion for zero-emission vehicle investments, including rolling stock, battery electric technology vehicles, and hydrogen technology vehicles. **This bill is dead.**

AGENDA ITEM 5e
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

FROM: **Seamus Murphy, Executive Director**
Michael Gougherty, Director of Planning
Gabriel Chan, Transportation Planner

SUBJECT: **Ridership Report – September 2025**

Background

The agency's 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. SF Bay Ferry relaunched the South San Francisco service in November 2021.

The Plan enhanced service during midday and weekend periods to reflect changing demands from regular commuters and recreational riders. Lower fares, more in line with parallel transit options such as BART or Transbay buses, are an additional feature of the Plan. With the introduction of the new ridership database in January 2023, staff are now able to provide more in-depth insights about ridership data with greater precision and accuracy. This report provides a monthly update on ridership trends, comparisons to historical data and other regional transit operators, as well as upcoming service adjustments.

Discussion

This report includes ridership data for August 2025. SF Bay Ferry had over 311,000 boardings in August. Compared to the same months in 2019, ridership was 94% of pre-pandemic August. Year-over-year ridership grew by 16% compared to August 2024. SF Bay Ferry continues to outperform in terms of ridership recovery relative to other regional transit operators. BART registered 47% of July 2019 ridership and Caltrain saw 64% of pre-pandemic July ridership.

Appendix A. Ridership Data Summary

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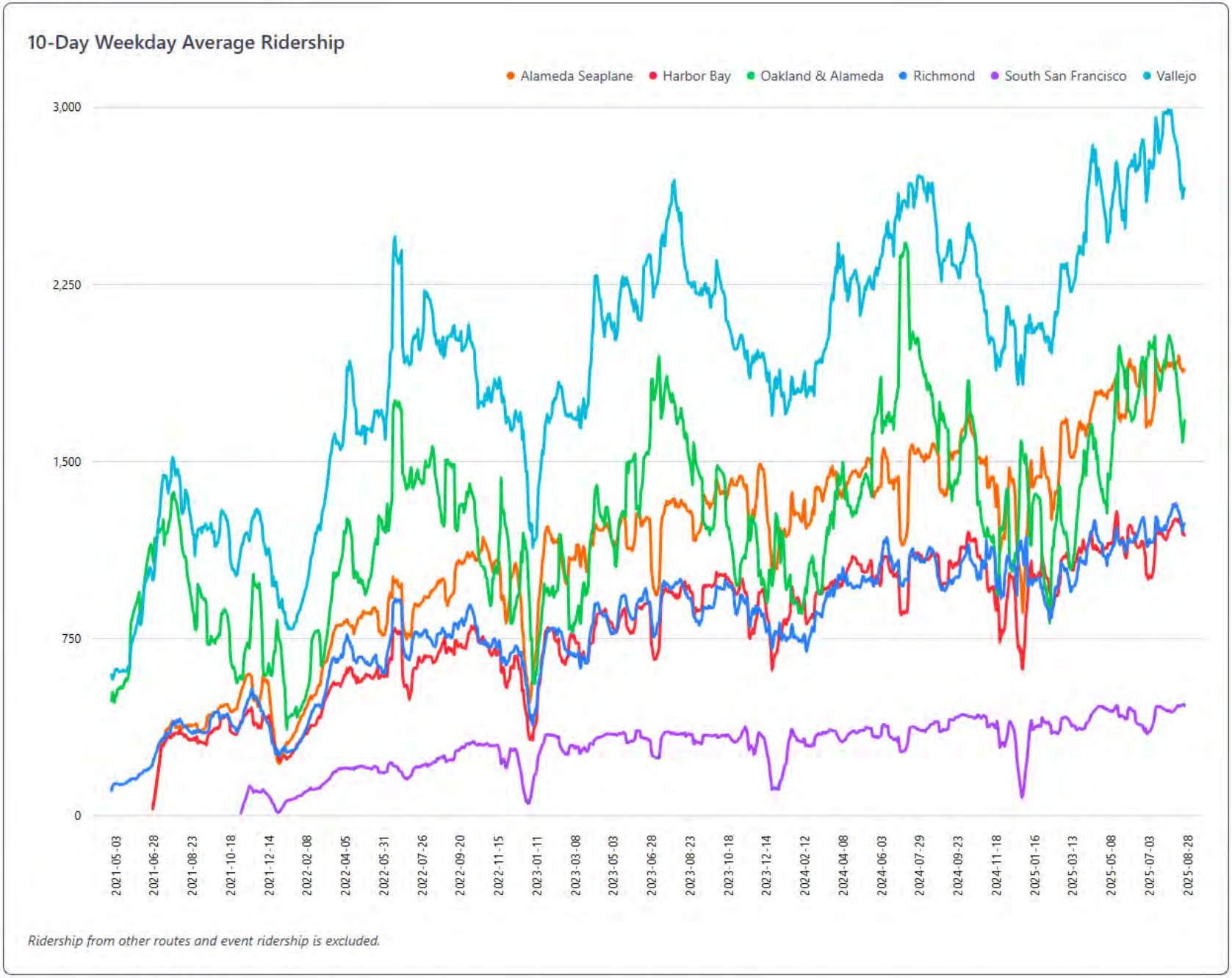
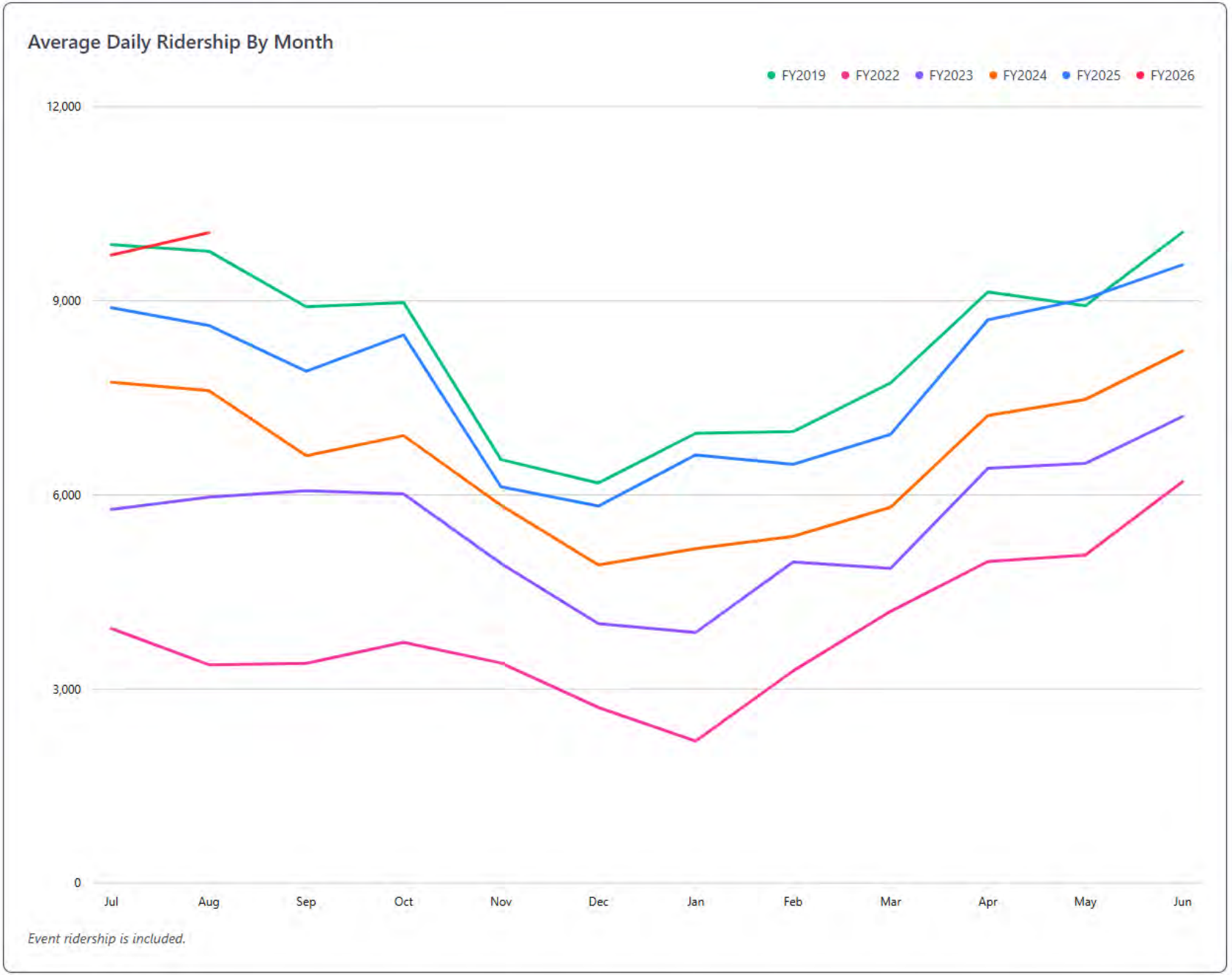
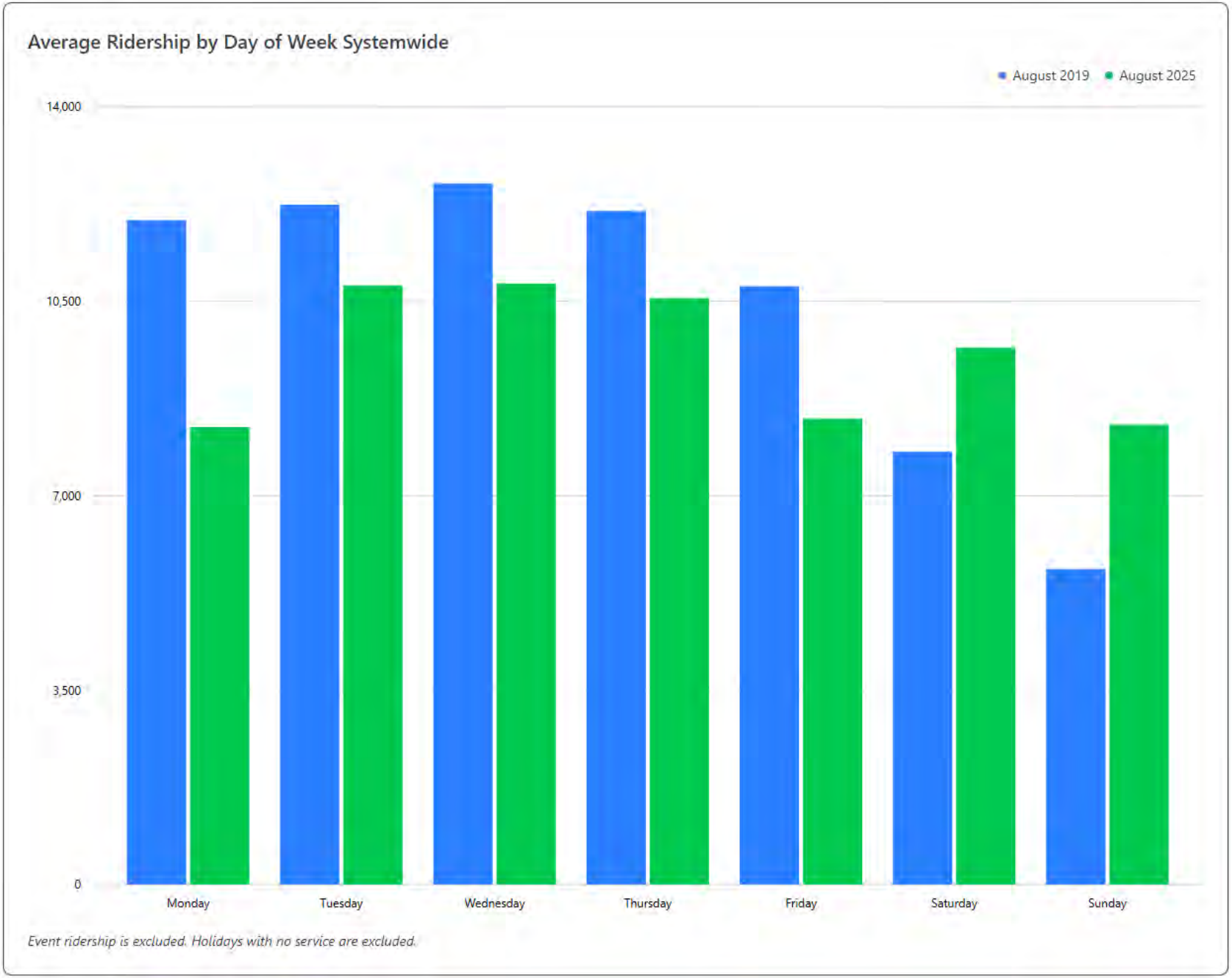
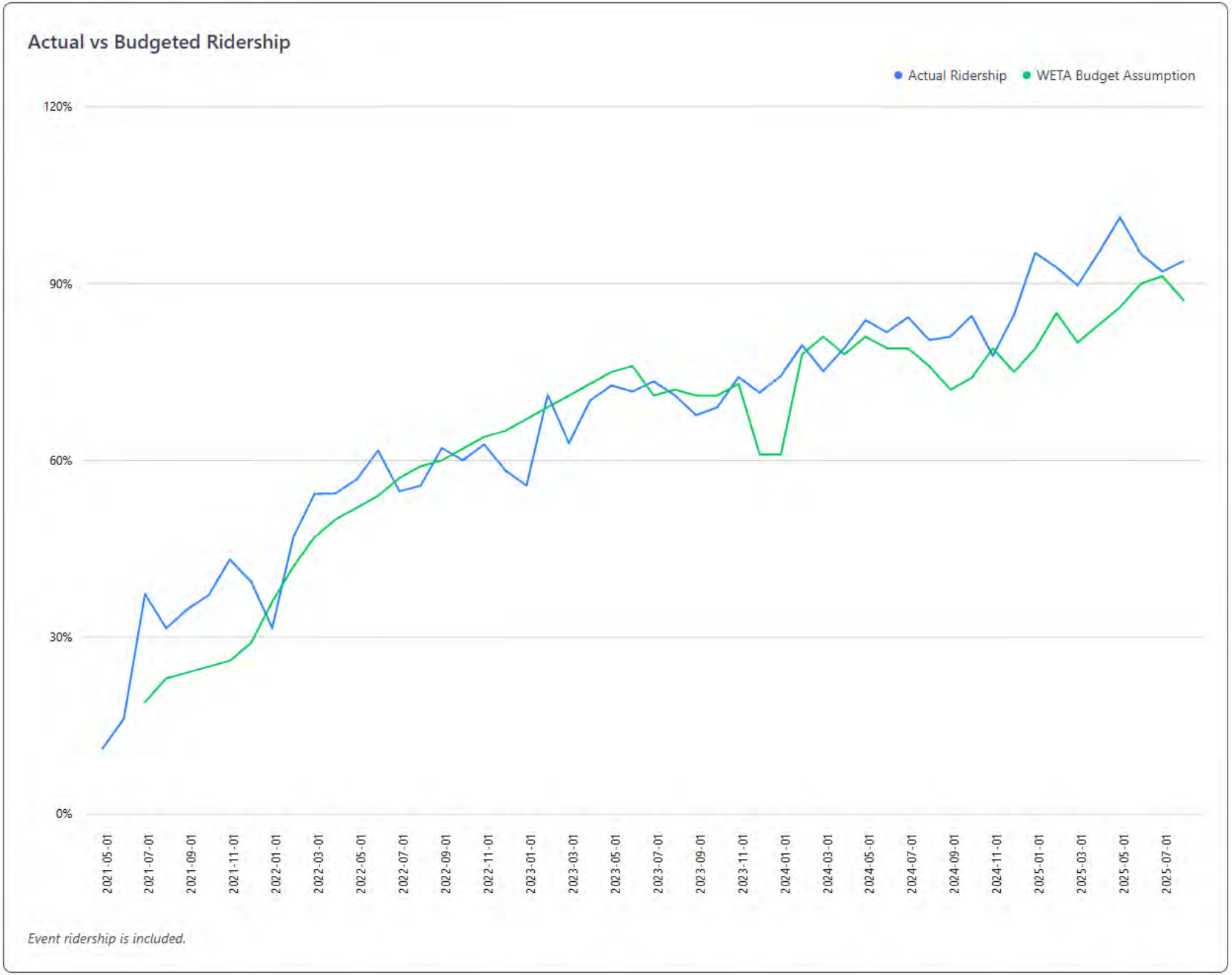
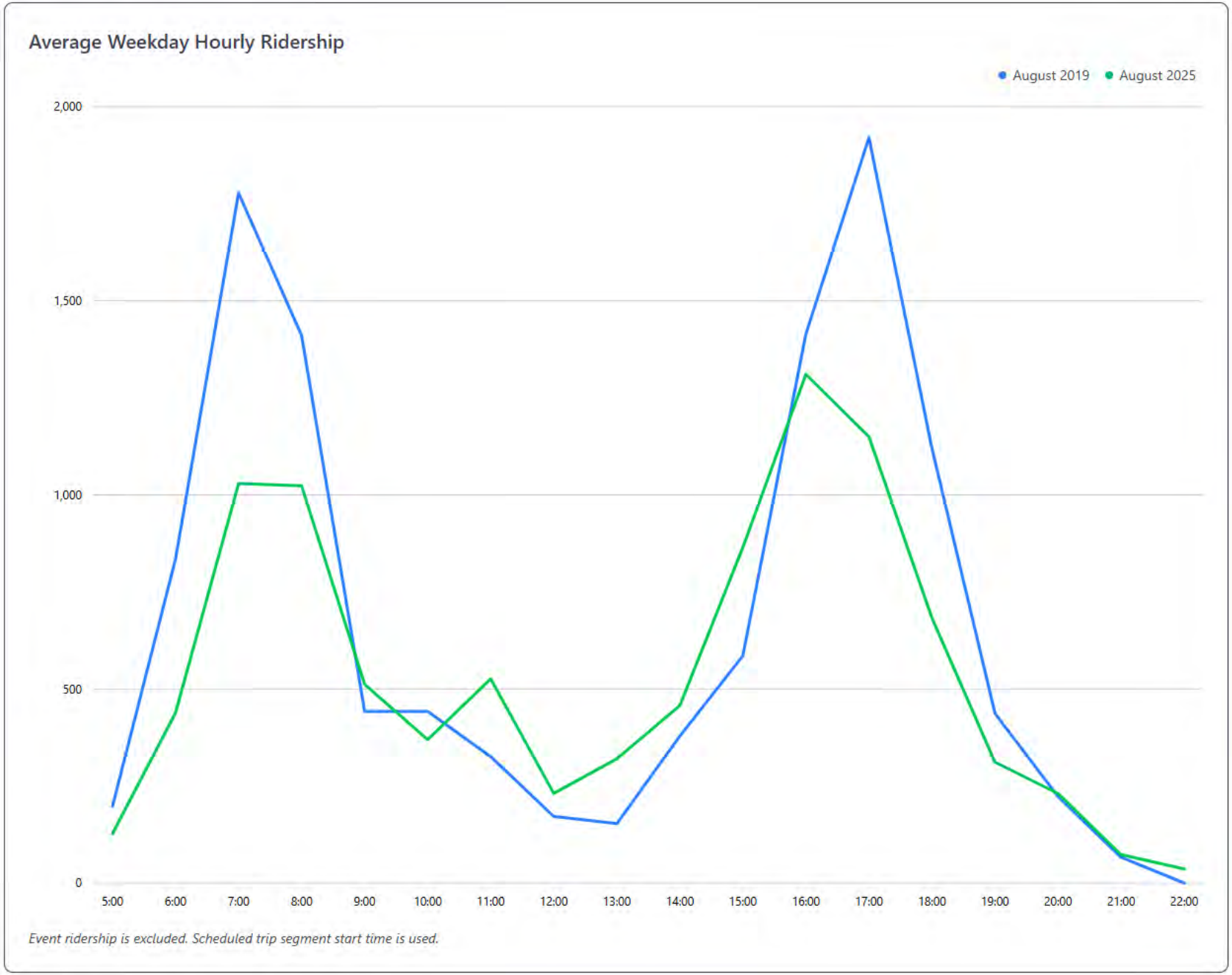
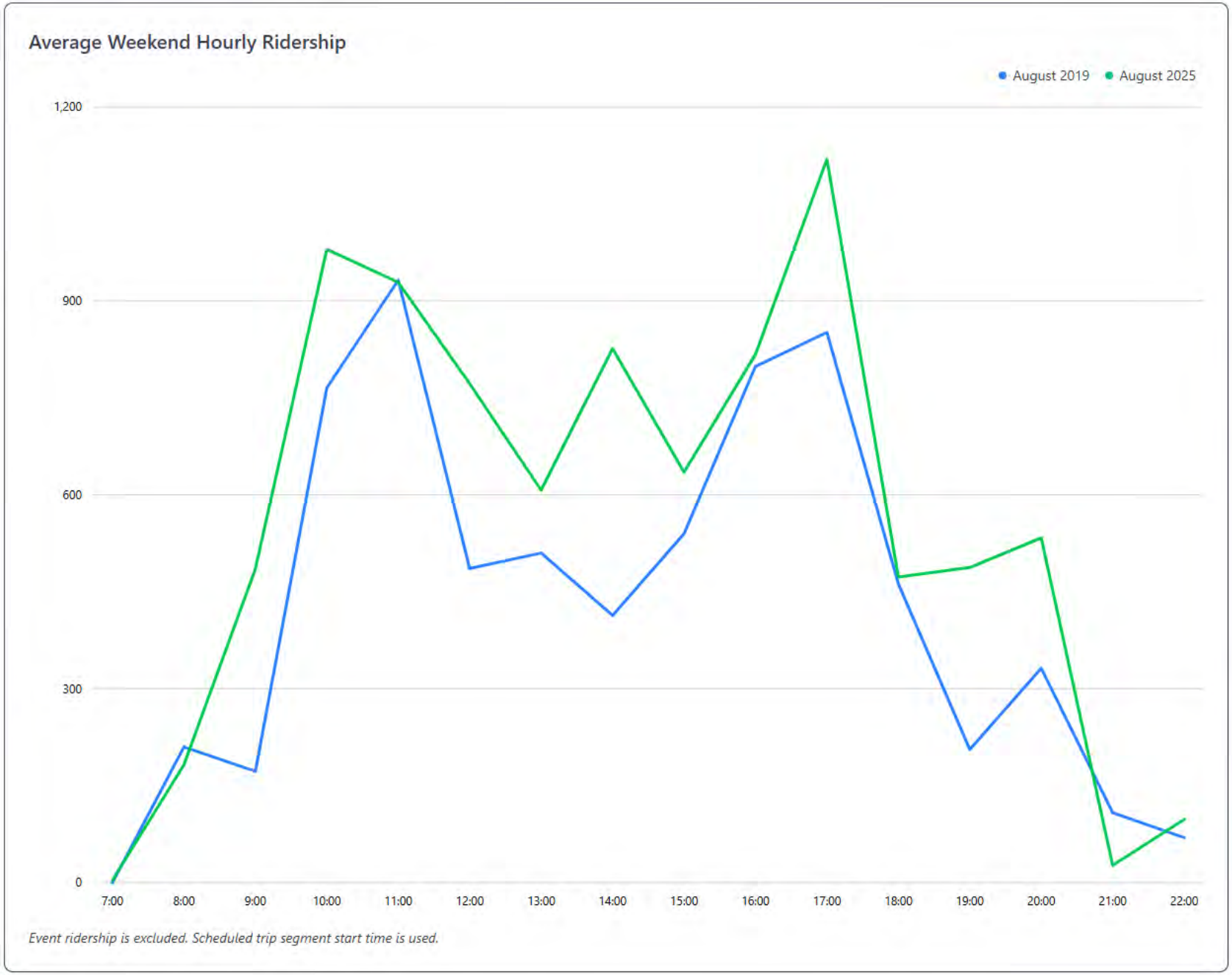

