

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

[April 9, 2026]

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the Bay Area Metro Center at 375 Beale Street, San Francisco, CA and via videoconference.

1. CALL TO ORDER

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

2. ROLL CALL/PLEDGE OF ALLEGIANCE

Directors Present in San Francisco:	Chair James Wunderman Vice Chair Moyer Director Michael Henneberry
Directors Present Remotely:	None
Absent:	Director Jessica Alba Director Pippin Dew

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

3. REPORT OF BOARD CHAIR

Chair Wunderman opened his report by highlighting the system's strong ridership performance well above pre-pandemic levels despite broader transit challenges. He attributed this success to service quality, strong leadership, high reliability, and public support.

Chair Wunderman reported that he had recently taken the opportunity to brief Governor Gavin Newsom on SF Bay Ferry's performance. He noted that Governor Newsom, who served on the original WTA board during his tenure as Mayor of San Francisco, expressed continued interest and enthusiasm for SF Bay Ferry's electrification efforts.

Chair Wunderman emphasized the importance of Bay Area shipbuilding as he has for many years. He said that he and Vice Chair Moyer had recently traveled to Washington State to visit electric vessels under construction and reiterated that building locally offers economic benefits and regional pride, with momentum continuing to grow. He referenced projects supporting this momentum.

Chair Wunderman expressed the view that a shipyard at California Forever could serve both naval and commercial purposes, and that WETA's leadership in electrification positions the region to produce vessels demanded by other regions.

Chair Wunderman concluded by raising economic and national security concerns in relying heavily on foreign shipbuilding production. He noted the economic challenges including recent job losses and expressed the view that diversification of the regional economy through shipbuilding could provide meaningful opportunities for the next generation of Bay Area residents.

4. REPORTS OF DIRECTORS

Vice Chair Moyer thanked staff for the *San Francisco Standard* article promoting ferry commuting and said she looked forward to the ridership report.

Vice Chair Moyer shared the recent passing of Rod Diridon, a longtime transit advocate, highlighting his public service and legacy, and proposed adjourning the meeting in his honor.

Director Henneberry said that he was pleased to have been part of two record-breaking weekends for system ridership and said the Maritime Trades are ready to advance shipbuilding efforts.

5. REPORTS OF STAFF

Executive Director Seamus Murphy said that the proposed shipyard could employ about 26,000 people daily and expressed enthusiasm for ferry service potential due to its waterfront location.

Mr. Murphy stated that high customer satisfaction has been largely driven by crew performance.

Director of Operations and Customer Experience Thomas Hall recognized Blue & Gold Fleet (Blue & Gold) crew members and the dispatch team for extraordinary actions taken during separate incidents in recent months.

First Incident: Captain Chris San Miguel, Gloria Freeman, Carl Carr-Johnson, Mark Merkuryev - rescued stranded boaters from a sinking boat.

Second Incident: Captain Jim Peeples, Lloyd Castillo, Kokou Khoudjou, Nyaradzo Mutuma - responded to onboard cardiac event.

Third Incident: Captain Dan Fickett, Ryan Fong, Bayyinah Jordan, Ruben Sevillano – responded to onboard overdose.

Mr. Hall noted that Blue & Gold, which operates the vessels, has its own employee recognition program and that management had indicated these crew members would be recognized through that program as well.

Chair Wunderman thanked the crews and the dispatch team. Director Henneberry added that he was on board during the overdose incident and confirmed that the situation was handled professionally.

Executive Director Murphy added that the crews' performance was a direct result of their training and Blue & Gold for ensuring crews are prepared for such incidents.

Senior Planner Arthi Krubanandh provided an update on SF Bay Ferry's participation in the Green Marine environmental certification program. She reported that SF Bay Ferry had achieved certification in the current year through self-evaluation and had achieved a higher level of performance in waste management aligning with SF Bay Ferry's sustainability policy objectives and the Rapid Electric Emission Free (REEF) Ferry Program.

Vice Chair Moyer confirmed her understanding of the advancement and expressed approval of the result.

Mr. Murphy introduced the fuel costs discussion noting that fuel price variability is accounted for in SF Bay Ferry's annual budget; however, the current market conditions present a level of volatility not typically anticipated. He introduced newly appointed Chief Financial Officer Lauren Gradia to present the analysis.

Ms. Gradia shared her presentation reporting that fuel expenditures account for approximately 20 percent of SF Bay Ferry's operation budget or approximately \$16,000,000 annually, creating significant exposure to price fluctuations.

