

AMHS Community Engagement Meetings

Sitka – Sealing Cove Business Center, November 24, 2015, Noon to 2 PM

Attendance

- 45 physically present
- 2 telephonic attendees self-identified: Shelly Wright, Exec Director Southeast Conference; Shannon Adamson, MMP Union Agent, MTAB member
- Estimated total on-line listeners numbered between half-dozen to one dozen

Public Comment

- What will the proposed reduce service for Sitka do to available deck space aboard the two vessels that are scheduled - I.e. will there be room for Sitka passengers or will all the deck space be filled by north/southbound Bellingham passengers.
- How does summer schedule of 40 years ago compare to proposed schedule for summer of 2016?
- Comparison of the AMHS to the Parks Highway: why should AMHS have to produce revenue when highways don't?
- Question of whether the system should start eliminating service in order of how it expanded to begin reducing operating costs. One example was that Southwest Alaska was added after Southeast and therefore would make sense to be eliminated first. Could we eliminate service to the Aleutian chain and, if so, would that be financially impactful?
- Some communities have established economies based upon AMHS service. Those communities should be protected before communities whose economies don't rely as heavily on AMHS service.
- Sitka HS student – Service is more important and they would have rather have an increase in ticket prices than loss of service.
- Toll road comparison: make roads in Southcentral Alaska toll roads to pay for the operations of all transportation costs.
- A reference was made to differences in pay structure, work rules, etc between AMHS employees in southeast ports versus AMHS employee is southwest ports.
- Sitka School Board member would rather see more service and is willing to pay to additional cost to maintain service.
- City Manager urged participation in solutions and supported the feeder ferry concept.
- Sitka is not a mainline ferry community; it makes more sense to connect to the system via feeder ferries.
- School District Superintendent: service is more important than cost.
- The #1 concern of Sitka schools students is ferry service.
- Question was proposed to terminate AMHS in Prince Rupert and connect with BC ferries.
- Would be willing to remove Bellingham if that meant improved service for SE Alaska.
- Is there savings or any advantage gained in routing a mainliner around Wrangell narrows on either North or South sailings?

- Before LeConte service limitations were restricted, the ferry operated very well for serving Northern Panhandle. This is a proven concept that should be re-explored.
- Suggestion to frame ferry reduction discussions with the Legislature around economic impact, not just straight numbers of service provided, etc.
- Mayor McConnell suggested a willingness to handle increased costs as long as it means the economy of Sitka will remain viable.
- A reference to the SE Plan – Maximizing road links and utilizing shuttle ferries
- Sitka High School Activities Director, Lindsey Jorgensen, supports increased costs to improve service.
- Is it possible to contract-out bars on ferries?
- Why don't we sell the Taku and other mainliners as proposed several years ago as part of the SE Plan?
- The older vessels are a proven design and AMSH should continue to use/build ships like the mainliners and Aurora Class instead of fast ferries.
- Why not cut Prince Rupert instead of Bellingham?

Ketchikan – Ketchikan Gateway Borough Assembly Chambers, December 2, 2015, 3 - 5 PM

Attendance

- 34 physically present
 - Includes Rep Ortiz; Shannon Adamson, MMP Union Agent, MTAB member; and David Scott, Office of Senator Stedman
 - Commissioner Luiken attended
- 4 telephonic attendees self-identified: Shelly Wright, Exec Director Southeast Conference; Greg Wakefield, MTAB member; Mary Biel (of Homer); Jeremy Woodrow, DOT&PF
- Estimated total on-line listeners approximately one half-dozen

Public Comment

- What is the reason for the 5% increase in revenue?
- Do we make the same issue of farebox recovery for our highways and railroad?
- What is the prioritization process for deciding which vessels get overhauled/CIO?
- Is there any duplication of services happening in the system that is similar to Prince Rupert?
- Is there a Supervisor at every AMHS terminal?
- How do employee benefits and labor agreements play into the system's budget?
- How many employees are mandated to crew a ship by the USCG?
- Do you buy fuel on contract, price locked in with the sole provider/
- Is the traffic volume decrease to Prince Rupert over the years related to DUIs, passport requirements, etc?
- How much does it cost to operate the Ktkn to Bellingham run?
- How much revenue is generated from commercial traffic?
- How do federal funds play into AMHS operations?
- Do you know when a decision will be made on Juneau Access? How does it relate to the Southeast Transportation Plan?

