



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

January 19, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on January 19, 2016, in the Carriage House on the Quissett Campus of the Woods Hole Oceanographic Institution, located at 360 Woods Hole Road, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard) (who participated remotely by telephone conference call);

1. SSA General Manager Wayne C. Lamson reported that a few weeks ago the Governor of Louisiana declared a state of emergency due to the imminent threat of flooding along the Mississippi River and other state bodies of water, including the Atchafalaya River where Conrad's Morgan City shipyard is located and the *M/V Woods Hole* was being constructed. The National Weather Service also was forecasting that Morgan City was going to have a six-foot flood stage this month, and that the flood waters would crest close to 9-½ feet. (At a flood stage near nine feet, Conrad's Morgan City shipyard will be underwater.) Accordingly, in order to minimize any delay and to keep things moving along, two weeks ago Conrad towed the vessel to another one of its shipyards in Amelia, Louisiana, and similarly moved all of the SSA's equipment there.

At this point, the SSA cannot predict what impact this will have on Conrad's construction schedule for the vessel, although due to the early move, the vessel's pilot house and exhaust stacks are already in the process of being installed. However, Conrad has notified the SSA that it considers the Governor's declaration of a state of emergency to be a Force Majeure event under the contract and has estimated that, due to that event, the vessel's delivery date will be delayed by another ten days. As a result, Conrad is now estimating that the vessel will be delivered on June 6, 2016. (Its previous updated construction schedule that the SSA received last month had shown a projected delivery date of May 27, 2016.) But the SSA is continuing to work with the shipyard to see how the vessel's projected delivery date can get back closer to the original delivery date of April 29, 2016.

2. Mr. Lamson also reported that the Falmouth Conservation Commission will hopefully have its second day of hearing soon on the SSA's Notice of Intent (NOI) for the Woods Hole Terminal Reconstruction Project. At their first day of hearing on the NOI on November 18, 2015, the Commission decided to engage the services of a consultant to review the plans, and the SSA since has submitted some supplemental information based upon comments received at that hearing. The SSA will also soon be filing its application with the Massachusetts Department of Environmental Protection for a combined Chapter 91 license and Water Quality Certification for the project, and will similarly be applying for a permit from the United States Army Corps of Engineers as it moves forward with the final design and contract specifications.
  
3. The Board discussed the Schematic Design Report for the SSA's new General Offices that will be located at its Palmer Avenue parking lot. Based upon the current schematic design and a very detailed cost estimate, the estimated cost of the building is \$10,820,000, the estimated site work cost is another \$1,370,000, and both cost estimates include a projected price escalation factor of 7.63% and a design contingency of 7%. A lot of the building's cost is being driven by the SSA's information technology (IT) needs, especially given how the SSA's reliance on technology has increased substantially over the past ten to twenty years. Mr. Lamson reported that there are basically two ways to reduce the projected cost of the building:
  - Reducing the size of the building, which could possibly save around \$680,000 if the building were shortened by 20 feet; and
  - Changing the interior design to a more open office plan instead of having individual offices, which could save perhaps \$1,000,000 by eliminating almost all of interior partitions and doors and changing the HVAC system from a "chilled beam" system to a less expensive (but less efficient) VAV (variable air volume) system.

The Board agreed with the staff and the Port Council that the building is of an appropriate size and that reducing the building's size to save money now may cost the SSA more in the long term. But the staff was asked to consider having a somewhat more open office layout that fits the employees' present and anticipated future needs without changing to a less efficient HVAC system. The Board also agreed with the staff that the SSA should not undertake the expense of getting the building LEED certified; rather, the SSA will be using LEED as a design tool in a manner that will allow it to make individual cost/benefit decisions with respect to each LEED measure. In this way, the SSA will be able to reap many of the benefits of LEED without incurring the significant additional costs associated with getting the building LEED certified.

4. SSA Director of Information Technologies Mary Claffey reported that the SSA is still in the midst of completing the open items and final testing of all of the changes that were made by the SSA's consultant, Aquitas, to the automated fix that the SSA received from IBM for the upgrades to its Maximo computerized maintenance management information system. The SSA expects to get through those open items so that it can proceed with

planning the dates these changes will be migrated to the live Maximo system and the SSA can proceed with additional user training.

