

Marine Transportation Advisory Board
Aleutian Pribilof Island Association Inc. Boardroom
Minutes 12.18.18

Safety Minute: Earthquakes – Duck under a table, get near a bearing wall, stay away from glass. Once it's safe to move, exit the building, and get to the far end of the parking lot.

Participants: Robert Venables, Shannon Adamson, Pat Branson, Gerry Hope, Patti Mackey, Kerin Kramer, Robb Arnold, Norm Carson, Greg Wakefield, Carlin Enlow, Ernie Weiss

Absent: Jack Jensen

Steering Committee: Dennis Watson, Dave Kensinger, Greg Wakefield, Shannon Adamson, Sharon Hildebrand, Will Ware, John Whiddon, Dan Kelly, Michael Anderson, Denny Bousson. **Excused:** Josh Howes

AMHS: Director Shirley Marquardt, Captain Falvey, Matt McLaren

Online: Kathy Remstone POW, Haines Borough Mayor Jan Hill, Kaitlyn Jered, Randy Ruaro, Lee Parker, Representative Ortiz

Public: Trina Arnold, Al Roskum, John Waterhouse, Jim Calvin, Susan Bell, Ben Stevens, Doug Griffin, Wanetta Ayers

Long-range planning and AMHS Reform initiative updates

The McDowell Group, Elliot Bay Design Group and the Southeast Conference AMHS Reform Steering Committee, provided an overview of past data gathering and analysis for the first three phases of the Alaska Marine Highway System (AMHS) Reform Plan, and a review of the fourth phase draft scope of work. The focus was on the organizational and legislative action that a new governance system would need, to start a transition from a line agency within the Department of Transportation & Public Facilities (DOT&PF) to a public corporation (much like the Alaska Railroad). A long-term plan (20 years) for fleet and terminal standardization was identified as a primary key in the future success of the system as was a well-planned vessel replacement/modification strategy. AMHS made the point that they have been refining a replacement strategy in-house for some time and are looking forward to sharing that with the new administration for their consideration.

Discussion/Priorities listed by the board members:

The Southeast Steering committee and the Marine Transportation Board (MTAB) discussed the importance of public outreach, support from the new administration and legislatures. They discussed strategy, and reconstitute a public outreach subcommittee. The discussion also included crafting a message for support of the AMHS Reform plan, engagement of the administration, and using the media and social media to get their message out, and mobilize supporters.

During their discussion, each MTAB member, took their turns in discussing their top two topics, they believe that the board should focus on in the upcoming year. A few topics mentioned were:

- Understand priorities of new Administration to plan effectively
- Engage the unions and crews in the operational discussions
- “HB 412” Marine Highway Corporation bill needs updating
- Deployment strategies for crews (Plan B if no crew quarters)

- Focus on economics and new revenue streams
- Revisit COI and number of personnel on vessels
- Tustumena Replacement
- Support of the Legislatures and the new administration
- Engage the AMHS employees

Public Comments

A good amount of the public spoke to the board regarding their concerns/opinions with the AMHS. After hearing MTAB speaking about public outreach, a few members of the public spoke on how glad they are with the board for wanting to reach out to the public. There were concerns regarding the layup of the vessels in a 10 month gap. The public would like to see AMHS to pursue using the vessels, instead of putting them in layup. The importance of the Prince Rupert port was also stressed.

MTAB received comments about how good it is for the public to know what the nature of the Alaska Class Ferries (ACF) modifications are, potential costs, and how that's moving forward in Fiscal Year (FY) 2020 budget. The ferry system is original built for Alaskans for building economic infrastructure. This is what the focus should be, when deciding on which communities we need it the most for.

One public comment was regarding the labor force. When AMHS is coming up with the public corporation, they believe AMHS/DOT&PF should think about the labor force, how to include the union, and how the administration will work with the union.

Minutes: Gerry Hope moved to approve minutes, Pattie Mackey 2nd the motion.

Chair Report

Chair Venables mentioned to the board that he participated in the summer schedule telephone conference meeting. (Southeast and Southwest). Mr. Venables also mentioned that each advisory board was requested to submit a letter to the new administration, describing what their board does. Mr. Venables submitted the letter to the transition team, describing what MTAB is, and what they do. Mr. Venables also expressed in the letter that MTAB would also like to be more engaged with the AMHS operations.

AMHS Updates

Captain Falvey provided the current status of the AMHS vessels and terminal facilities with the schedule and scope of future work identified. Timelines and outcomes are not certain as the new Administration has not yet had the time to fully engage with AMHS management in order to provide direction, and some projects could shift in time or scope. IE: There are five terminals in PWS and the Panhandle that would need roughly \$25M in federal dollars to modify to accept the Alaska Class Ferries (ACF), and the Haines dock addition required for use of the clam shell doors was not constructed in time for the 2019 Summer/Fall season. All projects are being revisited and possibly revised.

Director Marquardt, Captain Falvey and Matt McLaren provided an update on the two new ACF's (HUBBARD/TAZLINA) as AMHS gets closer to taking ownership of the vessels in early 2019. The past administration authorized the modification of the two ACF's to add crew quarters and forward side doors in late November at a cost of over \$30 Million dollars currently in Marine Highway Funds and the Vessel Replacement Fund. In order for this strategy to continue, this appropriation requires Legislative approval and the support of the new Administration. More discussion related to possible options is needed before a final direction is authorized.

Board Comments

Robert Arnold – Mr. Arnold states that in the future, there is going to be a crises of crews. There is a problem with TEIR IVs, and he says department is not training the employees fast enough, and the department is not hiring the employees fast enough. We need to make sure we are caring for our employees.

Pattie Mackey - Ms. Mackey states that she hears people mention how the ferry system is turning towards visitors, instead of serving the communities, but she doesn't believe this is necessarily the intent or case. The ferry routes are influenced by where the people are. It's a cycle of needing to provide revenue. It's good to remember if you want to improve services to those communities, you need to have more revenue.

Norm Carson – Mr. Carson commented on how the Pelican community has seen the increase of use of AMHS. Improved ferry service has allowed the fish processing plant to reopen, employ 20 staff and ship out over \$500,000.00 of value-added fish products.

Carlin Enlow - Grateful that the Tustumena made all of her routes this previous summer (while over 20 flights were cancelled). She is sad to see the ferry leave.

Kerin Kramer - Thanks the staff for all their hard work.

Shannon Adamson – Ms. Adamson agrees with Mr. Arnold on the department's recruitment problem, and says that they need to try to fix it. Ms. Adamson is also glad to hear that AMHS would like to put side doors on the ACFs.

Greg Wakefield – Mr. Wakefield thanked Shirley, and Captain Falvey. He states that this was an enlightening afternoon.

Ernie Weiss – This was Mr. Weiss's first board meeting, and he was happy to be there. Mr. Weiss will be reaching out to the Anchorage Legislatures, regarding the ferry system.

Pat Branson – Ms. Branson is glad we that the board has a foundation to move forward in their efforts. She stated that the board did great work today, in laying out some details how they can individually, and community wise, move forward.

Gerry Hope – Mr. Hope states that the department should revisit to getting the roads built. He also mentioned that his own community (Sitka) needs improved ferry support.

Shirley Marquardt – Ms. Marquardt mentions that AMHS acknowledges a recruitment and retention problem. AMHS is currently working on rewriting their recruitment postings. They are making it exciting, inviting, and including more explanations of what opportunities are there, when you join AMHS.

Robert Venables - Thanked the hosts and their hospitality, and those who presented.

Next Meeting

TBD

Adjourn