Ms. Gradia explained that crude oil had spiked approximately 78 percent following the conflict in Iran and the closing of the Strait of Hormuz with R99 fuel prices following global crude oil pricing. With respect to the current fiscal year, Ms. Gradia presented a graph showing the running average fuel price at just under \$3.50 per gallon, compared to the budgeted price of \$4.20 per gallon. While recent prices had spiked significantly, staff expressed confidence that the annual fuel budget for the current fiscal year would not be exceeded.

Looking ahead to the next fiscal year, Ms. Gradia noted that staff were evaluating a budget assumption of \$5.00 per gallon average, representing approximately \$3,100,000 in additional annual cost over the current budget or approximately \$260,000 per month.

Mr. Hall outlined potential mitigation options: slowing midday Vallejo trips offered minimal savings, while consolidating Vallejo midday service produced greater savings but increased passenger impact.

Ms. Gradia presented a fuel surcharge option that would help offset fuel costs but could cause potential rider confusion with the current fare amendment and impact ridership. She outlined next steps, including monitoring fuel prices, consulting with partner agencies, and incorporating findings into the budget.

Chair Wunderman asked about prior fuel surcharges and rider input. Staff said a Vallejo surcharge had once been approved but never implemented, and no direct outreach had been conducted.

Chair Wunderman emphasized fuel as a major, uncontrollable cost driver with unenviable choices of a surcharge or service cuts and expressed reluctance to accept service reductions. He requested additional information and a sensitivity analysis and suggested making the public aware of the financial pressures.

Vice Chair Moyer said the analysis was not yet sufficient, calling for a fuller evaluation of trade-offs and being more creative about the service. She expressed strong opposition to surcharges, citing potential harm to ridership and affordability achievements.

Director Henneberry noted the service provides strong value and said fare increases may be justified, if necessary, while acknowledging fuel costs are beyond the SF Bay Ferry's control.

Mr. Murphy acknowledged the helpful information and said staff would continue to analyze and refine options. Mr. Murphy provided written reports and offered to answer any questions.

Transportation Planner Gabriel Chan reported strong ridership numbers in February and March 2026 citing favorable weather conditions combined with popular waterfront events and the start of the Giants and Warriors seasons.

Executive Director Murphy said strong ridership is bringing back pre-pandemic capacity constraints, including full vessels, limited bike space, and full parking lots. He noted that SF Bay Ferry's access study is reviewing each terminal to improve rider access.

Mr. Hall explained that a "max out" was defined as a vessel reaching 98 percent of capacity and that mitigation efforts included assigning appropriate sized vessels and early communication to riders.

Chair Wunderman acknowledged that overcrowding could begin to affect rider satisfaction and inquired how frequently riders were unable to board. Mr. Hall clarified that a “max out” does not necessarily prevent boarding but that service capacity is a growing concern. Mr. Hall reported ten “max out” events in February and said that March and the coming summer months are expected to yield higher numbers.

Chair Wunderman expressed disappointment that Senator Scott Wiener did not advance a “clean-up” bill to include ferry terminals to the preferential land use treatment provisions in Senate Bill (SB) 79.

Mr. Murphy said the practical benefit would have been limited mainly to a few Oakland Jack London Square parcels, since most San Francisco Bay Ferry terminals are not covered by the legislation or already covered by overlapping transit services. He noted the issue had become more controversial and less impactful for the agency and said that staff would instead work directly with the City of Oakland to ensure appropriate zoning for transit-adjacent parcels in collaboration with other stakeholders.

Chair Wunderman asked about the Federal Transit Administration (FTA) electrification grants under review. Mr. Murphy said most federal grants were finalized but that these two were paused before final certification as part of a broader FTA review of about 80 transit-related clean energy grants nationwide, with timing and outcome uncertain. Mr. Murphy noted that SF Bay Ferry is working with other program beneficiaries to secure release of the funds and is developing contingency plans to keep projects moving.

Chair Wunderman noted that an upcoming trip to Washington, D.C., organized by the Bay Area Council, presents an opportunity to advocate directly with legislators for the release of the grants. Mr. Murphy said that highlighting funding would be a top priority.

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

6. CONSENT CALENDAR

Chair Wunderman invited members of the Board to identify any items they wished to remove from the consent calendar. No items were removed.

Director Henneberry made a motion to approve the consent calendar:

- a. Approve Board Meeting Minutes – March 5, 2026
- b. Receive the Single Audit Report for the Fiscal Year Ending June 30, 2025
- c. Designation of Authorized Agents to Apply for Federal or State Disaster Assistance Funds

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

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

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

7. PUBLIC HEARING ON PROPOSED FISCAL YEAR 2024-2028 FARE PROGRAM AMENDMENT

Chair Wunderman stated the purpose of, and opened, the public hearing on the proposed Fiscal Year 2024–2028 Fare Program Amendment. He noted that speakers would be asked to state their name and city of residence for the record and to limit comments to three minutes or less. He stated that written comments received in advance of the hearing would be entered into the record.