5. Mr. Lamson reported that the staff is continuing to investigate the problem the SSA is experiencing with stormwater runoff at its Thomas B. Landers Road parking facility and that some of the recent work has included infiltration testing, soil sampling and geoprobe testing. However, the SSA still doesn't have a report on the engineers' investigation and findings, but some of the potential solutions being considered include the installation of subsurface infiltration structures, the installation of interceptor trenches, increasing the size of the easterly catch basins and possibly creating a small retention pond at the east end of the lot, which would eliminate 25 to 30 parking spaces. The staff has have another meeting scheduled for tomorrow with both the engineers and the contractor to see if the parties can reach agreement on potential actions to resolve the problems out there.
6. Mr. Lamson also reported that the SSA recently had received some complaints from its neighbors in Woods Hole that trucks have been idling their engines while waiting for ferries at the Woods Hole terminal. In response, the SSA has posted additional "no-idling" signs so that there are now eight such signs posted around the terminal advising customers of the Massachusetts "no-idling" law. The SSA also has received complaints about excessive noise from trucks idling and backing up (with their back-up alarms) onto the first freight boat trip at 5:30 in the morning. Although the first freight boat trip is now not scheduled to depart until 6:15 a.m. during the winter operating schedule, it is scheduled to resume leaving at 5:30 a.m. at the beginning of the early spring operating schedule on March 16, 2016. Therefore, the SSA is investigating what can be done to lessen the impact of its early morning operations on its Woods Hole neighbors, particularly with respect to this first freight trip, until mid-May, when the *M/V Governor* returns to service and, as a result, trucks will no longer have to back up when being loaded onto the vessel for the first freight trip in the morning. One possible way to reduce the noise in the early morning would be to change the time of the first freight trip from 5:30 a.m. to 6:15 a.m., but the staff has concluded that it is too late to make this change due to the volume of truck reservations that have already been confirmed and the SSA's inability to reprocess all of its customers' previous requests based upon a potentially revised schedule. But the staff has sent a revised letter to the SSA's regular shippers reminding them of the "no-idling" law and telling them not to arrive before the terminal opens. The staff also has asked the SSA's regular freight shippers to consider installing back-up alarms on their trucks that can moderate their volume based upon sensing ambient noise levels. The SSA will continue to take its neighbors' concerns about excessive noise into account in the future.
7. Mr. Lamson also reported that the staff is continuing to work through the issues regarding the possibility of providing freight service between New Bedford and Martha's Vineyard, that SSA Treasurer/Comptroller Robert Davis has updated the analysis that had been prepared a few years ago of what the cost would be if the SSA were to provide such a service, and that the staff has had preliminary discussions with a private carrier about what it might take in terms of a financial commitment for it to provide the service. In addition, the staff wants to reach out and see what facilities either the SSA or a private freight carrier

might be able to use in New Bedford as well as on the island. The staff hopes to work their way through all of these issues and have their feasibility study and list of potential options completed within the next two or three months.

8. Mr. Lamson reported that, in accordance with the authorization that the Board gave him in November, he had awarded Contract #27-15 – “Dry-Dock and Overhaul Services for the *M/V Eagle*,” to Thames Shipyard and Repair Company, Inc. of New London, Connecticut, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$759,300.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA’s Board is currently scheduled for 9:30 a.m. on Tuesday, February 16, 2016. The meeting is currently scheduled to take place at the Falmouth Art Center, located at 137 Gifford Street in Falmouth, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

February 16, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on February 16, 2016, in the Falmouth Art Center, located at 137 Gifford Street, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket) (who participated remotely by telephone conference call); Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. SSA General Manager Wayne C. Lamson reported that the last progress schedule the SSA has received from Conrad Shipyard with respect to the construction of the *M/V Woods Hole* continues to show a projected vessel delivery date of June 6, 2016 at the SSA's Fairhaven Vessel Maintenance Facility, but that the staff is continuing to work with Conrad to see how close the delivery date can get back to its original contractual delivery date of April 29, 2016. For example:
  - The revised progress schedule provides twelve calendar days for the vessel's dock trials with the United States Coast Guard, but such dock trials usually take only two to three days. In addition, under the revised schedule, the vessel's sea trials don't begin until four days after the completion of its dock trials, when they ordinarily would begin immediately thereafter. Therefore, while Conrad's schedule shows a total of 19 days for dock and sea trials, the staff thinks they will take only around four to five days.
  - But the biggest item is Conrad's provision of six weeks for the receipt from the Coast Guard of the vessel's stability letter and Certificate of Inspection after submission of the results of the vessel's incline test. The staff feels that the time can be substantially reduced by providing the Coast Guard with a preliminary trim and stability analysis in advance. After Conrad provides the actual data from the incline test, the Coast Guard can compare those results with the preliminary analysis and, if they are reasonably similar, no further review should be necessary.

This would result in the review process taking no longer than two weeks, which is four weeks earlier than what Conrad is projecting in its current schedule.

