

STATEMENT OF
SEAMUS MURPHY, EXECUTIVE DIRECTOR
SAN FRANCISCO WATER EMERGENCY TRANSPORTATION AUTHORITY
BEFORE THE
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT
U.S. HOUSE OF REPRESENTATIVES
EXAMINING THE ROLE OF FERRIES IN IMPROVING MOBILITY

September 28, 2021

Thank you Chair Norton, Ranking Member Davis, and members of the Subcommittee for the opportunity to speak about San Francisco Bay Ferry service, our efforts to recover from the pandemic, our plans for expansion, and our transition to zero emission technology.

WETA is a regional public transit agency that carries over three million passengers annually utilizing a fleet of 15 high-speed passenger-only ferry vessels. San Francisco Bay Ferry currently serves the cities of Alameda, Oakland, Richmond, San Francisco, South San Francisco, and Vallejo¹.

Prior to the pandemic, WETA's system was the Bay Area's fastest growing transit service. Between 2013 and 2019, demand for ferry service increased over 160%, or an average of 23% every year. In the year before the pandemic, ridership increased a whopping 35%. In response to this surging demand, and in anticipation of future demand growth, we added seven new high capacity (400-445 passenger) vessels to our fleet, and we currently have four additional vessels under construction.

¹ See attached ferry route map.

Of course, like every other travel mode, all of that changed during the pandemic. WETA's historic ridership is commute-based, and almost all these riders were able to transition immediately to remote work. Ridership initially dropped by 98% and remained between 7%-12% of pre-covid levels for the next 16 months. WETA immediately reduced service to the minimum level needed to maintain a travel option for essential workers.

Before the pandemic, 60% of WETA's operating costs were covered by fares. In the transportation space, that is very high, and it was a point of pride for the agency. But as a fare dependent system, WETA's ability to maintain even a minimum service level in the face of dramatic ridership decline is extremely limited. Thankfully, Congress took action.

On behalf of our riders, workers, deck-hands, pilots, and the countless Americans who depended on essential workers to get us through the darkest days of the pandemic, thank you for everything Congress did to maintain transit as an essential service. Without the support provided in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Recovery Plan Act (ARPA), thousands of nurses, teachers, grocery clerks, construction workers, and others not able to work from home would have been stranded without a viable mobility option. We used funding from those programs to invest in saving jobs, preserving services, and protecting the most vulnerable members of our communities. We are incredibly grateful.

These funds are now being invested in expediting regional recovery. COVID relief funds have helped WETA become the first Bay Area transit system to fully restore service. WETA began implementing a Pandemic Recovery Program in July. The Program is a year-long series of fare and service changes focused on incentivizing ridership; testing the market for new travel

patterns; and maximizing the relevance of our service for a new, more equitable post-pandemic ridership base.

So far, the Program is yielding very positive results. Before the pandemic, riders paid a premium for ferry travel. Customer satisfaction ratings were at 95%. Boats operated at maximum capacity. The higher fares reflected the high demand. But WETA operates service to some of the Bay Area’s most disadvantaged communities, and as a public transit operator, price should not be a factor in riders’ decision about which mode to choose. Through our Pandemic Recovery Program, WETA was able to lower fares and align those fares with other transit modes. We also added a significant amount of off-peak service to accommodate the needs of lower-income, transit-dependent workers who could not work from home and who did not follow traditional commute patterns.

	Allocated by		
	MTC / Rcvd	Expended	Balance
CARES Act	18,756,857	18,756,857	-
CRRSAA	18,353,738	914,492	17,439,246
ARPA	14,133,854	-	14,133,854
Total	51,244,449	19,671,349	31,573,100

After implementing these changes, WETA ridership nearly doubled overnight. Systemwide ridership is approaching 40% of pre-pandemic levels and weekend ridership is over 60% of pre-pandemic levels. The off-peak service that we thought might attract new riders has proven to be very popular. While ridership on WETA services during the beginning of 2021 was consistent with other regional systems, since we made our July changes, WETA’s ridership has significantly outpaced other regional carriers.

We are well ahead of our fiscal year ridership projections. Congestion has fully returned to regional highways and based on job and population growth in the area, there is a high

likelihood that our system will eventually return to the level of growth we saw pre-COVID. Before the pandemic, we were working with communities throughout the region to aggressively plan for expanded ferry service. While those plans are being updated to reflect post-pandemic realities, the fact is that we need to prepare for future increases in ridership.

New neighborhoods are rapidly emerging along the San Francisco bayfront. These are vibrant population and job centers with extremely congested access via surface streets. Alternative transportation options will be critical. Fortunately, plans are in place to build ferry infrastructure that will make water transit a major travel mode for thousands of new workers and residents. Our expansion plans will ensure that these emerging economic centers are connected to our current system, providing people of all income levels living throughout the Bay Area with access to jobs, health care, entertainment and other opportunities.

In addition to accounting for connectivity and accessibility, our expansion plans are aimed at reducing congestion in the region. To that end, new, congestion-reducing routes are planned for Berkeley and Redwood City. Additional new markets for ferry expansion are being created as population shifts from the urban core to outlying areas in the North Bay and East Bay subregions.

As we prepare to grow, we are also advancing plans to grow sustainably, and with an eye toward reducing greenhouse gas emissions. WETA has always been an environmental leader in developing clean vessel technology. From the beginning, WETA pushed for the development and implementation of new diesel engine technology that exceeded Environmental Protection Agency's (EPA) standards, proving to the industry that increasingly stringent Federal emissions requirements were achievable. WETA's newest vessels are the first passenger vessels in the

country to achieve EPA's Tier 4 emissions standards. We are proud of the fact that these vessels will reduce an estimated 10 tons of GhG emissions annually.

But we believe we can go even further. With that in mind, WETA is continuing our focus on emission reductions with plans that would transition about 50% of our fleet to zero emissions. The cost of these improvements is being evaluated. We know that aside from the cost of the vessels themselves, significant investment will be needed to equip our terminals with shoreside charging infrastructure to support a high-volume, high-frequency system.

All these objectives: making ferry service more accessible, expanding our service to other parts of the Bay Area, and converting our fleet to zero emission, will require new investment. Our agency has access to local, regional and state matching funds, but a robust federal program is essential.

The current level of funding available through the FTA 5307(h) program that supports ferries pales in comparison to the needs that exist around the country, let alone in the Bay Area. This committee has long recognized this, and we have much appreciated the committee's leadership on trying to make more funding available for public ferry systems. The 2020 MOVING Forward Act and this year's INVEST in America Act both boosted funding for the FTA program.

There was bi-partisan support for increasing the level of funding for the FTA program to \$1.25 billion over 5 years as part of the bipartisan infrastructure bill in the Senate, and this funding increase was set to be added to the bipartisan infrastructure bill before it was rushed out of the Senate. That level of investment would provide the resources needed to support this essential mode of transit around the country, and allow WETA to fulfill a very ambitious, albeit necessary, set of plans to grow ferry service in the Bay Area in a sustainable way. We encourage

you to find a way to add that funding to the program moving forward, thereby ensuring that adequate resources are available to meet the goals we know are shared by so many on this committee.

Again, thank you for the opportunity to testify before you today. I look forward to any questions you may have.

ATTACHMENT – Route Map