PUBLIC COMMENT

Daily ferry commuter Priyanka raised concern about a recent schedule change.

Chair Wunderman thanked the speaker for their comments and invited the speaker to submit written suggestions for review. He noted that the Board had received written comments and formally closed the public hearing at 1:57 p.m.

8. ADOPT FISCAL YEAR 2024-28 FARE PROGRAM AMENDMENT

Director of Planning Michael Gougherty introduced this item recommending adopting the amendment to the Fiscal Year 2024-28 Fare Program. He noted that Ms. Krubanandh designed her presentation to be responsive to the Board's direction from the prior month providing additional background and context for the recommended changes.

Ms. Krubanandh presented the background of the current fare program, regional context and peer comparison, proposed changes, fiscal impact, public outreach, and next steps. She said that the current fare program was designed to provide predictable, small-step increases through fiscal year 2028 with the goal of keeping fares comparable to other regional transit options while supporting financial sustainability, noting that other transit operators have been adjusting fares following COVID-related delays and higher than anticipated inflation.

Ms. Krubanandh summarized the proposed amendments by service corridor and included explanations for the short hop and special event fare changes. She said that the intent of the amendment was for structural alignment within the region and not revenue maximization, estimating annual revenue at approximately \$34,000. She said that no substantive comments were received that would warrant changes to the proposal, thus no changes to the proposal were recommended as a result of public outreach.

Director Henneberry commented that while most of the increases were modest, the short hop increase was more substantial. Ms. Krubanandh explained the rationale noting the small share of ridership that was affected. Mr. Murphy elaborated on the regional fare integration principles that SF Bay Ferry first adopted six years ago and on the broader Metropolitan Transportation Commission (MTC) fare integration study recommendation for a zone-based, mode-independent fare system. Director Henneberry commented that SF Bay Ferry offered the free Oakland Alameda Water Shuttle as an alternative.

Vice Chair Moyer requested a return to the slide comparing ferry fares to peer operators and raised questions about the total cost of transit to a commuter, including parking and last-mile costs. Mr. Murphy acknowledged the complexity of the analysis and noted that the regional fare studies have focused on the fare itself rather than total access costs, given the variability of first and last mile options.

Vice Chair Moyer expressed concern about labor costs and the affordability and comparables when discounts are applied. Mr. Gougherty explained that the approach was to make incremental adjustments without attempting to achieve alignments in a single year. He said that the original program assumed a flat three percent average annual inflation and that actual inflation has been higher. He added that SF Bay Ferry was indexing to agencies who were adjusting to actual inflation, effectively capturing higher than expected inflation rather than relying on original assumptions.

Chair Wunderman commented that the public hearing yielded no substantial pushback and that the outreach process was meaningful. He cautioned, however, that the true public response would likely come when the new fares are implemented and urged staff to be prepared. He noted that the complexity of route-specific increases as opposed to the simpler flat-rate approach previously used would require clear communication to the riding public.

PUBLIC COMMENT

The Board received written public comment not included in the agenda packet opposing fare increases from ferry riders Chris Noguera and Kate Eby.

Member of the public and former South San Francisco rider Isabelle Hodge spoke in support of ferry service and commented that rising gasoline prices represent a competitive opportunity with automobile commuting for new ridership.

Director Henneberry made a motion to adopt Resolution No. 2026-14 approving this item.

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

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

Chair Wunderman commended Ms. Krubanandh for the quality of the presentation, noting that it effectively explained the rationale for a complex, differentiated set of fare changes. He reiterated the importance of communicating clearly with the public upon implementation.

9. AUTHORIZE AGREEMENT WITH SAN FRANCISCO PUBLIC UTILITIES COMMISSION RELATIVE TO DOWNTOWN SAN FRANCISCO TERMINAL ELECTRIC SERVICE

Chief Capital Program Officer Gary Griggs presented this item recommending authorizing an agreement with the San Francisco Public Utilities Commission (SFPUC) Relative to Downtown San Francisco Terminal Electric Service.

Mr. Griggs shared his presentation and provided context by noting that progress is being made across the system in securing power for the electrification program adding that the vessels are in production making it increasingly urgent that charging capabilities be established at terminals, particularly downtown San Francisco.

Mr. Griggs acknowledged and thanked SFPUC Development Executive Tom Marx and his team for their close collaboration with the capital program team in developing this approach.