Mr. Lamson stated that he remains optimistic that, if progress continues at the current pace, Conrad will be able to deliver the vessel much closer to the contractual delivery date of April 29th than its current projected delivery date of June 6th. Importantly, the vessel is already in dry-dock two weeks ahead of schedule, and the staff continues to be very pleased with the workmanship of Conrad's employees, who continue to do everything they can to move the project along. The staff also doesn't expect any major surprises at this point, and change orders to date have totaled less than \$500,000, which is around one-half of what the SSA's allowance was for contingencies.

2. Mr. Lamson also reported that the Falmouth Conservation Commission is continuing its hearing tomorrow night on the Notice of Intent (NOI) the SSA filed last year for the Woods Hole Terminal Reconstruction Project. The first day of the hearing was on November 18, 2015 and, in order to address some questions that were raised about the SSA's plans at that time, in December 2015 the SSA provided the Commission with supplemental information. The Commission also engaged the services of a consultant to review the SSA's plans, who has issued his report. Meanwhile, the SSA also has filed its application for a Chapter 91 License and a Water Quality Certificate from the Massachusetts Department of Environmental Protection, as well as its application for a permit from the United States Army Corps of Engineers. After the SSA receives those approvals, it will be able to proceed with the project's final design.
3. As a follow-up to some of the Board's comments at last month's meeting, Mr. Lamson reported that the staff revisited the interior layout plans for the SSA's new General Offices building at Palmer Avenue and eliminated some individual offices, in particular those which had been designated for computer technicians in the SSA's Information Technologies Department. In other areas, the staff concluded either there already is a significant amount of open space (such as in the Accounting Department) or that it would more efficient for the employees working in the area to have individual offices for confidentiality purposes and to reduce the surrounding noise.
4. Although SSA Director of Information Technologies Mary T.H. Claffey was unable to be at today's meeting, Mr. Lamson passed along her report that she and her staff are reducing the list of open items with respect to the upgrade to the SSA's Maximo computerized maintenance management information system. Accordingly, the staff will be scheduling training classes to take place next month for employees who use the system (including Senior Captains, Senior Chief Engineers and Terminal Managers) so that the SSA can take advantage of the upgraded system and have the benefits of its better reporting features.
5. Mr. Lamson also passed along how some of the SSA's other technology improvements have become quite popular among its customers. For example, a few months ago the SSA implemented a change to its waitlist system that now allows customers to choose to have

their waitlist requests continue to be processed up to 12:00 noon the day before their scheduled sailings, instead of only up to 48 hours before their scheduled sailings. More than half of the SSA's customers on the waitlist have since chosen this option. In addition, the SSA now has more than 27,500 customers who have signed up to receive text messages immediately when they receive matches for their wait list requests.

6. Mr. Lamson reported that the staff is continuing to work with the lead engineer and contractor for the SSA's Thomas B. Landers Road parking lot to find potential solutions to correct the stormwater runoff problems it is having there, and that it appears the parties have arrived at a preferred option that the engineer feels will resolve the current lack of infiltration flow through the subsurface layers of the lot. The preferred option consists of installing:
  - a 11,000 square-foot sand infiltration basin to a depth of five feet below the porous pavement and pea gravel layers between the northern and southern limits of the ring road about two-thirds of the way towards the lower east end of the lot; and
  - four 12-inch lateral drains, about 170 feet long, below the pea gravel layer in the lower third of the lot to redirect subsurface stormwater flow from the southern areas of the lot back to the middle of the lot where there is more capacity to handle a peak rain event.
  - a provisional deep sump structure in the lower end of the lot, with associated subsurface piping, to pump any unexpected remaining runoff back up the area above the new sand infiltration basin.

The estimated cost of this preferred option is \$390,000, and the parties are trying to agree upon who will pay for these recommended improvements, which the SSA wants to complete before the lot reopens later this year.

7. Mr. Lamson also reported that the staff is continuing to work through the issues regarding the possibility of providing freight service between New Bedford and Martha's Vineyard, and that his goal is to have the study completed in time for the Board to be able to discuss it at their April 2016 meeting.
8. The Board approved SSA Treasurer/Comptroller Robert Davis' recommendation to reauthorize the SSA's Debt Issuance and Debt Management Policy, which formally establishes the framework regarding the SSA's debt administration and management. State regulations require that the Board formally adopt the policy every two years. The policy approved by the Board today is substantively the same as what was approved by the Board in March 2014, with minor revisions to update the SSA's scheduled debt service payments and reflect the most recent increase in its bond limit.