10-Day Weekday Average Ridership
Alameda Seaplane
Harbor Bay
Oakland & Alameda
Richmond
South San Francisco
Vallejo
3,000
2,250
1,500
750
0
2021-05-03
2021-06-28
2021-08-23
2021-10-18
2021-12-14
2022-02-08
2022-04-05
2022-05-31
2022-07-26
2022-09-20
2022-11-15
2023-01-11
2023-03-08
2023-05-03
2023-06-28
2023-08-23
2023-10-18
2023-12-14
2024-02-12
2024-04-08
2024-06-03
2024-07-29
2024-09-23
2024-11-18
2025-01-16
2025-03-13
2025-05-08
2025-07-03
2025-08-28
Ridership from other routes and event ridership is excluded.

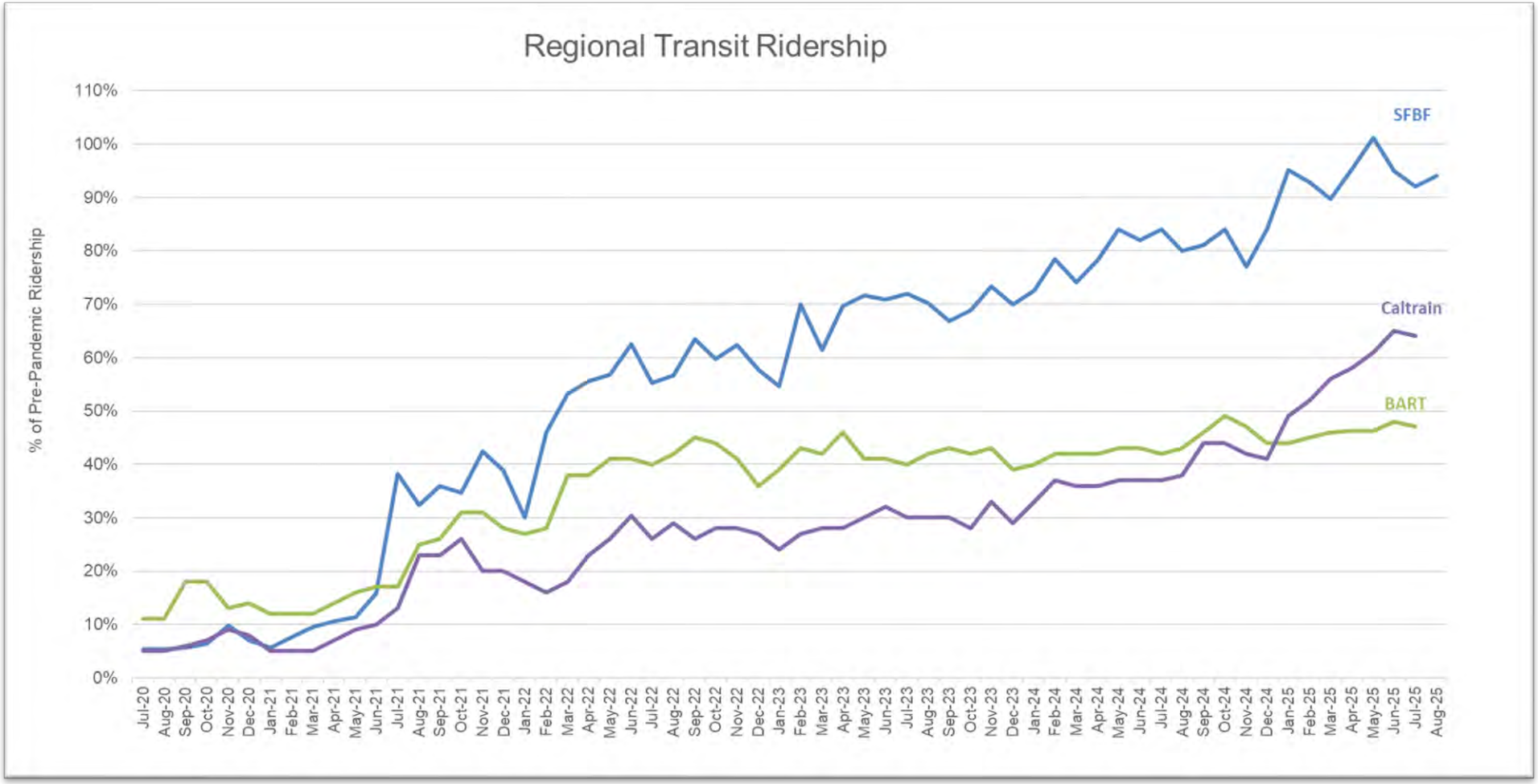

Average Daily Ridership By Month
FY2019
FY2022
FY2023
FY2024
FY2025
FY2026
12,000
9,000
6,000
3,000
0
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
Event ridership is included.


Average Ridership by Day of Week Systemwide
August 2019
August 2025
14,000
10,500
7,000
3,500
0
Monday
Tuesday
Wednesday
Thursday
Friday
Saturday
Sunday
Event ridership is excluded. Holidays with no service are excluded.


Actual vs Budgeted Ridership
Actual Ridership
WETA Budget Assumption
120%
90%
60%
30%
0%
2021-05-01
2021-07-01
2021-09-01
2021-11-01
2022-01-01
2022-03-01
2022-05-01
2022-07-01
2022-09-01
2022-11-01
2023-01-01
2023-03-01
2023-05-01
2023-07-01
2023-09-01
2023-11-01
2024-01-01
2024-03-01
2024-05-01
2024-07-01
2024-09-01
2024-11-01
2025-01-01
2025-03-01
2025-05-01
2025-07-01
Event ridership is included.


Average Weekday Hourly Ridership
August 2019
August 2025
2,000
1,500
1,000
500
0
5:00
6:00
7:00
8:00
9:00
10:00
11:00
12:00
13:00
14:00
15:00
16:00
17:00
18:00
19:00
20:00
21:00
22:00
Event ridership is excluded. Scheduled trip segment start time is used.


Average Weekend Hourly Ridership
August 2019
August 2025
1,200
900
600
300
0
7:00
8:00
9:00
10:00
11:00
12:00
13:00
14:00
15:00
16:00
17:00
18:00
19:00
20:00
21:00
22:00
Event ridership is excluded. Scheduled trip segment start time is used.



Event ridership is included.

Operational Statistics

	Oakland & Alameda	Richmond	Harbor Bay	South San Francisco	Alameda Seaplane	Vallejo	Oakland Alameda Water Shuttle	Ballpark (Oakland & Alameda)	Chase Center	Ballpark (Vallejo)	Systemwide
Total Ridership August 2025	83,149	35,826	25,290	9,439	39,346	84,696	15,528	7,767	4,296	6,327	311,664
Total Ridership July 2025	76,502	34,754	26,064	9,907	42,249	85,376	13,153	6,233	981	5,260	300,946
Percent Change	8.7%	3.1%	-3%	-4.7%	-6.9%	-0.8%	18.1%				3.6%
Total Ridership August 2025	83,149	35,826	25,290	9,439	39,346	84,696	15,528	7,767	4,296	6,327	311,664
Total Ridership August 2024	73,807	29,620	23,838	8,295	33,271	75,352	12,777	5,291	0	2,862	267,195
Percent Change	12.7%	21%	6.1%	13.8%	18.3%	12.4%	21.5%				16.6%
Total Ridership FY2026 to date	159,651	70,580	51,354	19,346	81,595	170,072	28,681	14,000	5,277	11,587	612,610
Total Ridership FY2025 to date	156,501	59,475	46,998	16,014	65,206	157,220	19,924	10,446	0	6,334	542,847
Percent Change	2%	18.7%	9.3%	20.8%	25.1%	8.2%	44%				12.9%
Average Weekday Ridership August 2025	1,797	1,262	1,204	449	1,874	2,746	445	478	512	277	10,044
Weekdays Operated in August 2025	21	21	21	21	21	21	17	7	3	9	21
Average Weekend Ridership August 2025	4,540	933				2,703	797	631	690	548	10,075
Weekend Days Operated in August 2025	10	10	0	0	0	10	10	7	4	7	10
Ridership Per Hour August 2025	172	88	131	71	155	110	93	457	526	251	127
Ridership Per Mile August 2025†	12.1	4.8	6.4	3.9	9.9	4.1	43.6	41.3	43.5	8.4	6.7
Revenue Hours August 2025	483	405	192	133	254	772	166	17	8	25	2,457
Revenue Hours FY To Date	972	821	394	272	524	1,556	322	30	10	47	4,952
Revenue Miles August 2025†	6,877.1	7,388.2	3,973.2	2,415	3,964.8	20,603.3	356.5	187.9	98.7	753.1	46,617.7
Revenue Miles FY To Date†	13,842.2	14,988.4	8,135.6	4,945	8,153.6	41,518.4	690	341.5	126.9	1,354.6	94,105
% of planned trip segments August 2025	99.7%	100%	100%	100%	99.9%	100%	95.3%	100%	100%	100%	98.8%
% of trip segments on time August 2025*	99%	99.9%	98%	100%	99.4%	93.7%					98%

†Statute miles.
*On time is less than 10 min of delay in arriving.

