

AMH Reshaping Work Group-Summary Minutes – May 21, 2020

Members Present: Admiral Tom Barrett(Chair), John Torgeson, Wanetta Ayers, Lee Ryan, Robert Venables, Tony Johansen, John Torgerson, Ben Goldrich, Senator Bert Stedman, Representative Louise Stutes, Tera Ollila (Admin)

Tribal Representatives Present: Bill Thomas, Governor's Office, Bill Willard, Wrangell Community Association, Dan Clarion, Native Village of Ouzinkie, Della Trumble, Unalaska, Sylvia Lange, Native Village of Eyak, Bert Adams, Executive Director of Village of Eyak

The Chair called the meeting to order at 2 pm.

The meeting began with interactive discussion between Alaska Native Tribal Representatives and work group members concerning high level tribal perspectives as they related to the AHMS and tribal and community economic and social sustainability. Among items discussed were: the importance of reliable and predictable service levels; the importance of offering an integrated system providing intermodal connections for communities and connections between communities (which are often dependent on water transportation for business needs, cultural and educational activities); desire for better planning of maintenance down time and improved communications with communities when changes are necessary; better prioritization of deck space for (especially western) communities which have less frequent service; an empowered governance structure directly focused on marine transportation, the importance of food security to community members who live year round in isolated coastal communities, the need for consistent funding to enable better maintenance and long term planning by the marine highway system and communities. There was appreciation expressed for the hard work done by the people who operate the vessels, the coastal tribes are "boat people" -it is integral to their culture-they understand the challenges and look forward to partnering with the work group to identify better solutions.

The work group then continued its discussion of strategic objectives and scheduling. Items continuing to draw focus include:

RELIABILITY- dependability often more critical than service frequency to coastal community residents and businesses, seasonal aspects acknowledged, better overall understanding of core tribal and community economic and social transportation needs versus wants desirable.

- More Standardization a desirable long-term goal
- Reliability is especially important to tribal communities year-round, seasonal business and material scheduling needs, festivals, sports, and other social functions and events
- Governance model, State owned corporation or other model that's only focus is AMHS
- Food security. Ferries can be the only way to get goods/services in or out when weather is bad

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INTEGRATED TRANSPORTATION FUNCTIONALITY- system transportation infrastructure economic driver, connection for coastal communities to roads and airports, mainland road system and other Alaska communities, able to move passengers and freight, emphasis on needs of Alaskan coastal communities not tourism per se. Improving ferry system integration and communication with ports and communities helpful. Have to look at system as a whole.

- Creating economy for Alaska as a whole, leveraging transportation infrastructure and connectivity vital.
- Inter-community travel for social functions such as potlaches and celebrations are a very important part of tribal culture and traditions.
- Management of vessel maintenance/lay-up and scheduling could be better coordinated
- Best practices, what would that look like? If system is not running well it's not reliable.
- More customer centric and community centric focus- perhaps a revised advisory board adjunct to a new governance structure

GOVERNANCE MODEL- status quo suboptimal for responsive and financially accountable marine highway system, empowered board or state corporation, consistent recommendation of prior studies. Multiple reshaping options available to consider, adequate decision authority and practicality critical to success.

- Inconsistency between changing administrations has been a hindrance.
- Public corporation models available to look at for examples.
- Suggested an established formula for funding to be able to plan.
- Need a dependable budget.
- New governance structure that is non-political-professionally knowledgeable of marine transportation system operations and business economics
- Implementation path forward

STABLE FINANCIAL MODEL- ferry system needs stable, clear and consistent budget goals that management can plan and work to, revenue sources, the financial goals, options and limits clearly identified and generally predictable

- Forward capital funding
- Long term solutions to the system that provide stability
- Optimize funding options
- Outreach other sources available

EFFICIENT AND EFFECTIVE BUSINESS PROCESSES – System operating cost and reliability critical factors, business practices should be designed and managed for effective and efficient asset management and service delivery, overly complex, inefficient or ineffective practices should be simplified, changed or eliminated.

- Understanding the intricacy of the maintenance and operations aspect.
- Better communication with the vessels and transparency.
- Communication between the system and the community
- Need to hear from AMHS and the people running the system, how it operates today

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- Look into personnel issues and finance aspect
- Economic impacts to communities
- Need to hear from the communities about how the system impacts the commercial side; fish processors and shippers
- Master ship agreements, contractual issues need addressed

The work group plans to schedule meetings with communities. Anchorage and Ketchikan was discussed to start with. Would like to make arrangements to ride the ferry, it's important to touch the system and be engaged with the people running it.

The next meeting scheduled for May 28, 2020 at 2:00pm

Meeting adjourned at 4pm.

An audio recording of the meeting including all member comments is available at dot.amh-reshaping@alaska.gov