- Which of the vessels is most expensive to maintain? To operate?
- What is the status of replacing the Prince Rupert dock?
- What is the most recent information on moving the Prince Rupert dock to Port Simpson? How much would that new connection save in run time and in fuel costs?
- How are we incorporating the two new ACFs into the system?
- Is all of the service in Lynn Canal necessary, or could it be scaled back some? Should we stop and turn the mainliners in Juneau?
- What is happening to the consistency of the Kennicott cross-gulf run?
- When is the Tustumena replacement project happening?
- Are the new ACFs SOLAS certified?
- Would the 50-yr lease at the Prince Rupert dock apply to a new dock at Port Simpson?
- Does cutting vessels also mean cutting a port/ports of call?
- Can you separate revenue generated from tourists versus residents?
- How do we make AMHS funding a priority and keep the status quo?
- What is the life expectancy of these 52 yr old ships?
- Does AMHS compete for funds through the STIP process?
- Is Hyder a possible port of call if we have an impasse with Prince Rupert?
- Are we in the process of obtaining SOLAS waivers?
- Does the IFA subsidy impact the AMHS budget?
- What is AMHS' net reduction for the past 2 years as compared to other transportation modes?

Cordova – City of Cordova Council Chambers, December 7, 2015, 5 - 7 PM

Attendance

- 109 physically present
 - Includes Jim Kacsh, Mayor; Randy Robertson, City Mgr; Dave Reggiani, MTAB member; and Shelly Wright, Exec Director Southeast Conference
 - Commissioner Luiken attended
- 1 telephonic attendees self-identified: Shannon Adamson, MMP Union Agent, MTAB member
- the new auditorium in the City Center did not yet have its audio conference system connected, so on-line listenership was questionable as we were using only a cell phone speaker connection

Public Comment

- From pg 12 of the presentation, why are restricted funds (CIP receipts) so large in FY16?
- From pg 12 of the presentation, why is fuel cost in FY16 so high when other years' numbers are down?
- What is the Department's transportation plan for Cordova? (We are not part of the southeast plan.)
- Do you look at break-bulk cargo for revenue generation?
- We want to keep fast ferry service in Cordova for at least the summer months.
- Is having only 1 vessel service here a final decision? Could we double the fare?
- If only sailing 1 vessel in Prince William Sound, why the Aurora and not the Chenega? Is it because the Chenega can't dock in Tatilek?

- Are crew costs less for Chenega, or for Aurora?
- What are the options to deal with Union contracts?
- The Chenega has created economies here! We are not ready to give it up! That timely, direct connection creates \$20M of 'spend' in Anchorage.
- How much would it cost to make the Tatitlek dock compatible?
- Incentive programs increase ridership in Cordova. You should research that further and bring some back to this market.
- Is there any ability to make the fast ferry engines more fuel efficient?
- Will the new ACFs be more fuel efficient?
- You should shut down the highways for a day! Don't do maintenance on them!
- What about contractor service only for Tatitlek?
- The Valdez to Whittier run does nothing for us!
- We have to come up with revenue sources! Income tax! PFD!
- Look at this (Cordova) little microcosm differently.
- I lost 1,000 reservations in the month of May because you messed with the schedule!
- The Aurora can't accept larger containers due to our dock structure.
- Will passage of the FAST Act result in any more money for AMHS?
- Could we use tribal transportation dollars for a dock upgrade at Tatitlek?
- Consider promoting a PFD special where the customer gets 5 pre-paid round trip tickets.
- AMHS serves our fisheries! Why are we not talking about this important topic?
- The Legislature needs to be reminded that ALL of Alaska voted in the AMHS.
- Please include Cordova in the upcoming update of the 1995 AMHS Economic Impact Study.
- I can accept more cost, if we get more service.
- What are the costs of repairs across the system for a year?

Kodiak – Kodiak Island Borough Assembly Chambers, December 9, 2015, Noon - 2 PM

Attendance

- 16 physically present
 - Includes Pat Branson, Borough Mayor; Doug Letch, Staff to Senator Stevens; Pam Murray, Staff to Rep Stutes
 - KXMT radio reporter (the meeting was broadcast on KXMT radio)
- 3 telephonic attendees self-identified: Sun'aq Tribe of Kodiak; Shelly Wright, Exec Director of Southeast Conference; Shannon Adamson, MMP Union Agent, MTAB member; Darin Mueller (sp?) of Ouzinkie

Public Comment

- Service is more important than cost.
- To ensure that vessels are full, could we use stand-by as an option to generate more revenue?