AGENDA ITEM 5f
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

FROM: **Seamus Murphy, Executive Director**
Thomas Hall, Director of Operations & Customer Experience
Joseph Ramey, Project Development & Controls

SUBJECT: **Service Reliability Report – July 2025**

Background
The following metrics are included in this report:

- **On-Time Trips:** Trips arriving early, on-time, or less than five minutes after the scheduled arrival time.
- **Late Trips:** Trips arriving five minutes or more past the scheduled arrival time.
- **Cancelled Trips:** Cancelled trips not replaced by a substitute (backup) vessel.
- **On-Time Performance (OTP):** The percentage of total trips that arrived early, on-time, or less than five minutes after the scheduled arrival time.
- **Service Reliability:** The percentage of scheduled trips that were operated, after adjusting for trips cancelled.
- **Max-Out Trips:** Trips with passenger counts at least 98% of maximum capacity based on the vessel assigned.

Every six months, staff will provide reliability metric comparisons to other public ferry operators.

The findings of this report will also inform potential initiatives that staff can pursue to improve on-time performance and reliability along with input from the Board and others. SF Bay Ferry's average on-time performance and service reliability goals for 2025 are both 95% for the system as a whole.

This report covers only regular SF Bay Ferry service. It does not include pilot services or special event service.

Discussion
Year to date, SF Bay Ferry is performing at a service reliability of 99.8% and an on-time performance of 96.9%. Both metrics exceed established goals so far in 2025.

These are highlights for the service's reliability and on-time performance for July 2025.

- **Reliability:** SF Bay Ferry completed 4,490 of 4,494 trips in July, for a reliability rate of 99.9%.
- **On-time performance:** In July, 97.8% of SF Bay Ferry's trips were considered on-time. Vallejo weekend on-time performance remains lower than other slices of service, despite direct service for all afternoon games being provided and enhanced dwell times for key trips being added in 2024. Staff will review standards and practices for efficient boarding and disembarking and work with Blue & Gold Fleet operations management to develop strategies to bring Vallejo weekend on-time performance into line with other services.

- **Max-Outs:** Eighteen non-reserved transbay trips hit 98% of maximum capacity in July. Fourteen of those were associated with Giants day games. Thirteen of the trips were on the Vallejo route, with three on the Oakland & Alameda route and two on the Richmond route.

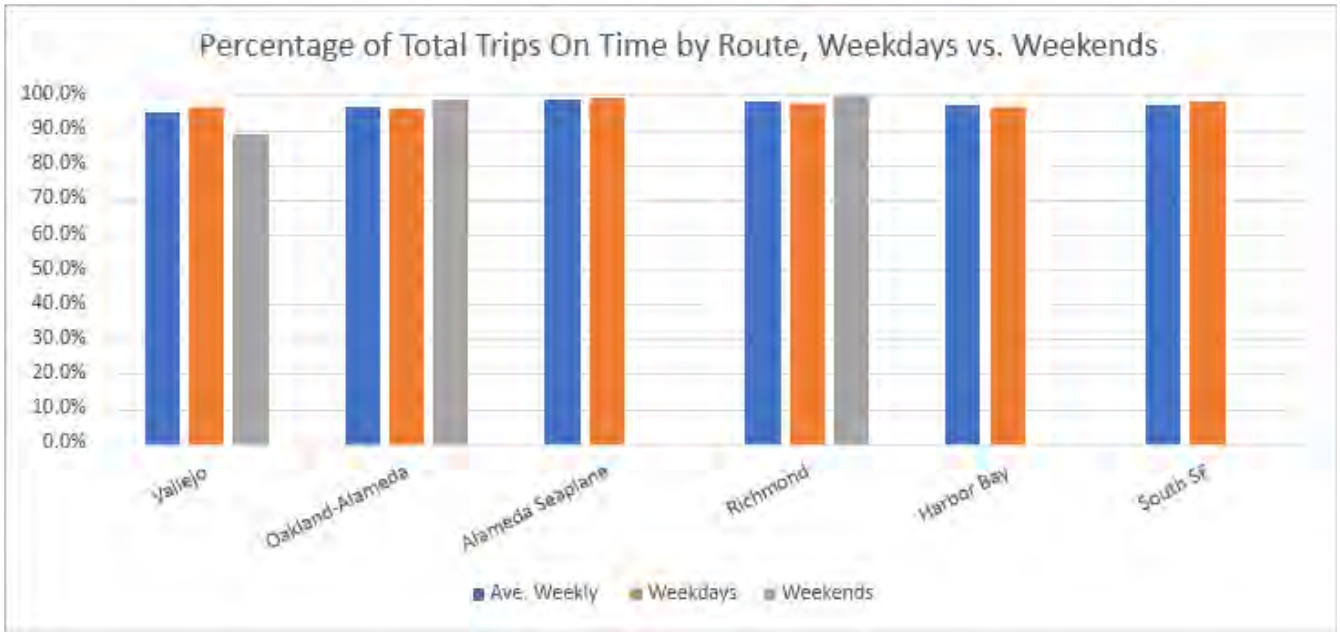
All charts presented include data through July 31, 2025.

Appendix A. Operations Data Summary

On-Time Performance: On Time Vs. Delayed & Cancelled Trips (Arrivals)					
Route	**Total Trips Provided***	**Delayed Arrivals: 5 to 10 Min. Late**	**Delayed Arrivals: Over 10 Min. Late**	**Cancelled**	**Total On Time Trips**
Vallejo	4,563	163	62	4	4,338
Oakland-Alameda	9,955	241	96	14	9,618
Alameda Seaplane	4,653	21	22	1	4,610
Richmond	4,581	82	20	12	4,479
Harbor Bay	3,140	56	54	6	3,030
South SF	1,913	29	8	7	1,876
Total System	**28,805**	**592**	**262**	**44**	**27,951**
% Distribution	***100.0%***	***2.1%***	***0.9%***	***0.2%***	***97.0%***

** Excludes trips with Unknown Arrival Status*

On-Time Performance & Reliability by Month			
	% of Trips On-Time	**% of Scheduled Trips Provided**	**% of Scheduled Trips Cancelled**
Jan	94.1%	99.8%	0.2%
Feb	98.0%	99.7%	0.3%
Mar	96.8%	99.8%	0.2%
Apr	97.0%	99.9%	0.1%
May	97.7%	99.9%	0.1%
June	97.8%	99.9%	0.1%
July	97.9%	99.9%	0.1%
Aug			
Sept			
Oct			
Nov			
Dec			
Year-to-Date Average	**96.9%**	**99.8%**	**0.2%**




Percentage of Total Trips On-Time, Provided and Cancelled by Month
100.0%
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
Jan
Feb
Mar
Apr
May
June
July
Aug
Sept
Oct
Nov
Dec
% of Trips On-Time
% of Scheduled Trips Provided
% of Scheduled Trips Cancelled

*** END ***

AGENDA ITEM 6a
MEETING: September 11, 2025

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

[August 14, 2025]

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

1. CALL TO ORDER
Chair James Wunderman called the meeting to order at 1:02 p.m.

2. ROLL CALL/PLEDGE OF ALLEGIANCE
Chair James Wunderman, Vice Chair Monique Moyer, Director Jessica Alba, Director Michael Henneberry, and Director Pippin Dew were in attendance.

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

3. REPORT OF BOARD CHAIR
Chair Wunderman said the return to office is increasing in San Francisco.

Before introducing and welcoming Director Henneberry of the International Brotherhood of Teamsters Local 853, Chair Wunderman reflected on the years of service of Director Henneberry's predecessor, Director Jeffrey DelBono. Chair Wunderman commended Director DelBono for fostering a positive relationship with labor unions and addressing labor-related issues, and for advocating for fairness and equity by supporting programs and fares that would benefit riders at all income levels.

4. REPORTS OF DIRECTORS
Director Henneberry introduced himself and shared an anecdote about the ferry. He said he appreciated the opportunity to serve on the Board.

Vice Chair Moyer thanked everyone for a tremendous year and praised the diversification of services and upcoming fleet expansions. She thanked everyone for their efforts and support.

Director Dew reported that she and Executive Director Seamus Murphy gave a presentation to the Solano Transportation Authority sharing the history and status of the ferry service and raising awareness to secure local funding. She thanked staff for creating a presentation that she gave to the Vallejo Senior Roundtable on short notice.

Chair Wunderman advised Director Henneberry that he was a member of the pilot committee along with Director Dew. Director Dew stated that City of Benicia Council Member Terry Scott said that he was putting together a funding plan to build a terminal. Chair Wunderman added that major developments were being proposed for the Solano shoreline and in Martinez.

Chair Wunderman said that he and the Bay Area Council are one of the leaders working on getting a transportation measure on the ballot in 2026 to support agencies facing a fiscal cliff. He

credited Senator Scott Wiener and Senator Jesse Arreguín for their efforts, acknowledging the challenges due to the differing interests and positions of each county.

The Directors expressed their appreciation for the contribution and efforts of Director DelBono. They highlighted the importance of finding the best solution from diverse thoughts and welcomed Director Henneberry to the Board.

5. REPORTS OF STAFF

Mr. Murphy thanked Director DelBono for leaving a lasting legacy including his instrumental work on Regional Measure (RM) 3. He welcomed Director Henneberry and said that Director Henneberry met with staff for a quick introduction to SF Bay Ferry.

Mr. Murphy invited Digital Communications Specialist Teo Saragi to provide an update on community outreach with support from marketing and outreach consulting firm Next Steps Marketing (Next Steps). Marketing, Communications and Outreach Analyst Harlo Pippenger of Next Steps introduced himself. They shared their presentation on the background, efforts, accomplishments, and feedback over the past several months including curating an outreach event with community-based organization Family Bridges.

Teo Saragi introduced Public Information and Marketing Manager Alexis Matsui to share more community outreach news promoting the launch of transit month September. Ms. Matsui said that SF Bay Ferry would be partnering with Alameda-Contra Costa Transit (AC Transit) and San Francisco Bay Area Rapid Transit (BART) to provide transit for participants to join a parade celebrating the 75th anniversary of Children's Fairyland at the park on September 1. She said that social media influencer Keiyana Arnold, who has been acting as SF Bay Ferry's "ferry godmother", would be participating in the event.

Chief Financial Officer Erin McGrath presented the year-end close summary of financials for fiscal year 2025 coming in below budget by about $8.5 million and provided some detail explaining the variance, including the significant savings from fuel.

Mr. Murphy introduced Communications and Regulatory Affairs Manager Lauren Gularte to provide state and federal legislative updates to the written reports.

Chair Wunderman said that there were bills that would enable development to occur in locations with mass transit capacity.

Mr. Murphy invited Transportation Planner Gabriel Chan to present the ridership report. Mr. Chan reported that ridership was up and that projections for the coming year were significantly more aggressive than in past years and that Caltrain and BART reported increased ridership as well.

The Directors thanked Mr. Chan for his report and asked for continued 2019 and other regional agency recovery comparisons. Chair Wunderman noted other ways to increase ridership by adding more service to existing routes or adding new routes.

Project Delivery and Engineering Manager Timothy Hanners presented a quarterly review of the capital program in place of Chief Capital Program Officer Gary Griggs who was under the weather. Mr. Hanners focused on the direction and challenges of the Rapid Electric Emission-Free (REEF) Program Phase 1 and 2 and other key milestones.

Mr. Hanners said that SF Bay Ferry had received a grant award in the amount of $14.7 million from the Volkswagen Diesel Emissions Environmental Mitigation Trust to convert the MV *Hydrus* to an all-battery electric vessel.

Mr. Hanners stated that it was not anticipated that the universal charging float would be subject to the building code. He discussed an option that was being considered to provide interim temporary power to ensure REEF Phase 2 goals could be met with the vessels.

The Directors expressed concerns about the Embarcadero Seawall improvements and implications for the ferry system. Capital Planning Manager Chad Mason said that his recent meeting with the Port of San Francisco's flood resiliency team found favorable alignment with the anticipated work south of the ferry terminal but was more complex north of the ferry terminal.

The Directors thanked staff for their work and comprehensive reports.

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

PUBLIC COMMENT
Team Folds Representative Alita Dupree provided general comments to the reports of staff.

6. CONSENT CALENDAR

Director Dew made a motion to approve the consent calendar:

a. Approve Board Meeting Minutes – June 10, 2025
b. Authorize the Submittal of an Application with the Metropolitan Transportation Commission for $5,457,000 in Regional Measure 3 Capital Funds
c. Ratify the First Amendment to Contract #24-027 with Pacific Power Group, LLC for MV Peralta Main Engine Preventative Maintenance Services

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

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

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

7. AWARD CONTRACT TO THE DUTRA GROUP FOR THE VALLEJO FERRY TERMINAL DREDGING PROJECT

Mr. Mason presented this item recommending the following:

1. Award a contract to The Dutra Group (Dutra) for the Vallejo Ferry Terminal Dredging Project (Project) in the amount of $1,249,500; and
2. Authorize the Executive Director to enter into the contract and take any other related actions as may be needed to support the Project.

Mr. Mason said staff had issued an Invitation for Bid and found Dutra to be the lowest responsive and responsible bidder for the project.

Director of Operations and Customer Experience Thomas Hall said that he anticipated the dredging work to take approximately four days and using similar messaging used for the low tides.

Vice Chair Moyer made a motion to adopt Resolution No. 2025-27 approving this item.

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

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

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

8. APPROVE DISADVANTAGED BUSINESS ENTERPRISE (DBE) AND SMALL BUSINESS ENTERPRISE (SBE) OVERALL TRIENNIAL GOALS FOR FFY 2026 THROUGH FFY 2028

Government and Regulatory Affairs Specialist Terence Candell presented this item recommending approving the following actions associated with the San Francisco Bay Area Water Emergency Transportation Authority's (WETA) federal fiscal year (FFY) 2026-2028 overall triennial Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) goals:

1. Establish a 0.14% overall triennial DBE goal applicable to anticipated WETA contracts assisted by the Federal Transit Administration (FTA); and
2. Establish a 5% Small Business Enterprise (SBE) goal applicable to anticipated WETA contracts assisted by FTA

Mr. Candell gave a brief overview of the DBE program and SF Bay Ferry's efforts in complying with the program. He said that since the program's inception, WETA has met its triennial goals through landside contracts. He reminded the Board of the limited DBE availability on vessel and marine-related projects.

Ms. Gularte commended Mr. Candell for his work on the program.

WETA legal counsel Katherine Tsou confirmed compliance with the regulations on the program.

The Directors expressed disappointment with the goal but appreciated the transparency of the information that was shared.

Chair Henneberry made a motion to adopt Resolution No. 2025-28 approving this item.

PUBLIC COMMENT
Team Folds Representative Alita Dupree spoke in support of the DBE program.

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

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

9. 2025 ONBOARD PASSENGER SURVEY RESULTS

Mr. Hall presented this informational item on the 2025 onboard passenger survey results. He said this survey has been conducted annually since 2022 at Board direction and that the 2025 survey marks the second onboard survey completed by local research firm Corey, Canapary & Galanis on behalf of SF Bay Ferry.

Mr. Hall shared his presentation on the key findings and next steps. He said that there would be continued work to improve rider alert notification protocols.

The Directors found the individual comments invaluable and recommended continuing the annual survey to guide future priorities.

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

10. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

Chair Wunderman called for public comments for non-agenda items.

Team Folds Representative Alita Dupree spoke of her transit experiences.

Member of the public, Isabel, found the information from the survey very interesting and informative.