Mr. Griggs said that the original plan contemplated drawing power from a 90-megawatt substation that the SFPUC had planned to construct in the Embarcadero area; however, the substation timeline remains uncertain, and its power source is unresolved. As a result, staff identified a dedicated 10-megawatt service line extending from a Pacific Gas & Electric Company (PG&E) substation. He noted that dealings with PG&E have been conducted through the SFPUC, consistent with standard practice for projects of this type.

Mr. Griggs said that PG&E had set April 17, 2026, after a 60-day extension, as the deadline for SF Bay Ferry to reserve the 10-megawatt capacity, stating that the power would be allocated to another customer if a commitment was not made. He said that PG&E's preliminary cost estimate for front-of-meter work is approximately \$5,584,000 and that PG&E requires a 20 percent engineering advance payment of approximately \$1,116,800 by April 17 to reserve the service.

Mr. Griggs clarified that the total front-of-meter cost including additional work was estimated at approximately \$10,000,000 and said that the item before the Board only addressed the first step of the engineering advance. He said that a second advance payment estimated at approximately \$4,500,000 would be brought to the Board prior to construction once PG&E had completed its design. He added that the deposit would be returned, less any amounts expended, if SF bay Ferry decided not to proceed.

Chair Wunderman asked whether the line would serve other entities along its route. Mr. Griggs confirmed that the line would be fully dedicated to SF Bay Ferry.

Chair Wunderman expressed concern about making a critical decision under significant time pressure and questioned the agency's negotiating position with the SFPUC before finalizing a service agreement. SF Bay Ferry Legal Counsel Steven Miller of Hanson Bridgett LLP said negotiations are ongoing and that no engineering advance to PG&E would be made without an agreement in place. He added that the item authorizes the Executive Director to execute the agreement, with future phases returning to the Board, and noted the April 17 deadline is driven by competing demand for the 10-megawatt service line.

Chair Wunderman acknowledged the limited options available to the Board, and that the decision is effectively a necessary one given SF Bay Ferry's commitment to electrification and the irreversibility of the path taken with vessel orders. He noted some discomfort with the process while acknowledging the practical realities.

Director Henneberry commented that electric vessels serve no purpose without a power supply and that the relevant parties would remain the same regardless of timing. With that, he made a motion to adopt Resolution No. 2026-15 approving this item.

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

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

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

Chair Wunderman expressed appreciation for the work of Mr. Griggs, the capital program team, and SFPUC and noted that while the cost is significant, it is an investment that will serve well in establishing the nation's first battery-electric passenger ferry service.

10. SF BAY FERRY CLASSIFICATION AND COMPENSATION STUDY REPORTS

Mr. Murphy presented this informational item on the recently completed Classification and Compensation Studies by CPS HR Consulting noting that the study was paused during the organizational restructuring process conducted with assistance from the American Public Transportation Association (APTA).

Mr. Murphy outlined the process of the studies. He said that the revised classification structure was designed to provide growth opportunities and that the compensation study provided comparables with eight peer agencies using relevant labor market criteria.

Mr. Murphy summarized the results and emphasized that no employee's current salary would be reduced or immediately increased as a result of the study but rather that the ranges would be adjusted and any salary implications would be addressed through the budget process.

Mr. Murphy introduced SF Bay Ferry's Principal HR Consultant Deborah Gutman of CPS HR Consulting to respond to specific Board questions. Ms. Gutman affirmed that the proposed salary range and overall structure are standard for compensation studies and align with industry's best practices.

Chair Wunderman observed that the salary ranges were relatively broad and emphasized the importance of using the structure to support internal career advancement. Mr. Murphy confirmed that the unassigned pay grades were intentionally included to support future promotions.

Vice Chair Moyer said the report was thorough and valuable and highlighted the step increments as a strong tool for ensuring equitable compensation practices. She raised concerns about the financial impact of implementing the study's recommendations amid broader budget pressures and

thanked staff for their dedication after hearing that many employees were found to be below market compensation.

Director Henneberry expressed confidence that the study fulfilled the intent to establish objective standards for compensation and benefits.

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

Chair Wunderman concluded by expressing pride in both the administrative staff and vessel crews, voicing his hope that the studies will provide clear, meaningful growth opportunities.

11. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

Chair Wunderman called for public comments for non-agenda items, and there were none.

Mr. Murphy noted that it was Senior Planner Arthi Krubanandh's last meeting with SF Bay Ferry as she was departing to join the San Mateo County Transit District. He commended Ms. Krubanandh for her contributions, including her management of the Green Marine Program and her work on the fare amendment, and congratulated her on the new opportunity. The Board joined in applause to recognize Ms. Krubanandh's service.

With all business concluded, Chair Wunderman adjourned the meeting at 3:11 p.m. in memory of Rodney Diridon Sr.

- Board Secretary

END