- Why not standardize all ports so that all vessels can go everywhere?
- How do you determine the cost for a commercial van versus the costs for the general public fare?
- What has been the increased cost to customers over the past few years? Could we raise fares?
- Could you reserve a short-term (30-day) block of car deck space for locals so that the long-term reservations, mostly made by tourists, don't fill up the vessel before it arrives in our port?
- Is laying up a vessel really all that much of a cost savings?
- If you cut out 10% of the Kodiak/Homer runs, can you quantify how much that would save?
- Why go to Prince Rupert? Is that beneficial to Alaska? Does Canada make a financial contribution to operations at that port?
- How does the FAST Act impact AMHS?
- Do we need to have ships' (AMHS) vehicles on board each vessel?
- If you put a vessel out of service, what happens to its crew?
- Do you know what percent of your operations costs go into the Bellingham run? If you eliminated Bellingham, would it justify divesting a vessel?
- How do you determine your commercial rate and is it comparable to private providers?
- Are there any challenges with running commercial items through Prince Rupert?
- Is Prince Rupert in the picture another 50 years due to the dock lease?
- What is the status of the lease with Bellingham?
- Are the 996 AMHS employees listed on page 13 of the presentation all full-time equivalents?

Juneau – Juneau City & Borough Assembly Chambers, December 15, 2015, 6 - 8 PM

Attendance

- 61 physically present
 - Includes Senator Egan; Jesse Kiehl and Peter Naorez, Staff to Senator Egan; Rep Kito; Ginger Blaisdell, Staff to Rep Hughes; Nicole Gorle, Staff to Rep Munoz; Shannon Adamson, MMP Union Agent, MTAB member
 - Juneau Empire reporter
- Telephonic attendees self-identified: Albert Howard, Mayor of Angoon, and several of his City Council members
- It is estimated that another half dozen unidentified individuals were listening on-line.

Public Comment

- Do the revenue and operations costs on pg 8 reflect inflation adjustments or CPI?
- Was fuel cost factored into revenue and operations graph on pg 8?
- Does a 'vehicle' mean a passenger vehicle or are they commercial vans?
- Is commercial van traffic increasing?
- Where do maintenance costs fit into the equation?
- Is storage of materials/commodities going up in cost?
- What is the difference in cost between a layup in Seattle vs Ktkn?
- If a ship experiences federal CIP work, is the work competitively bid?
- The people of Southeast must band together now to save this system.
- Why doesn't AMHS use a demand, variable pricing structure?

- Why don't you advertise?
- Is it legal to charge more money for non-residents?
- Why not contract with airline reservation system to do real demand pricing?
- Are operating weeks what was actually run, or what was scheduled?
- Do you keep track of utilization/capacity data?
- What about a toll booth on the Parks Highway!
- Why has ridership from Bellingham gone down?
- Why hasn't the Taku been added to service the Juneau to Haines run?
- Why don't we have a back-up boat?
- Why bring the Fairweather out instead of the Malaspina?
- We need to get back to a 1-yr forward funded budget.
- What is the cost of a Certificate of Inspection (COI) for the Taku?
- How much are you losing by not running Taku?
- How much does it cost to tie it up?
- If fuel prices go down, how much does that help you?
- If budgeted for \$2.56, but paying \$2.20 for fuel, what happens to the excess money?
- Poor messaging on cancellations by the Department!
- How much revenue did the marketing contract create?
- Do we still use a contract cleaning service in Prince Rupert?
- What about doing concessions in the spaces where the bars and gift shops used to be?
- If we do concessions in the bars/gift shops, do we have a vocational rehab issue here?
- Why would we not operate like a business, i.e. demand pricing?
- Discounts might be best focused on passengers, rather than filling the car deck.
- If Bellingham is your biggest revenue generator, why would you cut it off?
- What about using Hyder as a port?
- What criteria determine which ships get laid up?
- Why not layup Aurora instead of Chenega?
- What vessels are you considering divesting?
- Or are you considering running a 14 ship fleet?
- Can ACFs replace all of the routes the Taku can serve?
- Where is the steel coming from to build ACFs and Tustumena replacement?
- Will economic impact study update be ready for the Legislature?
- Can communities wanting improved services get federal money to help them modify docks?
- How many vessels service Angoon?
- What can be done about the lack of service for 1 month in Angoon?
- Have you ever looked at communities funding parts of the operation, buying a boat, etc.?
- What is the Fairweather going to do out of Sitka this year?
- Have you ever considered having a back-up vessel ready?
- Did you study the need for increased car deck space on the Tustumena?
- How much money does the State of Alaska contribute to the Inter Island Ferry Authority (IFA)?
- Any chance of getting the Ketchikan Central Office (KCO) back in Juneau?
- Is the AMHS still paying rent in Ward Cove?
- I can't believe that demand has stayed flat! Can we continue to grow the mainliners in order to subsidize the other runs?