Oakland resident and Bay City News transportation reporter Andres shared challenges and frustrations of riders and advocated for free or reduced transfers with Clipper 2.0.

Director Alba expressed interest in adding income demographic comparisons to the next survey.

With all business concluded, Chair Wunderman adjourned the meeting at 3:17 p.m.

- Board Secretary

END

AGENDA ITEM 6b
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

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

SUBJECT: **Authorize the Submittal of a Revised Allocation Request to the Metropolitan Transportation Commission for FY 2025/26 Regional Measure 1 (RM1) Bridge Toll Funding**

Recommendation
Staff recommends that the Board approve the revised FY 2025/26 Regional Measure 1 (RM1) allocation request amount of $5,870,000 for various vessel and facility rehabilitation and preventative maintenance capital projects.

Background
WETA receives funding for the budget is provided through regional bridge tolls or State funding sources that require specific Board actions to authorize the use of those funds. Action on the budget requires the approval of resolutions authorizing staff to prepare and submit requests for allocations to Metropolitan Transportation Commission (MTC) for RM1 funds. These funds, as detailed in the budget, are required to support agency planning, administration, ferry service operations, and capital expenditures.

Discussion
At its meeting on June 10, 2025, the Board adopted the FY 2025/26 budget, including approval of an estimated RM1 request of $5,202,000. As a result of further refinement of available matching funds through various Bridge Toll allocations, SF Bay Ferry now needs to revise the RM1 request to $5,870,000. Currently SF Bay Ferry has access to $17.5 million in RM1 program revenues.

This item includes authorization to file a revised allocation request to MTC to receive a total of up to $5,870,000 in RM1 funds to support the FY 2025/26 budget for capital and other projects. These funds are primarily utilized to match federal funding for capital projects or for some smaller operating projects that would otherwise not be eligible for federal funds.

Fiscal Impact
Approval of the recommendation is required for the allocation of $5,870,000 in FY 2025/26 RM1 funding.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2025-30

AUTHORIZE SUBMITTING A REVISED ALLOCATION REQUEST TO THE METROPOLITAN TRANSPORTATION COMMISSION FOR FY 2025/26 BRIDGE TOLL FUNDING

WHEREAS, Bay Area voters approved Regional Measure 1 (RM1) in November 1988, which authorized a standard auto toll of $1.00 for all seven state-owned Bay Area toll bridges, to fund transportation projects that reduce congestion in the bridge corridors, as well as capital costs associated with the design, construction, and acquisition of rapid water transit systems; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding capital projects and operating assistance eligible for RM1 funds; and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for RM1 funding; and

WHEREAS, SF Bay Ferry is an eligible sponsor and has already submitted an allocation request for RM1 funding, but now needs to revise that allocation request, in accordance with MTC policy and procedures; now, therefore, be it

RESOLVED, that the Board of Directors authorizes its Executive Director or his designee to submit a revised allocation request to MTC for FY 2025/26 RM 1 funds up to the amount of $5,870,000 or the projects, purposes, and amounts included in the allocation request, and to confirm that all certifications and assurances and resolutions submitted as part of the original allocation request remain in places; and be it further

RESOLVED, that a copy of this resolution shall be transmitted to MTC in conjunction with the filing of SF Bay Ferry's request referenced herein.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on September 11, 2025.

YEA:
NAY:
ABSTAIN:
ABSENT:

_____

/s/ Board Secretary
2025-30
END

AGENDA ITEM 6c
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

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

SUBJECT: **Approve Sole Source Contract Award to Pacific Power Group, LLC for the MV *Mare Island* and *Intintoli* MCU Upgrades**

Recommendation

1. Approve the award of a sole source contract to Pacific Power Group, LLC (PPG) in the amount of $369,036 for the MV *Mare Island* and *Intintoli* MCU upgrades; and
2. Authorize the Executive Director to negotiate and execute an agreement with PPG and take any other required actions to support this work.

Background/Discussion

SF Bay Ferry vessels operating with MTU engines have an integrated control system proprietary to the MTU family of engines which includes a computer processing system. This "MCU" is designed as a universal automation system for the MTU engines. The number designation indicates the generation of equipment. The MCU serves as the central processing and monitoring unit for the MTU propulsion package. It manages fuel injection, engine load, exhaust after-treatment, and other critical operating parameters, while also providing alarm management and fault diagnostics to the crew. In effect, it functions as both the "brain" of the engine and the primary interface between vessel operators and the propulsion system.

The Mare Island and Intintoli have a "MCU 11" system compared to the *Pyxis* class which operates and "MCU 14" system. The MCU 14 is a more updated version of the monitoring system and the generation of MCU currently supported by MTU. The Mare Island and Intintoli MCU 11 system is now outdated and currently no longer supported with factory replacement parts. Our current spare inventory parts to support these systems have been depleted. This procurement removes the MCU 11 from our vessels and replaces them with the newer MCU 14 systems which are currently supported by MTU.

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 to accomplish these upgrades.

Sole Source Discussion

Staff recommends awarding a sole source contract for these engine upgrade 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 performance guarantees and warranties. PPG is currently the sole factory-assigned dealership for the provision of MTU engines, parts, and services for WETA, as determined by MTU.

PPG is well qualified to carry out this project as it has the requisite technical application experience with these engine models. Further, PPG has the unique ability to provide the requisite on-site labor resources to complete the upgrades in the shortest possible timeframes in support of WETA vessel operating schedules.

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

Staff analyzed PPG's price proposal and find it to be fair and reasonable. PPG's pricing is within 5% of WETA's independent cost estimate; and the price is aligned with historical MCU upgrade services on these families of engines.

In accordance with the above analysis, staff has determined that this procurement meets the requirements for sole source procurement under federal regulations and as set forth in the WETA Administrative Code Section IX.I, which authorizes the agency to procure goods and services without competition nwhen 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

The MCU Upgrade project is authorized in the approved FY 2025/26 Capital Budget. Funding for this agreement is 80% Federal and 20% Regional Measure 1.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2025-31

APPROVE SOLE SOURCE CONTRACT AWARD TO PACIFIC POWER GROUP, LLC FOR MV *MARE ISLAND* AND *INTINTOLI* MCU UPGRADES

WHEREAS, San Francisco Bay Ferry vessels operating with MTU engines have an integrated control system proprietary to the MTU family of engines which includes a computer processing system called an "MCU"; and

WHEREAS, the MCU on the *Mare Island* and *Intintoli* is now outdated and no longer supported with factory replacement parts, and WETA's current spare inventory parts to support these systems have been depleted;

WHEREAS, Pacific Power Group is the only authorized MTU service entity that can provide parts, labor, materials, and testing necessary to upgrade the MCUs to the MCU version currently supported by MTU; and

WHEREAS, staff, with the concurrence of legal counsel, has determined that engaging Pacific Power Group to provide these necessary services meets the requirement for a sole source procurement as set forth in federal regulations and in SF Bay Ferry's Administrative Code; and

WHEREAS, Pacific Power Group has submitted a proposal to provide the needed services, which proposal SF Bay Ferry staff has determined is both fair and reasonable under the circumstances; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into a sole source contract with Pacific Power Group in the amount of $369,036 for the *Mare Island* and *Intintoli* MCU upgrades, and authorizes the Executive Director to negotiate and execute an agreement with Pacific Power Group 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 September 11, 2025.

YEA:
NAY:
ABSTAIN:
ABSENT:

_____

/s/ Board Secretary
2025-31
END

AGENDA ITEM 6d
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

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

SUBJECT: **Approve Sole Source Contract Award to Lescure Company Inc. for the North Bay Fuel Facilities Upgrade**

Recommendation

1. Approve the award of a sole source contract to Lescure Company Inc. in the amount of $356,550 for the North Bay Fuel Facilities Upgrades; and
2. Authorize the Executive Director to negotiate and execute an agreement with Lescure Company Inc. and take any other required actions to support this work.

Background/Discussion

WETA currently operates two similar fuel facilities, one at Mare Island and one at Alameda. Each facility is equipped with four 12,000-gallon fuel tanks along with a series of piping, pumps, and controls for delivering fuel to the vessels while moored. The Alameda facility was completed in 2018 and included an upgraded fuel filtration system manufactured and installed by Lescure Company Inc. This system includes an advanced control and monitoring system as well as a series of advanced filters designed to remove impurities in the fuel by polishing the fuel through a series of filters and returning the fuel to the storage tanks. This system has significantly improved fuel quality, reducing operational issues associated with fuel contamination.

At present, the Mare Island fuel facility does not include this advanced filter system. This proposed contract is to upgrade the fuel filtration system at the Mare Island facility so that it is the same as the system currently operating at the Alameda facility. This will result in in several advantages, including:

- Improve fuel quality by removing impurities in the fuel
- Reduce unscheduled vessel downtime by allowing onboard vessel fuel filters to work more efficiently
- Align operational standards across both fueling facilities

In order to accomplish the services noted above, WETA requires someone knowledgeable of our fueling systems, who can provide parts, labor and materials to upgrade our current fueling system.

Sole Source Discussion

Staff recommends awarding a sole source contract to Lescure Company Inc. for this fuel filtration system work because Lescure Company Inc. is the only firm with the unique

experience and knowledge necessary to perform the work. Lescure Company Inc. designed and manufactured a filtration cabinet that is unique to our fueling needs.

Lescure Company Inc. has provided service support for the fueling systems at both facilities, which includes monitoring fuel tanks, routine maintenance, and technical support for our current operator. Lescure Company Inc. has supplied WETA with new construction on both facilities and continues to service both fuel facilities.

Staff determined Lescure Company Inc.'s price to be fair and reasonable.

In accordance with the above analysis, staff has determined that this procurement meets the requirements for sole source procurement as set forth in the WETA Administrative Code Section IX.I, which authorizes the agency to procure goods and services without competition when there is only a single source of supply available or only one contractor is qualified to provide the service or product. Because Lescure Company Inc. is uniquely able to provide and warranty the necessary work, a competitive bidding process would serve no useful purpose for this procurement.

Fiscal Impact

The North Bay Facility Improvement project is authorized in the approved FY 2025/26 capital budget and is funded by Regional Measure 1 Bridge Tolls. The award falls within the project budget.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2025-32

APPROVE SOLE SOURCE CONTRACT AWARD TO LESCURE COMPANY INC. FOR THE NORTH BAY FUEL FACILITIES UPGRADES

WHEREAS, WETA currently operates two similar fuel facilities, one at Mare Island and one at Alameda; and

WHEREAS, the Alameda fuel facility has an upgraded fuel filtration system manufactured and installed by Lescure Company Inc., which has significantly improved fuel quality, reducing operational issues associated with fuel contamination; and

WHEREAS, upgrading the fuel filtration system at the Mare Island facility so that it is the same system operating at the Alameda facility will result in several advantages; and

WHEREAS, Lescure Company Inc. is the only firm with the unique experience and knowledge necessary to perform the upgrades; and

WHEREAS, staff, with the concurrence of legal counsel, has determined that engaging Lescure Company Inc. to perform this work meets the requirement for a sole source procurement as set forth in SF Bay Ferry's Administrative Code; and

WHEREAS, Lescure Company Inc. has submitted a proposal to perform the work, which staff has determined is both fair and reasonable under the circumstances; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into a sole source contract with Lescure Company Inc. in the amount of $356,550 for the North Bay fuel facility upgrades, and authorizes the Executive Director to negotiate and execute an agreement with Lescure Company Inc. 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 September 11, 2025.

YEA:
NAY:
ABSTAIN:
ABSENT:

_____

/s/ Board Secretary
2025-32
END

AGENDA ITEM 7
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

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

SUBJECT: **Authorize the Submittal to the Metropolitan Transportation Commission of an Allocation Request for $8,886,000 in Regional Measure 3 Capital Funds for the *Hydrus* Class Conversion to Battery-Electric Ferries Project**

Recommendation
Authorize the Executive Director, or his designee, to execute and submit an allocation request and related assurances to the Metropolitan Transportation Commission (MTC) for Regional Measure 3 (RM3) funds in the amount of $8,886,000 to support the *Hydrus* Class Conversion to Battery-Electric Ferries Project.

Background
The project provides for the conversion of SF Bay Ferry's MV *Hydrus* 400-Passenger diesel vessel to a zero-emission, battery-electric vessel. The conversion of the *Hydrus* is the first planned conversion of SF Bay Ferry's four *Hydrus*-Class vessels, with subsequent conversion of up to three additional vessels in the years that follow, for a total of conversion of up to four vessels once the program is completed. The *Hydrus* vessel is currently used to provide service between the East Bay communities of Oakland, Alameda, and Richmond to downtown San Francisco. The conversion of the *Hydrus* vessel to all-electric operation is a critical component of SF Bay Ferry's Rapid Electric Emission-Free (REEF) Program. SF Bay Ferry has access to up to $300 million in RM3 funding for ferry capital improvements. The funding plan for the vessels included utilizing RM3 along with secured grants through the California Air Resources Board (CARB).

Discussion
Providing transbay service with battery-electric vessels is a key part of SF Bay Ferry's commitment to decarbonizing its fleet under the REEF Program. As previously reported, the requested RM3 funding will leverage the $14.6 million grant from the Volkswagen Environmental Mitigation Trust Program through CARB to bring the total funding for the project to $22.4 million. The amount approved to be spent in the FY 2025/26 budget is $3,312,060. RM3 funding will be utilized for this early expense. The total project budget amount will be amended at a future meeting.

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

This item allows staff to request an allocation of RM3 funds from MTC in the amount of $8,886,000 for the Project.

Fiscal Impact
The Project was included in the FY 2025/26 Capital Budget approved in June. This action will provide necessary RM3 funding for the Project to supplement CARB funding.

END

Regional Measure 3

Initial Project Report

Project/Subproject Details

Basic Project Information

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

Subproject Information

Subproject Number	5.8
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
RM3 Funding Amount	$8,886,000

I. Overall Subproject Information

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

San Francisco Bay Ferry Water Emergency Transportation Authority (SF Bay Ferry / WETA)

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

To address the State's goals of reducing greenhouse gas emissions, SF Bay Ferry developed the Rapid Electric Emission-Free (REEF) Ferry Program, a suite of projects that will transition SF Bay Ferry to an all-electric zero-emission service, leading the effort as the pioneering public transit ferry operator in the US to achieve this transition. This transition is also anticipated to reduce overall operating costs, resulting in improved financial performance of the system over time.

This project provides for the conversion of SF Bay Ferry's M/V Hydrus 400-Passenger diesel vessel to a zero emission, battery electric vessel. The conversion of the Hydrus is the first planned conversion of SF Bay Ferry's four Hydrus-Class vessels, with subsequent conversion three additional vessels in the years that follow, for a total of conversion of four vessels once the program is completed.

The Hydrus vessel is currently used to provide service between the East Bay communities of Oakland, Alameda, and Richmond to downtown San Francisco. The conversion of the Hydrus vessel

to all-electric operation is a critical component of SF Bay Ferry's Rapid Electric Emission-Free (REEF) Program. As the Oakland/Alameda routes have some of the highest ridership and most frequent service within the existing ferry system, replacing this diesel service will yield immediate and significant emission reductions once the vessel is placed into service. Providing transbay service with battery-electric vessels is a key part of SF Bay Ferry's commitment to decarbonizing its fleet under the REEF program. The REEF plan also complies with SF Bay Ferry's Alternative Control of Emissions (ACE) Plan aligns with the California Air Resources Board (CARB) regulations and SF Bay Ferry's commitment to clean technology and reducing greenhouse gas emissions.

The 400-passenger vessel will meet passenger demand for transbay routes and may additionally serve other terminals for special events. The vessels will use all-electric propulsion technology while utilizing newly developed shoreside infrastructure, including floats that will allow vessels to rapidly charge while the vessels are docked. Rapid charging is a key component to ensuring batteries are sufficiently re-charged for the vessels to complete the trips during the peak commute period.

Conversion of the vessels will maintain transbay transit options for residents, employees and visitors of Oakland, Alameda, Berkeley, and San Francisco, which are areas that continue to experience significant growth. The project aims to reduce GHG emissions, increase ridership, and relieve traffic congestion on surface streets and bridges alike.

The Hydrus vessel conversion, in addition to the other electric vessels being constructed by SF Bay Ferry, will be among the first battery-electric high-speed vessels operating in North America. To minimize technical risk, the vessels' electric propulsion systems have been designed to achieve the performance standards of similar vessels operating in Norway, which utilize similar technology.

c. Impediments to Project Completion

The primary impediments to project completion will be regulatory approvals, maintaining shipyard efficiencies, and supply chain management. Efficient and effective coordination with shipyards, suppliers and regulatory entities will be of upmost importance to maintain the project schedule and budget. To mitigate these potential impediments SF Bay Ferry has been in constant contact with regulatory entities from the beginning of the electric vessel design concept to receive and incorporate their feedback. SF Bay Ferry has retained a marine construction management firm to assist with overall project management and will support SF Bay Ferry's objectives to maintain project efficiencies, including cost monitoring, supply chain management, schedule and budget management.

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

A project management team (PMT) composed of SF Bay Ferry staff and its consultants will meet on a regular and as-needed basis to confirm that work proceeds according to budget and schedule and

will remediate potential issues. The PMT will establish communication channels with relevant project stakeholders to help monitor evolving conditions for each vessel build.

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

SF Bay Ferry has agency-adopted procurement guidelines consistent with state and federal procurement regulations and a robust oversight and risk management process for procurement and project management. The Agency has substantial experience in successfully procuring and managing complex vessel construction and ferry terminals projects. In early 2024, the Agency successfully completed construction and delivery of the MV Delphinus, a 320-passenger, high-speed catamaran vessel. Similarly, in April 2025 the Agency successfully completed construction and delivery of the MV Karl, another 320-passenger, high-speed catamaran vessel and the latest vessel to join the SF Bay Ferry fleet. The MV Karl is the cleanest high-speed passenger ferry in the U.S. and the first to meet the CARB's new emissions limits for commercial harbor craft. Most recently, SF Bay Ferry has entered into contracts with two shipyards for the construction of three 150-passenger and two 400-passenger all electric ferry vessels for delivery occurring over the next several years.

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

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

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

II. Project Phase Description and Status

a. **Environmental/Planning** Does NEPA apply? Yes ☐ No☒

N/A – Project is consistent with a Class 1 Categorical Exclusion.

b. Design

Final design of the vessels is expected to be completed by January 2026.

c. Right-of-Way Activities / Acquisition

N/A

d. Construction / Vehicle Acquisition / Operating

This project provides for the conversion of SF Bay Ferry's existing M/V Hydrus 400-passenger diesel vessel to a zero-emission battery-electric vessel. The vessel will provide service along the Oakland/Alameda and Downtown San Francisco routes and potentially other routes as well. The converted Hydrus vessel is a critical component in SF Bay Ferry's REEF Program and to comply with its

Alternative Control of Emissions (ACE) Plan that aligns with the California Air Resources Board (CARB) regulations.

As noted below, the construction phase of the Hydrus vessel conversion is expected to commence July 2026 and be completed by May 2028

III. Project Schedule

Phase-Milestone	**Planned**	
	Start Date	Completion Date
Environmental Studies, Preliminary Eng. (ENV / PE / PA&ED)	n/a	n/a
Final Design - Plans, Specs. & Estimates (PS&E)	Sept. 2025	Jan. 2026
Right-of-Way Activities /Acquisition (R/W)	n/a	n/a
Construction (Begin – Open for Use) / Acquisition (CON)	Feb. 2026	Dec. 2028

IV. Project Budget

Capital

Project Budget	**Total Amount - Escalated to Year of Expenditure (YOE)- (Thousands)**
Environmental Studies & Preliminary Eng (ENV / PE / PA&ED)	n/a
Design - Plans, Specifications and Estimates (PS&E)	$600
Right-of-Way Activities /Acquisition (R/W)	n/a
Construction / Rolling Stock Acquisition (CON)	$22,861
Total Project Budget (in thousands)	$23,461

Deliverable Segment Budget (if different from Project budget)	**Total Amount - Escalated to Year of Expenditure (YOE)- (Thousands)**
Environmental Studies & Preliminary Eng (ENV / PE / PA&ED)	n/a

Design - Plans, Specifications and Estimates (PS&E)	n/a
Right-of-Way Activities /Acquisition (R/W)	n/a
Construction / Rolling Stock Acquisition (CON)	n/a
Total Project Budget (in thousands)	$ n/a

Operating	**Total Amount - Escalated to Year of Expenditure (YOE)- (Thousands)**
Annual Operating Budget	$3,520

V. Project Funding

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

VI. Contact/Preparation Information

Contact for Project Sponsor

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

Person Preparing Initial Project Report (if different from above)

Name:
Title:
Phone:
Email:
Mailing Address:

Regional Measure 3
Intitial Project Report - Subproject Report
Funding Plan

Project Title:	5. Ferry Expansion Program
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Project/Subproject Number:	5.8
Total RM3 Funding:	$ 8,886,000

(add rows as necessary)

CAPITAL FUNDING

Funding Source	Committed? (Yes/No)	Total Amount ($ thousands)	Amount Expended ($ thousands)	Amount Remaining ($ thousands)
ENV				
RM3	No	$ -	$ -	$ -
			$ -	$ -
				$ -
				$ -
				$ -
				$ -
ENV Subtotal		$ -	$ -	$ -
PSE				
RM3		$ -	$ -	$ -
VW Mitigation Grant	Yes	$ 600		$ 600
				$ -
				$ -
				$ -
				$ -
PSE Subtotal		$ 600	$ -	$ 600
ROW				
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
ROW Subtotal		$ -	$ -	$ -
CON				
RM3	Yes	$ 8,886	$ -	$ 8,886
VW Mitigation Grant	Yes	$ 13,975	$ -	$ 13,975
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
CON Subtotal		$ 22,861	$ -	$ 22,861
Capital Funding Total		$ 23,461	$ -	$ 23,461

OPERATING FUNDING (Annual)

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

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

Project Title:	5. Ferry Expansion Program
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Project/Subproject Number:	5.8
Total RM3 Funding:	$ 8,886,000

(add rows as necessary)

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

Funding Source	Prior	2025-26	2026-27	2027-28	2028-29	Future committed	Total Amount ($ thousands)	Amount Expended ($ thousands)	Amount Remaining ($ thousands)
ENV									
RM-3							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
ENV Subtotal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PSE									
RM-3							$ -		$ -
VW Mitigation Grant		$ 600,000					$ 600,000		$ 600,000
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
PSE Subtotal	$ -	$ 600,000	$ -	$ -	$ -	$ -	$ 600,000	$ -	$ 600,000
ROW									
RM-3							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
ROW Subtotal	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CON									
RM-3		$ 230,000	$ 340,000	$ 8,291,000	$ 25,000		$ 8,886,000		$ 8,886,000
VW Mitigation Grant				$ 13,975,000			$ 13,975,000		$ 13,975,000
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
							$ -		$ -
CON Subtotal	$ -	$ 230,000	$ 340,000	$ 22,266,000	$ 25,000	$ -	$ 22,861,000	$ -	$ 22,861,000
RM-3 Funding Subtotal	$ -	$ 230,000	$ 340,000	$ 8,291,000	$ 25,000	$ -	$ 9,486,000	$ -	$ 8,886,000
Capital Funding Total	$ -	$ 830,000	$ 340,000	$ 22,266,000	$ 25,000	$ -	$ 23,461,000	$ -	$ 23,461,000

Regional Measure 3
Intitial Project Report - Subproject Report
Cash Flow Plan

Project Title:	5. Ferry Expansion Program
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Project/Subproject Number:	5.8
Total RM3 Funding:	$ 8,886,000

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

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

Funding Source	Prior	2025-26	2026-27	2027-28	2028-29	Future committed	Total Amount ($ thousands)
ENV							
RM 3							$ -
							$ -
							$ -
							$ -
							$ -
							$ -
ENV Subtotal	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PSE							
RM 3							$ -
VW Mitigation Grant		$ 600,000					$ 600,000
							$ -
							$ -
							$ -
							$ -
PSE Subtotal	$ -	$ 600,000	$ -	$ -	$ -	$ -	$ 600,000
ROW							
RM 3							$ -
							$ -
							$ -
							$ -
							$ -
							$ -
ROW Subtotal	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CON							
RM 3		$ 230,000	$ 340,000	$ 8,291,000	$ 25,000		$ 8,886,000
VW Mitigation Grant				$ 13,975,000			$ 13,975,000
							$ -
							$ -
							$ -
							$ -
							$ -
							$ -
							$ -
							$ -
CON Subtotal	$ -	$ 230,000	$ 340,000	$ 22,266,000	$ 25,000	$ -	$ 22,861,000
RM 3 Funding Subtotal	$ -	$ 230,000	$ 340,000	$ 8,291,000	$ 25,000	$ -	$ 8,886,000
Capital Funding Total	$ -	$ 830,000	$ 340,000	$ 22,266,000	$ 25,000	$ -	$ 23,461,000

Regional Measure 3
Intitial Project Report - Subproject Report
Estimated Budget Plan

Project Title:	5. Ferry Expansion Program
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Project/Subproject Number:	5.8
Total RM3 Funding:	$ 8,886,000

1. Direct Labor of Implementing Agency (specify by name and job function)	**Estimated Hours**	**Rate/Hour**	**Total Estimated cost**
Project Management			$ 200,000
			$ -
			$ -
			$ -
			$ -
			$ -
Direct Labor Subtotal			$ 200,000
2. Overhead and direct benefits (specify)	**Rate**	**x Base**	
		$ -	
		0	
		0	
		0	
		0	
		0	
Overhead and Benefit Subtotal			$ -
3. Direct Capital Costs (include engineer's estimate on construction, right-of-way, or vehicle acquisition	**Unit (if applicable)**	**Cost per unit**	**Total Estimated cost**
Construction Costs			$ 21,936,000
			$ -
			$ -
			$ -
			$ -
			$ -
Direct Capital Costs Stubtotal			$ 21,936,000
4. Consultants (Identify purpose and/or consultant)			**Total Estimated cost**
Final Design services			$ 600,000
Construction Management services			$ 700,000
Legal services			$ 25,000
Constultants Subtotal			$ 1,325,000
5. Other direct costs			**Total Estimated cost**
Other Direct Costs Subtotal			$ -
Total Estimated Costs			$ 23,461,000

Comments:

Regional Measure 3
Allocation Request

RM3 Project Information

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

Subproject Information (if different from overall RM3 project)

Subproject Number	5.8
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Subproject Funding Amount	$8,886,000

RM3 Allocation History (Add lines as necessary)

	MTC Approval Date	Amount	Phase
#1:	N/A		
#2			
#3			
	Total:	**$ N/A**	

Current Allocation Request:

Request submittal date	Amount	Phase
September 12, 2025	$8,886,000	Construction

I. RM3 Allocation Request Information

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

This is the first RM3 allocation request for the project, which will support the conversion of SF Bay Ferry's M/V Hydrus 400-Passenger diesel vessel to a zero emission, battery electric vessel. The conversion of the Hydrus is the first planned conversion of SF Bay Ferry's four Hydrus-Class vessels, with subsequent conversion of three additional vessels in the years that follow, for a total conversion of four vessels once the program is completed. Design for this Hydrus conversion project is anticipated to begin in September 2025 with construction anticipated to be completed by May 2028.

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

SF Bay Ferry is requesting an allocation of $8,886,000 for the conversion of SF Bay Ferry's Hydrus 400-Passenger diesel vessel to a zero emission, battery electric vessel. The Hydrus vessel is currently used to provide service between the East Bay communities of Oakland, Alameda, and Richmond to downtown San Francisco. The conversion of the Hydrus vessel to all-electric operation is a critical component of SF Bay Ferry's Rapid Electric Emission-Free (REEF) Program. As the Oakland/Alameda routes have some of the highest ridership and most frequent service within the existing ferry system, replacing this diesel service will yield immediate and significant emission reductions once the vessel is placed into service. Providing transbay service with battery-electric vessels is a key part of SF Bay Ferry's commitment to decarbonizing its fleet under the REEF program. The REEF plan also complies with SF Bay Ferry's Alternative Control of Emissions (ACE) Plan aligns with the California Air Resources Board (CARB) regulations and SF Bay Ferry's commitment to clean technology and reducing greenhouse gas emissions.

The vessel will use all-electric propulsion technology while utilizing newly developed shoreside infrastructure, including floats that will allow the vessel to rapidly charge while docked. Rapid charging is a key component to ensuring batteries are sufficiently re-charged for the vessels to complete the trips during the peak commute period.

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

This request is for $8,886,000 in RM3 funds.

The full project cost is $23,461,000 to be funded as follows:

- RM3 - $8,886,000
- Volkswagen Environmental Mitigation Grant - $14,575,000

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

As shown in the table below, the allocation request will cover portions of the design and construction phases, in addition to other fund sources used for this project (VW Grant funds). Design is expected to begin in September 2025 and be completed by January 2026. The construction phase is anticipated to begin in February 2026 and be completed by December 2028.

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

N/A

f. Request Details

Amount being requested	$8,886,000
Project phase being requested	CON
Are there other fund sources involved in this phase?	☒ Yes ☐ No
Date of anticipated Implementing Agency Board approval of RM3 Allocation Request resolution for the allocation being requested	September 11, 2025
Month/year being requested for MTC commission approval of allocation	October 2025

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

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

n/a

Regional Measure 3
Allocation Request
Funding Plan - Deliverable Segment - Fully funded phase or segment of total project

Project Title:	5. Ferry Expansion Program
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Project/Subproject Number:	5.8
Total RM3 Funding:	$ 8,886,000

(add rows as necessary)

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

Funding Source	Phase	Prior	2025-26	2026-27	2027-28	2028-29	Future committed	Total Amount ($ thousands)	Amount Expended ($ thousands)	Amount Remaining ($ thousands)
RM3	ENV							$ -		$ -
	ENV							$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
ENV Subtotal		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RM 3	PSE							$ -		$ -
VW Mitigation Grant	PSE		$ 600,000					$ 600,000		$ 600,000
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
PSE Subtotal		$ -	$ 600,000	$ -	$ -	$ -	$ -	$ 600,000	$ -	$ 600,000
RM 3	ROW							$ -		$ -
	ROW							$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
ROW Subtotal		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RM 3	CON		$ 230,000	$ 340,000	$ 7,691,000	$ 25,000		$ 8,286,000		$ 8,286,000
VW Mitigation Grant	CON				$ 14,575,000			$ 14,575,000		$ 14,575,000
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
								$ -		$ -
CON Subtotal		$ -	$ 230,000	$ 340,000	$ 22,266,000	$ 25,000	$ -	$ 22,861,000	$ -	$ 22,861,000
RM 3 Funding Subtotal		$ -	$ 230,000	$ 340,000	$ 7,691,000	$ 25,000	$ -	$ 8,286,000	$ -	$ 8,286,000
Capital Funding Total		$ -	$ 830,000	$ 340,000	$ 22,266,000	$ 25,000	$ -	$ 23,461,000	$ -	$ 23,461,000

Regional Measure 3
Allocation Request
Cash Flow Plan

Project Title:	5. Ferry Expansion Program
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Project/Subproject Number:	5.8
Total RM3 Funding:	$ 8,886,000

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

RM3 Cash Flow Plan for Deliverable Segment - Funding by requested expenditure period