- How can we promote the use of the Marine Highway?
- How does the decision about the Taku get made and who makes it?
- I'd pay a little extra for the service if I could depend on the service.
- What is Department doing for long-term viability? Long term planning? How do we ensure that a plan is carried out? Do you have a plan for the new road?
- How can we provide further input on pricing structures and incentive programs?
- Cancellation fees deter travel; 40% cancellation fee is too punitive given the unreliability of the system!
- Have you considered Full Flex tickets? (Like Alaska Airlines)
- The less you spend on proper overhauls, the more the system will cost!
- Are there retro-fit changes that can be made to the ships to save money?
- Regarding a bulbous bow, isn't that capital federal funding that would save operating general funds (GF)?
- What about looking at other sources, i.e., builders, for ship replacements?
- Pay close attention to what tour operators have to say!

Haines – Haines Borough Assembly Chambers, December 17, 2015, 7 - 9 PM

Attendance

- 45 physically present
 - Included Jan Hill, Mayor of Haines
- Telephonic attendees self-identified: Representative Sam Kito; Robert Venables, MTAB Member; Jan Rismoor (and "others") of Skagway; Dennis Huzamn; Steve Brooks; Coleen Bridge; Ed Phillips of Hoonah
- It is estimated that another half dozen unidentified individuals were listening on-line.

Public Comment

- What happened in 2006/2007 that increased operating costs so much?
- Do you have a breakdown of the actual cost increases reflected in slide #8?
- Is the recovery rate on slide #8 a cumulative rate?
- How/where do you figure in the aging of the vessels?
- Why does the gasoline tax NOT go to the AMHS?
- How much is the Governor's FY17 proposal for general fund capital expenditures?
- Why are there two crew sizes, 12 & 24, for the Aurora?
- Are there long range plans to overhaul systems, fuel flow efficiencies?
- What about having a fuel farm, bulk fuel storage and etc?
- How much is budgeted for the Juneau road?
- How much have you considered establishing creative fares?
- Do you consider the marine highway as an equivalent to the state's other highways?
- How many passengers are you now carrying in Lynn Canal versus other parts of the system? Doesn't the Lynn Canal route make more money?
- How much weight do you put on scheduling in terms of IFR versus non-IFR airport communities?
- We rely more on the ferry system than does a community with a certificated airport!
- Why bring back a fast vehicle ferry rather than the Taku?

- You should base out of Haines and terminate at north Juneau highway (Berners Bay). Two different construction companies can build a new dock for \$6M.
- About 43% of Lynn Canal passengers are walk-on passengers.
- A day boat that starts in Skagway at 7 am allows Haines residents to get through Juneau to Seattle (and south) without having to stay overnight and spend more money!
- A daily day boat in the summer is very important to the economy in Haines! It will run in the black in June, July and August.
- The AMHS was established in 1963 as OUR highway; NOT for the tourists!
- Has revenue fallen off due to the rise in marketing of our cruise ship industry? Why not steal some of that back?
- What happened to the Division of Tourism promotions of the AMHS in the 1990s?
- Has any analysis been done on going to a “linked” system?
- What about eliminating Bellingham and having our south terminus end in Prince Rupert?
- Should we eliminate Prince Rupert?
- Ships sailing out of Prince Rupert are money losers. It’s better to sail around full ships than half-full ships.
- It’s critical to maintain excellent service between Bellingham to Haines. We should market tourism even more! And put another ship on in Bellingham!
- The system is ill-equipped to serve the number of ports we have.
- Hoonah needs your vessels! I’d be willing to pay 50% more!
- The Alaska Class Ferries (ACFs) are lack crew quarters. Put 3 more crew on them and run 12 hour shifts. Has a change order been put in for crew quarters?
- We only need 1 trip a day to loop Haines and Skagway. Even in the summer, the run from Skagway is often empty.
- The Alaska Class Ferries (ACFs) are a one-trick pony. They can’t go anywhere!
- Demographically, Haines is getting older and the AMHS is the cornerstone of all that is good and everything that we need in our community!
- Use Hyder as your southern port.
- Why do we not design our new ships just like our older ships? We should capitalize on the design of the Malaspina, for example, as a starting point for new ship building.
- What flexibility do you have to reduce labor costs?
- Does the Inter Island Ferry Authority (IFA) receive State funds?
- Could local governments help pay for marketing and promotional efforts of the system?
- Does the State collect cruise ship tax?
- Could we charge a non-resident tax?
- I am worried about the utility of the Alaska Class Ferries (ACFs).
- The expense of not change ordering the Alaska Class Ferries (ACFs) will be more. The time to do it is before they are finished.
- You should use federal dollars after the Alaska Class Ferries (ACFs) are built to add crew quarters.
- You should run the bars and gift ships via concessions.
- Thank you for asking the McDowell group to contact Haines!