Funding Source(s) List all funding sources besides RM3	Phase	Prior	2026 Q1 (Jan - March 2026)	2026 Q2 (April - June 2026)	2026 Q3 (July- Sept 2026)	2026 Q4 (Oct - Dec 2026)	2027 Q1 (Jan - March 2027)	2027 Q2 (April - June 2027)	2027 Q3 (July- Sept 2027)	2027 Q4 (Oct - Dec 2027)	2028 Q1 (Jan - March 2028)	2028 Q2 (April - June 2028)	2028 Q3 (July- Sept 2028)	2028 Q4 (Oct - Dec 2028)	2029 Q1 (Jan - March 2029)	2029 Q2 (April - June 2029)	2029 Q3 (July- Sept 2029)	2029 Q4 (Oct - Dec 2029)	Future committed (if applicable)	Total Amount ($ millions)	Amount Expended ($ millions)	Amount Remaining ($ millions)
RM 3	ENV																			$ -		$ -
Other																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
ENV Subtotal		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RM 3	PSE																			$ -		$ -
VW Mitigation Grant			$ 600,000																	$ 600,000		$ 600,000
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
PSE Subtotal		$ -	$ 600,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 600,000	$ -	$ 600,000
RM 3	ROW																			$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
ROW Subtotal		$ -				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RM 3	CON			$ 230,000	$ 85,000	$ 85,000	$ 85,000	$ 85,000	$ 2,072,750	$ 2,072,750	$ 2,072,750	$ 2,072,750	$ 15,000	$ 10,000						$ 8,886,000		$ 8,886,000
VW Mitigation Grant	CON								$ 3,493,750	$ 3,493,750	$ 3,493,750	$ 3,493,750								$ 13,975,000		$ 13,975,000
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
																				$ -		$ -
CON Subtotal		$ -		$ 230,000	$ 85,000	$ 85,000	$ 85,000	$ 85,000	$ 5,566,500	$ 5,566,500	$ 5,566,500	$ 5,566,500	$ 15,000	$ 10,000	$ -	$ -	$ -	$ -	$ -	$ 22,861,000	$ -	$ 22,861,000
RM 3 Funding Subtotal		$ -		$ 230,000	$ 85,000	$ 85,000	$ 85,000	$ 85,000	$ 2,072,750	$ 2,072,750	$ 2,072,750	$ 2,072,750	$ 15,000	$ 10,000	$ -	$ -	$ -	$ -	$ -	$ 8,886,000	$ -	$ 8,886,000
Capital Funding Total		$ -		$ 230,000	$ 85,000	$ 85,000	$ 85,000	$ 85,000	$ 5,566,500	$ 5,566,500	$ 5,566,500	$ 5,566,500	$ 15,000	$ 10,000	$ -	$ -	$ -	$ -	$ -	$ 23,461,000	$ -	$ 23,461,000

Regional Measure 3
Allocation Request
Estimated Budget Plan

Project Title:	5. Ferry Expansion Program
Subproject Title	Hydrus Vessel Conversion to All Battery Electric Ferry
Project/Subproject Number:	5.8
Total RM3 Funding:	$ 8,886,000

1. Direct Labor of Implementing Agency (specify by name and job function)	**Estimated Hours**	**Rate/Hour**	**Total Estimated cost**
Project Management			$ 200,000
			$ -
			$ -
			$ -
			$ -
			$ -
Direct Labor Subtotal			$ 200,000
2. Overhead and direct benefits (specify)	**Rate**	**x Base**	
Overhead		$ -	
		$ -	
		$ -	
		$ -	
		$ -	
		$ -	
Overhead and Benefit Subtotal			$ -
3. Direct Capital Costs (include engineer's estiamte on construction, right-of-way, or vehicle acquisition	**Unit (if applicable)**	**Cost per unit**	**Total Estimated cost**
Construction Costs			$ 21,936,000
			$ -
			$ -
			$ -
Direct Capital Costs Stubtotal			$ 21,936,000
4. Consultants (Identify purpose and/or consultant)			**Total Estimated cost**
Final Design services			$ 600,000
Construction Management services			$ 700,000
Legal services			$ 25,000
Constultants Subtotal			$ 1,325,000
5. Other direct costs			**Total Estimated cost**
Other Direct Costs Subtotal			$ -
Total Estimated Costs			$ 23,461,000

Comments:

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2025-33

RM3 IMPLEMENTING AGENCY RESOLUTION OF PROJECT COMPLIANCE – ALLOCATION REQUEST

Project Title: *Hydrus* Class Conversion to Battery-Electric Ferries

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

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

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

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

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

WHEREAS, the *Hydrus* Class Conversion to Battery-Electric Ferries Project is eligible for consideration in the Regional Measure 3 Expenditure Plan, as identified in California Streets and Highways Code Section 30914.7(a); and

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

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

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

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

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

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

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

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

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

RESOLVED, that WETA is authorized to submit an application for Regional Measure 3 funds for the *Hydrus* Class Conversion to Battery-Electric Ferries Project is in accordance with California Streets and Highways Code 30914.7(a); and be it further

RESOLVED, that WETA certifies that the projects and purposes for which RM3 funds are being requested is in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 2l000 et seq.), and with the State Environmental Impact Report Guidelines (l4 California Code of Regulations Section l5000 et seq.) and if relevant the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et. seq. and the applicable regulations thereunder; and be it further

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

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

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

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

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

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

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

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

RESOLVED, that WETA authorizes its Executive Director or his/her designee to execute and submit an allocation request to MTC for Regional Measure 3 funds in the amount of $8,886,000 for the project, purposes and amounts included in the project application attached to this resolution; and be it further

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

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

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on September 11, 2025.

YEA:
NAY:
ABSTAIN:
ABSENT:

_____

/s/ Board Secretary
2025-33
END

AGENDA ITEM 8
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

FROM: **Seamus Murphy, Executive Director**
Chad Mason, Capital Planning Manager

SUBJECT: **Memorandum of Understanding with San Mateo County Harbor District for 2026 South San Francisco Dredging Event**

Recommendation
Authorize the Executive Director to execute a Memorandum of Understanding (MOU) with the San Mateo County Harbor District (SMCHD) for the 2026 South San Francisco dredging event.

Background
SF Bay Ferry and the SMCHD have established a collaborative framework for dredging operations at the Oyster Point Marina, located in South San Francisco. The Marina is owned by the City of South San Francisco but operated by SMCHD under a 2018 agreement. SF Bay Ferry leases a portion of the Marina to operate the Oyster Point Ferry Terminal and, according to its lease agreement, is responsible for dredging a specified area (WETA's Dredging Obligations). SMCHD holds dredging responsibility for all other areas within the Marina.

The Oyster Point Ferry Terminal requires routine dredging every 5 to 7 years. Bathymetry surveys are conducted regularly in between dredging events. These surveys ensure that SF Bay Ferry can satisfy the water depth requirements of the lease agreement, adequately prepare for upcoming dredge events and maintain safe and efficient operations. WETA is preparing to conduct maintenance dredging in 2026. Planning, design and permitting is underway. It is anticipated that permitting will be completed in Spring 2026 with award of the dredging contract expected in July 2026.

Discussion
To promote efficiency and minimize disruption, SMCHD has requested that SF Bay Ferry perform dredging of Dock 11 on its behalf as part of the 2026 dredging event. Staffs of the two agencies coordinated to draft an MOU that outlines the roles, responsibilities, cost-sharing framework, and indemnification terms under which WETA agrees to undertake this additional work. The MOU establishes a coordinated process for the design, permitting, execution, and cost allocation of dredging operations, with each party bearing responsibility for its respective dredging needs.

The MOU provides a cost-effective and efficient approach to performing necessary dredging at the Oyster Point Marina by consolidating operations under a single effort led by SF Bay Ferry. It aligns with currently scheduled maintenance activities, ensures clear cost recovery and indemnification provisions, and supports regional coordination between public agencies. Approval of this MOU will facilitate efficient operations, minimize potential delays, and

optimize public resources. The SMCHD voted to approve entering into the MOU with SF Bay Ferry at its board meeting on August 20, 2025. The proposed MOU is included as ***Attachment A***.

Fiscal Impact

The South San Francisco and Dredging Program Work is authorized in the FY 2025/26 Capital Budget. The budget includes funding for the planning, design and permitting to prepare for the dredging event that will occur during the summer of 2026. The SMCHD will contribute funds towards that effort as outlined in the MOU. The dredging project will continue into FY 2026/27.

END

Attachment A - Memorandum of Understanding between the San Francisco Bay Ferry and the San Mateo County Harbor District

MEMORANDUM OF UNDERSTANDING

between

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

and

SAN MATEO COUNTY HARBOR DISTRICT

This Memorandum of Understanding (MOU) is made and entered into as of [Date] (Effective Date), by and between the San Francisco Bay Area Water Emergency Transportation Authority (WETA) and the San Mateo County Harbor District (SMCHD). For purposes of this Agreement, WETA and SMCHD may be referred to individually as a "Party" or together, as "Parties." The MOU is entered into on the basis of the following facts, understandings and intentions of the Parties.

RECITALS

A. Oyster Point Marina is owned by the City of South San Francisco, California (City).

B. SMCHD operates the Oyster Point Marina (Marina) in South San Francisco, California under a 2018 Agreement between SMCHD and the City.

C. WETA leases a portion of the Marina to operate the Oyster Point Ferry Terminal through the Lease Agreement with SMCHD, attached as Exhibit A (Lease Agreement). WETA's leased portion of the Marina is described in Exhibit B to this MOU (Leased Premises).

D. Pursuant to the Lease Agreement, WETA must dredge within the specified area of the Leased Premises (WETA's Dredging Obligations).

E. WETA's Dredging Obligations do not include dredging outside the specified area of the Leased Premises designated in the Lease Agreement. SMCHD is responsible for all dredging activities at the Marina that are not within WETA's Dredging Obligations. Areas outside WETA's Dredging Obligations include, but are not limited to, Dock 11.

F. In 2026, WETA is planning to conduct dredging activities to fulfill its Dredging Obligations.

G. SMCHD, pending available funding, is also planning to conduct dredging activities to fulfill its obligations at the Marina. To promote efficiency, SMCHD has requested that WETA perform dredging on its behalf while WETA is performing its own dredging activities. In order to promote efficiency and to cooperate with SMCHD, WETA is willing to agree to SMCHD's request, subject to the terms of this MOU.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. INCORPORATION OF RECITALS

The above recitals are specifically incorporated into this MOU

2. TERM

This MOU will be effective on the last date this MOU is signed by all Parties and, subject to either Party's ability to terminate the MOU for any reason upon 90 days' notice, will expire upon WETA's acceptance of SMCHD's final payment under the MOU.

3. RESPONSIBILITIES

Responsibilities under this MOU are divided into the following phases:

a) **Design of Dredging Plan:** WETA will hire a Design Contractor (Design Contractor) to develop a Dredging Plan. Both Parties must approve the Dredging Plan. Dredging Plan will describe the total area to be dredged, along with a breakdown of the portion of the total area to be dredged that is WETA's Dredging Obligation (WETA's Dredging Percentage) and the portion that is SMCHD's responsibility (SMCHD's Dredging Percentage).

b) **Permitting:** After both Parties approve the Dredging Plan, WETA will secure the necessary permits to complete the Dredging Plan. SMCHD will cooperate with WETA's permitting efforts, including serving as a co-applicant if needed.

c) **Site Preparation:** On a timeline determined by WETA, each Party will prepare the dredging sites within their respective areas of control for execution of the Dredging Plan. If either Party does not prepare their site in line with the timeframe established in the Dredging Plan, that Party is responsible for any additional costs or delays that arise from the lack of timely preparation. SMCHD will work with other users of the Marina to minimize disruption from site preparation and dredging. SMCHD is responsible for all communications with users and residents at the Marina.

d) **Dredging:** WETA will issue a solicitation to complete the dredging for both parties in conformance with the Dredging Plan. SMCHD's Dredging Percentage will be included in the solicitation. Prior to entering into a contract based on the above solicitation, WETA will provide SMCHD with the cost for SMCHD's portion of the dredging. Subject to available funding SMCHD shall approve or deny funding that portion of the contract that addresses dredging in the SMCHD area of responsibility. If SMCHD denies funding for dredging in the SMCHD area of responsibility, SMCHD will still be responsible for all respective costs associated with 3(a), and 3(b), but 3(e) and 3 (f) will not apply.

e) **Dredging Acceptance:** After WETA's contractor completes the Dredging Plan, both Parties will review and, if in conformance with the Dredging Plan, accept its work. If either Party unnecessarily delays acceptance of the dredging, that Party is responsible for any increased costs that result from the delayed acceptance.

f) **Disposal:** After acceptance by both Parties, WETA's contractor will dispose of dredged material in line with all applicable laws and regulations.

4. FUNDING SHARE

a) Each Party will be responsible for all costs for its own staff time associated with the dredging activities.

b) WETA will initially pay for the costs of all planning, permitting, dredging and disposal activities, subject to reimbursement from SMCHD as set forth in this MOU.

c) The Parties will share equally the cost associated with the design of Dredging Plan and permitting.

d) For dredging and disposal, WETA and SMCHD will pay a percentage of the total cost based on the Dredging Plan's breakdown of each Party's portion of the total area to be dredged (WETA's Dredging Percentage and SMCHD's Dredging Percentage).

e) Each Party will pay for all its respective costs associated with site preparation and any reestablishment of site conditions necessary after dredging is complete.

5. PROPOSED SCHEDULE

WETA will strive to complete the dredging prior to the end of November 2026. WETA is planning on the following schedule and will update SMCHD of any changes:

- July 2025: Design and Permitting activities begin.
- May - July 2026: Procurement process to award contract to WETA's contractor.
- July - October 2026: Dredging is performed.
- October - November 2026: Disposal complete.

6. MANNER OF PAYMENT

WETA will submit invoices to SMCHD at the completion of each of the phases listed in Section 3, or for partial amounts due at the close of a Fiscal Year. Invoices will include details of work performed, the cost of such work, the percentage breakdown between the Parties and SMCHD's applicable funding sources including any limitations on use of funds that may impact project delivery or reimbursement timing. SMCHD will pay WETA within 30 days of receipt of each invoice.

Points of Contact:

Each Party will designate a responsible manager to act as the primary point of contract for implementation of this MOU and for resolving issues related to payment, scope or schedule.

For WETA: Chad Mason, chad.mason@sfbayferry.com

For SMCHD: James Pruett, jpruett@smharbor.com

All invoices submitted via email to the following email addresses:

SMCHD Billing Contact: ap@smharbor.com

7. INDEMNIFICATION AND INSURANCE BY CONTRACTORS

WETA will require all of its third party contractors performing activities subject to this MOU to carry adequate insurance, naming both parties as additional insured. Additionally, WETA will require its contractors to indemnify, defend, and hold harmless SMCHD to the same extent as the contractor indemnifies, defends, and holds harmless WETA.

WETA agrees to indemnify, defend, and hold harmless SMCHD, its directors, officers, employees, and agents, from any third-party claims to the extent caused by dredging that occurs per this Agreement in the area of WETA's Dredging Obligations. SMCHD agrees to indemnify, defend, and hold harmless WETA, its directors, officers, employees, and agents, from any third-party claims to the extent caused by dredging that occurs per this agreement in the area outside of WETA's Dredging Obligations. In the event of a claim giving rise to indemnity obligations under this paragraph, the Parties agree to cooperate with each other to provide the most efficient defense to both Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized officers.

SMCHD:	**WETA:**
NAME	SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY
By: _____	By: _____
Date: _____	Date: _____
Name: _____	Name: Seamus Murphy
Title: _____	Title: Executive Director
	Approved as to form:
	_____
	Legal Counsel to WETA

Exhibit A – LEASE AGREEMENT

EXHIBIT B – LEASE PREMISES

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2025-34

APPROVE MEMORANDUM OF UNDERSTAND WITH THE SAN MATEO COUNTY HARBOR DISTRICT FOR 2026 SOUTH SAN FRANCISCO DREDGING EVENT

WHEREAS, SF Bay Ferry leases the ferry terminal in South San Francisco from the San Mateo County Harbor District (Harbor District); and

WHEREAS, Under the lease, SF Bay Ferry is responsible for dredging a specified area while the Harbor District is responsible for all other dredging; and

WHEREAS, The area at the ferry terminal requires dredging in 2026, and SF Bay Ferry and the Harbor District have agreed to share costs and cooperate in the planning, design, permitting, and execution of the necessary dredging; and

WHEREAS, the SF Bay Ferry Executive Director recommends that SF Bay Ferry and the Harbor District enter into a Memorandum of Understanding with the Harbor District to memorialize the terms under which the parties will cooperate on the 2026 dredging; now, therefore, be it

RESOLVED, that the SF Bay Ferry Board of Directors authorizes the Executive Director to enter into a Memorandum of Understanding with the San Mateo County Harbor District for the 2026 South San Francisco dredging event.

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 September 11, 2025.

YEA:
NAY:
ABSTAIN:
ABSENT:

_____
/s/ Board Secretary
2025-34
END

AGENDA ITEM 9
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

FROM: **Seamus Murphy, Executive Director**
Jan Rybka, Senior Project Manager
Minh Tran, Project Manager

SUBJECT: **Approve Actions Relative to RFQ 25-003 Treasure Island Electrification Construction Materials Procurement**

Recommendation
Approve the following actions related to RFQ 25-003 Treasure Island Electrification Construction Materials Procurement*:*

1. Approve contract award to Wesco Distribution, Inc. for the procurement of electrification construction materials in the amount of $339,298.54
2. Authorize the Executive Director to negotiate and enter into an agreement and take any other related actions as may be necessary to support this work.

Background
In order to meet the construction schedule for the Treasure Island Ferry Terminal Electrification project, materials must be purchased in advance so that they are ready when the construction contractor begins installation work. The Treasure Island Ferry Terminal Electrification project is part of Phase 1 of SF Bay Ferry's Rapid Electric Emissions Free (REEF) Ferry program. The Treasure Island Ferry Terminal will be one of the first SF Bay Ferry terminals to be electrified. The vessels landing at this terminal will provide service along new Treasure Island and Mission Bay routes. To comply with the California Air Resources Board Commercial Harbor Craft regulations, vessels operating on short service routes of less than three nautical miles must be zero emissions.

Extensive preliminary design work was completed in advance of solicitation for this contract to specify electrical equipment necessary to support the proposed electric vessels operating on the proposed routes, at advertised speeds, while integrating with designed vessel charging infrastructure. This electrification construction material will support the operation of the first all-electric high speed ferry vessel in North America.

Discussion
Procurement Process
On May 9, 2025, SF Bay Ferry staff issued an RFQ for the procurement of electrification construction materials for Treasure Island Ferry Terminal.

After the RFQ was issued, SF Bay Ferry staff became aware of an available cooperative agreement already issued under the OMNIA Partners' government contracting program through which SF Bay Ferry could purchase the necessary materials from Wesco Distribution, Inc. (Wesco) without conducting its own solicitation process. Purchasing materials through a cooperative agreement like OMNIA Partners is expressly permitted under California law and SF Bay Ferry's Administrative Code as a way to reduce duplicative effort and to achieve cost economies.

Wesco Distribution, Inc. is a leading distributor specializing in electrical and industrial equipment. Wesco has agreed to all of SF Bay Ferry's terms and conditions and technical/delivery requirements. Wesco has also certified compliance with Buy America. SF Bay Ferry staff has analyzed Wesco's price and found it fair and reasonable, and less than SF Bay Ferry's independent cost estimate. I WETA's overall annual Disadvantaged Business Enterprise (DBE) goal for Federal Fiscal Year 2025/26 is 0.14 percent, and the Small Business Enterprise (SBE) goal is 5 percent for Federal Transit Administration (FTA) assisted contracts. Staff have reviewed the DBE/SBE materials provided by Westco Distribution Inc. and have determined that 0 percent DBE 2025/26 participation and 0 percent SBE participation is anticipated during the performance of this contract.

Recommendation for Contract Award
Staff recommends award of a contract to Wesco Distribution, Inc. in the amount of $339,298.54 for electrical construction materials for the Treasure Island Ferry Terminal Electrification. Staff further recommends that the Board authorize the Executive Director to negotiate and enter into an agreement and take any other related actions as may be necessary to support this work.

Fiscal Impact
Infrastructure Design and Construction – Treasure Island Ferry Terminal Electrification is included in the FY2025/26 approved Capital Budget in the amount of $3.4 million for the year. This procurement is fully funded through allocated TIRCP funds.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2025-35

AWARD CONTRACT TO WESCO DISTRIBUTION, INC. IN THE AMOUNT OF UP TO $339,298.54 FOR THE PURCHASE OF CONSTRUCTION ELECTRIFICATION MATERIALS FOR THE TREASURE ISLANDTERMINAL PROJECT

WHEREAS, SF Bay Ferry has established a Rapid Electric Emissions Free Ferry Program (REEF), Phase 1 of which will provide new service to Treasure Island using battery electric zero emission vessels in compliance with new CARB regulations; and

WHEREAS, SF Bay Ferry has established policies in its Administrative Code relating to the selection and contracting of equipment; and,

WHEREAS, Section IX of SF Bay Ferry's Contract and Procurement Policy allows participation in cooperative procurement agreements from other agencies, consistent with State law; and,

WHEREAS, In June, 2024, Omnia Partners competitively procured a contract with Wesco Distribution, Inc. (Wesco) for the delivery of equipment, including the electrification construction materials necessary for the Treasure Island project; and,

WHEREAS, staff recommends award to Wesco of a contract for electrification construction materials in the amount of $339,298.54, in recognition that Wesco was awarded a cooperative agreement through OMNIA's competitive process; now, therefore, be it

RESOLVED, that, the Board of Directors hereby awards a contract to Wesco Distribution, Inc. to procure and deliver electrification construction materials in the amount up to $339,298.54, and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute a contract with Wesco Distribution, Inc. as specified in this resolution and to take any other related actions as may be necessary 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 September 11, 2025

YEA:
NAY:
ABSTAIN:
ABSENT:

_____

/s/ Board Secretary
2025-35
END

AGENDA ITEM 10
MEETING: September 11, 2025

MEMORANDUM

TO: **Board Members**

FROM: **Seamus Murphy, Executive Director**
Michael Gougherty, Director of Planning
Thomas Hall, Director of Operations & Customer Experience
Gabriel Chan, Transportation Planner

SUBJECT: **Sea Change Hydrogen Ferry Demonstration Project Evaluation Report**

Recommendation
Receive the Sea Change Hydrogen Ferry Demonstration Project Evaluation Report

Background
SF Bay Ferry joined private and public partners in launching the Sea Change Hydrogen Fuel Cell Ferry Demonstration Project in July of 2024. SF Bay Ferry arranged for SWITCH Maritime to lease the Sea Change to Blue & Gold Fleet (BGF), which operated the vessel on SF Bayh Ferry's Pier 41 Short Hop route. To fund the demonstration project, SF Bay Ferry partnered with a variety of private and public entities to raise $2.6 million for six months of operation. SF Bay Ferry contributed $500,000 and in-kind staff time to the project.

The demonstration project began revenue service on July 19, 2024 and concluded in January 2025. The evaluation report (Attachment A) marks the conclusion of the pilot project and evaluates the project's performance and feasibility of the vessel for permanent service. The agency-established goals and basis for evaluation of the project—vetted by the SF Bay Ferry Pilot Service Committee—are also included in the full evaluation report.

Discussion
As the first vessel of its kind in the world, the Sea Change understandably experienced some operational and mechanical challenges but the demonstration project was a success and proved that hydrogen fuel cell technology can be deployed safely for passenger ferry operations. The successful Coast Guard certification of the vessel to operate in passenger service sets a valuable precedent for the certification of other hydrogen electric vessels and introduction of a new propulsion technology provided SF Bay Ferry crews and engineers invaluable experience working on a hydrogen fuel cell ferry.

SF Bayh Ferry staff understood prior to developing the demonstration project that the Sea Change would likely not meet the speed and reliability requirements of SF Bay Ferry's schedule, and that the project was an opportunity to evaluate the potential for future faster, more reliable vessels to operate as a part of SF Bay Ferry's fleet.. Additionally, the demonstration project identified issues related to the hydrogen supply chain that will need to be addressed before wider adoption on the SF Bay Ferry system.

In addition to demonstrating the viability of the technology, the project was a successful example of implementing a pilot service using a public-private partnership model.

A full discussion of the Sea Change demonstration project's performance and long-term feasibility is available in the attached report. The report covers topics including:

- Vessel Operations and Fueling
- Schedule and Reliability
- Public Awareness and Customer Experience
- Ridership
- Financial Considerations
- Environmental Considerations
- Public-Private Partnership Model

Fiscal Impact
This Board action item has no fiscal impact.

END

Attachment A - *Sea Change Hydrogen Ferry Demonstration Project Evaluation Report*

SEA CHANGE

HYDROGEN FERRY DEMONSTRATION PROJECT

PROJECT EVALUATION REPORT

San Francisco Bay Ferry

Table of Contents

1. Background

San Francisco Bay Ferry joined private and public partners in launching the Sea Change Hydrogen Fuel Cell Ferry Demonstration Project in 2024.

MV Sea Change, the world's first commercial passenger ferry powered 100% by hydrogen fuel cells, was completed by All American Marine in Bellingham, Wash., on behalf of SWITCH Maritime, a private firm that owns the vessel. The project's initial construction was funded through a research and development partnership that included Zero Emission Industries (ZEI), the California Air Resources Board (CARB), the Lawrence Livermore National Laboratory and others.

SF Bay Ferry became involved in the project upon delivery to provide the vessel a real-world demonstration application. To help fund the demonstration, the agency partnered with several additional groups to raise approximately $2.6 million for six months of operation. Financial support for the demonstration came from Chevron New Energies, United Airlines, the Golden Gate Bridge, Highway and Transportation District (GGBHTD), and Blue & Gold Fleet (BGF). SF Bay Ferry contributed $500,000 and in-kind staff time to the project.

The demonstration project had its ceremonial launch on July 12, 2024, and public service began on July 19, 2024. The demonstration was completed in January 2025. The following evaluation report marks the conclusion of the pilot project and evaluates the project's performance and feasibility. The agency-established goals and basis for evaluation of the project, vetted by the SF Bay Ferry Pilot Service Committee, are attached as Appendix A to this report.

2. Project Performance

Vessel Operations

Pier 41 Service and Schedule

The primary purpose of the demonstration project was to broadly assess the operational challenges and opportunities of hydrogen fuel cell propulsion technology as opposed to a side-by-side comparison with current SF Bay Ferry vessels. MV Sea Change is much different than the vessels in SF Bay Ferry's fleet beyond the propulsion package. At a capacity of 75 passengers with a design speed of 11 knots, the vessel is inherently smaller and slower than other vessels in the fleet. For example, the four vessels in the Gemini class carry 225 passengers with service speeds of 25 knots. As such, it was decided to use MV Sea Change on a short, low-demand route on a special schedule to avoid negative operational or passenger experience impacts. The partners decided to run the vessel on a modified Friday-Sunday Pier 41 Short Hop schedule with the intent to expand operation to five or seven days per week pending operational success.

The Pier 41 Short Hop route connects the Downtown San Francisco Ferry Terminal to the Pier 41 Marine Terminal on the City's northern waterfront. The route is approximately 2.7 nautical miles in length. At the time of the demonstration, SF Bay Ferry operated limited service on the route on Saturdays, Sundays and holidays only. The primary purpose of the trip is to connect Downtown San Francisco to the tourist attractions of Fisherman's Wharf and Pier 39. See the initial service schedule on the Pier 41 route with Sea Change in addition to the existing regular SF Bay Ferry service below:

Depart Downtown S.F.	Arrive Pier 41
9:20 AM*	9:40 AM*
10:35 AM	10:45 AM
11:00 AM*	11:20 AM*
12:00 PM*	12:20 PM*
1:25 PM	1:35 PM
3:00 PM*	3:20 PM*
5:50 PM	6:00 PM

**Sea Change trips*

Depart Pier 41	Arrive Downtown S.F.
10:30 AM*	10:50 AM*
10:55 AM	11:05 AM
11:30 AM*	11:50 AM*
1:45 PM	1:55 PM
2:30 PM*	2:50 PM*
6:10 PM	6:20 PM

A challenge revealed through the demonstration project for operating hydrogen fuel cell vessels as part of the SF Bay Ferry fleet will be achieving speeds that offer competitive travel times. Of note, the vessel did not meet its design speed target of 11 knots due to requirements that the vessel operate at a lower rated speed (550 revolutions per minute) than the system was designed to use (1,000 RPM). In practice, the trip between Pier 41 and Downtown S.F. often occurred at approximately 8 knots and took roughly 20 minutes. Handling issues due to the size of the vessel and Bay conditions also contributed to slower than anticipated transit times. Speed and handling are especially important requirements on SF Bay Ferry's longer haul routes where potential could exist to implement hydrogen fuel cell vessels given the present constraints of battery electric propulsion systems.

Bunkering and Fueling

Even though there are significant challenges, a major success of the pilot project was confirming that it is ultimately feasible to fuel a hydrogen powered vessel in a dense urban environment. The partners worked collaboratively with the Port of San Francisco and San Francisco Fire Department to identify a bunkering and fueling location in San Francisco ahead of the project launch. The site selected was Pier 68 on the City's southeastern waterfront. Bunkering typically required approximately 2-4 hours and occurred regularly throughout the pilot project approximately weekly. The bunkering site was sometimes closed due to other activities on the waterfront. With an uninterrupted operation, the Sea Change would have been able to operate at least 12 round trips on the Pier 41 service in addition to a 30-minute demonstration tour (typically scheduled for Thursday afternoons) before needing to refuel.

The project team was able to obtain the first ever Certificate of Inspection issued for a hydrogen fuel cell vessel in July 2024, a major achievement and milestone that pushes the industry forward. As a world-first hydrogen fuel cell passenger ferry, local certification by the U.S. Coast Guard took a substantial amount of time because of the vessel's unique characteristics and some challenges due to an extended ramp-up period after first being launched in the water in 2022. Given the nature of the propulsion and fueling systems, the project also required extensive training and time investment from BGF.

Reliability

In November 2024, SF Bay Ferry and SWITCH agreed to attempt to increase the scheduled operations to five days per week. This plan was intended to test the ability to simultaneously bunker and operate in the same day as well as operate on five consecutive days while bunkering twice per week.

Unfortunately, numerous issues led to inconsistent operation for MV Sea Change throughout the demonstration period and the vessel was never able to operate the 5-day schedule during the pilot project. Among the most common barriers to scheduled operation were issues with the vessel's propulsion, fueling, steering, fire suppression, and battery systems. Because the vessel had been in the water for nearly two years prior to launch, it required a two-year drydock certification in August 2024. This, along with other repairs that needed to be completed on the hull, kept the vessel offline

for three weeks. Service was also cancelled multiple times due to the lack of availability of fuel or access to the fueling site. Inclement weather caused additional cancellations on one day during the demonstration project period.

In total, over the six-month demonstration period, MV Sea Change ran as scheduled approximately 42% of the time with most of the downtime due to vessel propulsion, mechanical, and electrical systems. Issues with fuel handling and safety were exceptionally rare and did not cause service disruptions. Certain issues caused last-minute cancellations, while in other cases the inability to operate was known in advance.

Public Awareness, Ridership, and Customer Experience

Public Awareness

As a world-first application of hydrogen propulsion technology, the Sea Change demonstration project drew significant media interest ahead of its launch and during the demonstration period. The positive attention on the project was a significant benefit to project partners including SF Bay Ferry in that it highlighted successful public-private partnership to push maritime decarbonization forward.

Media interest in the demonstration project began as soon as MV Sea Change transited to the Bay Area, where it was berthed at Pier 9 as preparations for certification and service launch were underway. SF Bay Ferry and its media partners MacKenzie Communications and Bulleit Group worked with project partners to place stories in relevant publications across the spectrum, from general interest to local to industry outlets.

The effort sparked major coverage for the launch in July 2024. For the week of the launch, according to a report from Cision, the Sea Change demonstration project received 250 media mentions with an estimated reach of 1.3 billion. Outlets that covered the launch included the Associated Press, Yahoo! News, the Guardian, Politico, Fast Company, Canary Media, every local network television news outlet, and every local major print, digital, and radio news outlet. SF Bay Ferry was centered in nearly every story, many of which quoted or included clips of the agency's Board of Directors Chair Jim Wunderman.

Ridership

MV Sea Change helped augment the existing Pier 41 schedule and service to increase ridership. Sea Change had 2,945 boardings during the pilot period with 21% of the ridership (614 boardings) coming during the opening weekend of service on July 19, 20, and 21. Utilization by bicyclists was limited, with only 13 bikes onboard during the pilot period. The regular Pier 41 service operated by standard SF Bay Ferry diesel vessels carried 10,390 riders during the pilot period for a combined 13,335 boardings. This adds up to 3,000 more riders on the Pier 41 service in 2024 compared to 2023 for the same period. While this is an increase year-over-year, service delivery on Sea Change was uneven so it is difficult to attribute ridership growth specifically to the extra Sea Change

service. Systemwide, SF Bay Ferry saw about 20% ridership growth on the weekends in 2024. The Pier 41 ridership growth is consistent with the patterns observed systemwide.

Customer Experience

SF Bay Ferry tracks two reliability metrics: on-time performance and completed trips percentage. For this project, staff elected to not track on-time performance given the equipment needs and short timeframe of the demonstration. However, the agency did track the percentage of completed trips. As noted above, the vessel completed under 50% of its scheduled trips. This is significantly lower than SF Bay Ferry's systemwide (non-pilot) completed trip percentage of over 99% for 2024.

Due to low ridership (aside from launch weekend), SF Bay Ferry's passenger survey for the project garnered few responses. However, anecdotal customer sentiment on the technology was positive, with several passengers indicating they made a special trip to San Francisco to experience the world's first hydrogen fuel cell ferry. Riders appreciated the opportunity to learn about Hydrogen as a sustainable fuel source with the various interactive signs and boards on the vessel. Because the vessel was placed on a non-commute route, issues with speed and reliability were not as salient to the broader ridership.

Financial Considerations

Compared to the existing diesel fleet, the Sea Change demonstration project was significantly more expensive on a cost per hour basis. The final project cost was $2.6 million inclusive of all direct and indirect costs over the course of the lead up and operation of the pilot service. The full cost breakdown (in 2025 dollars) is detailed in the table below:

Crew & Dispatch Labor Cost	549,302
Engineering and Facility - Other	80,667
Vessel Inspection and Repair	218,943
Other Non-vessel Expenses	40,628
Legal Service Fees	69,327
Other Professional and Technical Services	32,497
Hydrogen	228,270
Premiums - Vessel Insurance	41,565
Equipment Leases	1,356,503
	2,617,702

The Sea Change pilot project was approved in 2022. Before operations began in 2024, staff estimated the cost for the Sea Change project would be $2.1 million. Actual project costs exceeded original estimates due to delays related to the readiness of the vessel for passenger operations and recurring vessel maintenance and repair issues. During the project, Sea Change operated approximately 147 hours.

At scale, operating costs would be expected to decrease substantially if SF Bay Ferry were to own the vessel and eliminate equipment lease fees as an operating expense. Ownership of the vessel would incur an approximate capital outlay of between $12 and $14 million (2022 dollars), with operating costs less lease fees totaling $1.26 million or about $3,500 per operating hour if Sea

Change had operated all its planned operating hours. Identifying a more cost-effective means of procuring fuel appears to be another promising strategy for further reducing operating costs at scale.

Environmental Considerations

The Sea Change project was also a test of the environmental implications of operating a hydrogen fuel cell vessel. While hydrogen fuel produces no point source emissions during ferry operations, the sourcing of the hydrogen fuel can still have negative environmental impacts depending on the production methods of the fuel. Currently, the three most common major production methods of hydrogen fuel are as follows[1]:

1) **Grey Hydrogen:** Produced from fossil fuels or coal gasification. Results in significant CO2 emissions of 10-19 tons of CO2 per ton of hydrogen produced. Most of the world's hydrogen fuel is generated through this process, making it the cheapest and most widely available.
2) **Blue Hydrogen:** Produced from natural gas by steam gas reforming, paired with carbon capture and storage. The carbon intensity of blue hydrogen is significantly lower than grey hydrogen and results in emissions of 1-4 tons of CO2 per ton of hydrogen produced.
3) **Green Hydrogen:** Produced from solar, wind, or other renewable sources via water electrolysis, where an electrolyzer splits water molecules into oxygen and hydrogen. This process generates no CO2 emissions but is significantly more costly and accounts for under 1% of the world's hydrogen.

Sea Change used grey hydrogen as cleaner hydrogen was unavailable. Despite this, the CO2 emissions from operation of the Sea Change during the pilot was lower than emissions of the current diesel fleet operating on the same route. During the demonstration project, the agency procured 1,620 kilograms of hydrogen fuel (approximately 18 to 39 tons of production-based CO2 emissions). In comparison, a typical Gemini-class vessel emits about 55 tons of CO2, 383 pounds of nitric oxide, and 9 pounds of particulate matter for 147.33 hours of operation on the Pier 41 route.

Staff also considered the transportation and storage impacts of using hydrogen fuel. There were no local Bay Area hydrogen fuel suppliers and hydrogen fuel trucks had to travel a similar distance as SF Bay Ferry's current diesel fuel trucks to make fuel deliveries. Staff assume the difference in emissions impacts due to transportation of diesel vs. hydrogen fuel to be negligible.

Anecdotally from customers and staff, the hydrogen propulsion system was much quieter than the diesel ferries. While staff were unable to quantify or measure the difference in noise impacts, the agency received no complaints regarding noise during the pilot.

[1] Nicola De Blasio. "The Colors of Hydrogen," *Belfer Center for Science and International Affairs, Harvard University* (July 2024).

Pilot Service Model

SF Bay Ferry used a leased-vessel, partner-funded model for this pilot service.

Due to the nature of the alternative fuel technology demonstration project and the agency's lack of resources to purchase MV Sea Change outright, the leased-vessel model was the only path forward for operation. This arrangement has both benefits and disadvantages. Leasing a vessel for a pilot service limits upfront capital requirements for the agency, which can provide flexibility and speed to deployment. However, leasing the vessel leaves a good deal of control outside the agency's hands in terms of getting the vessel through Coast Guard certification. It also creates a high ongoing operating cost to the pilot service if there is a lease fee. In the case of the Sea Change demonstration project, lease fees were nearly half of the total project costs.

The partner-funded model allows the agency to leverage outside resources to launch or sustain pilot services. This can reduce or eliminate costs to SF Bay Ferry. In the case of Sea Change, the agency contributed $500,000 in operating funds while other project sponsors contributed between $25,000 to $1 million each. While the partner-funded model reduces the burden of funding a project, it creates significant time commitments in development of the partnership and ongoing collaboration between partners to meet conditions of the agreement. A clear, standardized pilot partnership agreement would decrease the impact of these challenges.

3. Feasibility and Learnings

Vessel Feasibility

The major success of the project was SF Bay Ferry and BGF safely operating this first-of-its-kind hydrogen fuel cell vessel to serve the public with thousands of riders able to enjoy the experience. This required a rigorous almost two-year process to get the necessary approvals and Certificate of Inspection (COI). SF Bay Ferry, BGF, and SWITCH staff collaborated to ensure that both the vessel itself and the safety practices and procedures met strict Coast Guard requirements. The vessel also garnered widespread media coverage and excitement with local businesses and leaders taking interest in the project. Despite proving that safe operation was possible, MV Sea Change will need to demonstrate a capability to operate more reliably and at a higher speed to operate scheduled SF Bay Ferry service in the future. Notably, since the end of the demonstration project, SWITCH Maritime has made modifications to the vessel that have reportedly improved service speed to 11 knots and improved reliability through lessons learned and new equipment.

SF Bay Ferry is usually highly involved in the design and construction process of its new vessels. That was not the case for Sea Change, which—when combined with the steep learning curve associated with the new technology—created significant uncertainty during various stages of commissioning, certification, and operation. Specifically, there was a great deal of uncertainty during the two-year period between the vessel's arrival in San Francico and its service launch. Clear timelines and communication paths will help future projects develop more smoothly.

Hydrogen Fuel Feasibility

Hydrogen remains a promising fuel, particularly for routes where battery technology currently does not provide enough energy density for viability. It's notable that even gray hydrogen used for this project produced less lifecycle CO2 than the equivalent renewable diesel fuel. However, there is a lack of viable fueling locations, fuel suppliers, and fuel availability. Additionally, the high and exceptionally volatile cost of fuel limits applicability for regular ferry operations in the near term. As investment in hydrogen fuel infrastructure increases, hydrogen-fueled ferries may become feasible in the Bay Area.

While not currently viable for regular passenger ferry operations, hydrogen fuel cell technology remains an important component of green energy adoption and decarbonization. There is currently significant work being done by the U.S. Department of Energy, the Port of Oakland, and other entities to improve hydrogen supply and distribution in the Bay Area. More coordination between SF Bay Ferry and industry partners could be useful to advance local maritime hydrogen potential. In addition, new green hydrogen sources have recently come online and could be available for near-term deployments of MV Sea Change.

Project Model

On the funding side, leveraging outside sources to amplify limited SF Bay Ferry resources and make pilot services possible is a good model that should be replicated. However, for maximal collaboration and efficiency, the process to select potential partners and the conditions of sponsorship agreements should be standardized and known among all parties.

On the vessel side, leasing is an attractive solution when the agency's fleet does not otherwise meet the needs of a particular project due to vessel technology, size, or availability. There remains promise in the model of leasing alternative propulsion vessels to demonstrate and test new technologies before spending major capital resources on direct procurement and vessel ownership.

SF Bay Ferry should develop paths by which separate vessel operators can become involved in demonstration projects to ensure work on the demonstration vessel does not detract from the broader system's needs. Similarly, the agency should allocate additional staff capacity to support high-touch demonstration projects such as Sea Change.

4. Conclusion

The MV Sea Change Hydrogen Demonstration Project was successful in illuminating both the potential upside and difficult challenges of operating a world-first hydrogen passenger ferry. With the help of BGF and all the project partners, SF Bay Ferry was able to safely operate the pilot service without major incident. This first-of-its-kind demonstration project sets a precedent for the entire Hydrogen industry that passenger ferry service is possible even with strict regulations. On days where the vessel experienced mechanical or electrical issues, crews were able to identify them and cancel service if necessary. While cumbersome, the introduction of a new propulsion technology gave crews and engineers invaluable experience working on a hydrogen fuel cell ferry. This project also proved the exceptional adaptability and resilience of the training procedures of SF Bay Ferry and BGF staff working with unfamiliar technology.

In the course of the pilot, the MV Sea Change did not meet the speed and reliability requirements of SF Bay Ferry's schedule—issues that the vessel operator would need to affirmatively address before pursuing similar hydrogen fuel cell technology in the immediate term. Additionally, the local maritime hydrogen market and infrastructure system will need to develop further to sufficiently support regular ferry service using the fuel. SF Bay Ferry should continue to explore alternative propulsion technology through demonstration projects as the opportunities arise, and as the underlying issues described above are addressed. The partner-funded, leased-vessel model shows promise in making projects like this possible, provided SF Bay Ferry sets clear guidelines and standardized agreements with all partners.

While the pilot service on SF Bay Ferry's Pier 41 route is complete, the agency continues to support the ongoing operation of the vessel in collaboration with SWITCH, BGF, and the various partners and interested stakeholders. This includes runs to Pier 48 and along the San Francisco waterfront in the intervening months since the end of the pilot.

5. Acknowledgements

The SF Bay Ferry project team for the Sea Change Hydrogen Fuel Cell Ferry Demonstration Project would like to acknowledge all partners that made the pilot service possible, including:

- California Air Resources Board
- Bay Area Air Quality Management District
- Chevron New Energies
- Golden Gate Bridge, Highway and Transportation District
- Port of San Francisco
- Blue & Gold Fleet
- SWITCH Maritime
- West Coast Fuels
- United Airlines
- Zero Emission Industries
- MacKenzie Communications
- Bulleit Group
- Fast Ferry Management

Appendix A. MV Sea Change: Goals, Marketing Plan, and Basis for Evaluation

Sea Change Hydrogen Vessel Pilot Project

Goals, Marketing Plan, and Basis for Evaluation

Project Purpose

The Sea Change Hydrogen Vessel Pilot Project is a joint effort between WETA and SWITCH Maritime to test on a limited-term basis the efficacy and feasibility of hydrogen fuel cell passenger ferry service in the SF Bay Ferry system. The Sea Change is SWITCH Maritime's flagship zero-emissions 75-passenger ferry powered by hydrogen fuel cells and batteries. Constructed in Alameda at Bay Ship and Yacht and All American in Bellingham, WA, the vessel will operate for six months starting July 19, 2024 on the Pier 41 short hop route between the Downtown San Francisco Ferry Terminal and Pier 41.

As SF Bay Ferry plans to construct a regional zero-emission ferry network, hydrogen fuel cell technology is currently under consideration as an option to carry forward. Staff and the Board identified the testing of emerging vessel technology as a key objective in the recent creation of SF Bay Ferry's pilot program. During the pilot project's duration, staff will collect and analyze both qualitative and quantitative data related to the goals, objectives, and performance metrics set forth in this document.

Service Schedule

- Friday – Sunday, 4 daily trips each way between Pier 41 and Downtown San Francisco Ferry Terminal
- Transit time: 20 minutes
- Total operating cost: $1.8 million
- 6-month pilot duration

Service is initially going to be 4 daily trips each way Friday to Sunday. These trips on Sea Change will be in addition to the already existing Pier 41 trips using the diesel fleet. There will be opportunities to adjust operating hours, frequency, and service schedule of the Sea Change to optimize the service during the pilot project. WETA will evaluate, recommend, and implement service adjustments as needed in coordination with SWITCH Maritime and Blue and Gold crews.

Goals

1) *Optimize service operations*. Periodically adjust hours of operation, scheduled cycle times (travel time and dwell time), vessel operating speed, crew break times, crew shift changes, and hydrogen fueling processes to maximize performance of the key metrics listed below.

2) *Evaluate project partnership model*. Assess whether key roles and responsibility assigned to each public and private partner to deliver the pilot project were effective, sustainable, and scalable to other potential future pilot projects.

3) *Compare customer experience of hydrogen-powered ferry service to existing service*. Evaluate and determine quality of service from a customer perspective—including reliability, speed, on-board amenities, comfort, and safety.

4) *Estimate costs at scale*. Develop more accurate cost estimates—including any additional costs caused by supply chain issues—for a large-scale hydrogen vessel fleet operation by identifying and analyzing initial and on-going capital and operating costs associated with the pilot service.

5) *Determine feasibility at scale*. Collect safety, maintenance, operating, and reliability data to determine if hydrogen fuel cell technology can effectively operate across the entire spectrum of contexts in the SF Bay Ferry system—including in an emergency response capacity.

6) *Assess the environmental impact of hydrogen service*. Compare emissions between hydrogen fuel cell technology and the existing diesel fleet. Identify any co-benefits or drawbacks from using hydrogen—including fuel transport costs, point source emissions, noise.

7) *Maximize transparency*. All data collected and analyzed will be provided to project partners and reported to the public at the conclusion of the pilot service.

Key Performance Metrics and Evaluation Criteria

Criteria	Description and/or Metrics
Ridership	• Total ridership (including bikes) • Ridership profile and distribution (by day of week and time)
Operations and Safety	• On time performance • Service reliability (incl. cancelled trips and reasons for cancellations) • Trip cycle time • Maximum number of trips per fuel cycle • Hydrogen fuel consumption • Hydrogen fuel availability • Reporting of all safety incidents from refueling, maintenance, and/or service operations.
Finance	• Hourly operating cost • Hydrogen fuel cost and price fluctuation
Customer Experience	• Rider satisfaction with the service and vessel (via poll or survey)
Environment	• Estimated point source emissions avoided compared to equivalent diesel service • Noise levels • Other environmental co-benefits or drawbacks of hydrogen fuel cell technology
Partnership and Coordination	• Effectiveness of partnership model for delivering the service: partner roles and responsibilities, funding commitments, level of effort, and ability to continue operations long-term

Public Outreach and Marketing Plan

The launch event was held on July 12, 2024 and included a ride along with dignitaries and key stakeholders. Many local news outlets reported on the SeaChange launch with overwhelmingly positive coverage. Service is scheduled to start Friday July 19, 2024.

Data Analysis and Reporting

- Operational data, including ridership, reliability, departure and arrival times, and safety and maintenance logs will be tracked through Blue and Gold captains' logs and reports from SWITCH Maritime.
- WETA will coordinate the development of an online customer survey, to be administered during the pilot period.
- WETA will report available key operational statistics for the Sea Change as part of its monthly operational report presented to the WETA Board.
- WETA will lead the preparation of a final report upon the conclusion of the pilot project evaluating the goals and key performance metrics set forth for the project.