9. The Board awarded Contract #01-16 for dry-dock and overhaul services for the *M/V Iyanough* to Fairhaven Shipyard of Fairhaven, Massachusetts, the lowest eligible and responsible bidder for the contract, for the Total Contract Price of \$275,969. The *M/V Iyanough* is scheduled to be in the shipyard from March 10th through April 5th to undergo a required United States Coast Guard hull examination, hull plate replacement and repairs, superstructure painting, water jet overhaul, exhaust blanket/lagging renewal and main engine sea water cooling modifications.
10. The Board authorized Mr. Lamson to award Contract #02-2016 for a new automated vehicle identification system for the Woods Hole and Palmer Avenue parking lots to the lowest eligible and responsible bidder for the contract after bids are opened tomorrow. The new system will allow permit holders, employees and shuttle buses to enter and exit those parking lots without having to use a gate card. Instead, permit holders will be issued a transmitter decal that will be affixed to the permitted vehicle. The new system should be installed by the end of April and is expected to cost around \$135,000.
11. The Board approved the purchase of five Taylor-Dunn Tiger Tow Tractors (also called tow motors) for \$223,669.95 from Northland Industrial Truck Co., Inc. of Wilmington, Massachusetts, in accordance with Massachusetts State Contract MC15-G02. These new tow motors will be used to tow luggage carts and trailers on and off the ferries, and are the same model as the tow motors that the SSA purchased in 2014 and are being used at the Hyannis and Nantucket terminals.
12. The Board authorized Mr. Lamson to award Contract #03-16 for the purchase of spare parts for two EMD 8-645-F7 diesel propulsion engines for the *M/V Katama*, two EMD 12-645-E diesel propulsion engines for the *M/V Nantucket*, two EMD 12-567-BC diesel propulsion engines for the *M/V Sankaty*, and two EMD 12-710-G7B turbochargers for the *M/V Island Home* to the lowest eligible and responsible bidder for the contract after bids are opened on February 24, 2016. The spare parts are expected to cost around \$750,000.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, March 15, 2016. The meeting is currently scheduled to take place in Falmouth, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.





# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

March 22, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on March 22, 2016, in the Falmouth Art Center, located at 137 Gifford Street, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. SSA General Manager Wayne Lamson reported that the latest project schedule the SSA has received from Conrad Shipyard for the construction of the *M/V Woods Hole* continues to show an expected vessel delivery date of June 6, 2016 and that, when SSA Director of Engineering Carl Walker and he were at the shipyard two weeks ago, although the work above the freight deck was coming along, there still seemed to be a lot of work left to do in the machinery areas below. However, from the SSA's perspective, Conrad's production crew continues to do everything they can to move the project along, and change orders to date have been around \$525,000, a little more than half of the total allowance for contingencies that was included in the project's budget.

Mr. Walker also reported that, after the vessel is delivered to the SSA's Fairhaven Vessel Maintenance Facility on June 6th, the SSA will spend the next ten days training its crews so that they are familiar with the vessel. The SSA will also have a commissioning ceremony and take trips with the vessel to both islands before it begins providing scheduled service on the Martha's Vineyard route on June 17, 2016.

2. Mr. Lamson then reported that the Falmouth Conservation Commission is continuing its hearing tomorrow night on the Notice of Intent (NOI) the SSA filed last year for the Woods Hole Terminal Reconstruction Project. The first day of the hearing was on November 18, 2015 and, in order to address some questions that were raised about the SSA's plans at that time, the SSA provided the Commission with supplemental information in December. Last month the Commission voted to continue the hearing again in order to obtain an opinion from Falmouth Town Counsel as to whether he believes that the SSA is subject to the Town

of Falmouth's Wetlands Protection Bylaw. The SSA also took this opportunity to provide more information to the Commission about the lack of potential impacts that the proposed grading at the site will have on adjacent properties during flooding events.

Meanwhile, the Massachusetts Department of Environmental Protection has scheduled a hearing on the SSA's application for a Chapter 91 License and a Water Quality Certificate for 7:00 p.m. on Thursday, April 14th, at the Falmouth Public Library, and the SSA also has filed its application for a permit from the United States Army Corps of Engineers.

3. SSA Director of Information Technologies Mary Claffey reported that, earlier this month, the SSA postponed the training classes that had been scheduled for its Senior Captains and Senior Chief Engineers on the upgrade to its Maximo computerized maintenance management information system because the upgrade had not been ready to go live. But the SSA then asked its consultant, Aquitas, for immediate assistance to resolve all of the outstanding issues, and the critical changes were completed shortly afterwards. As a result, last week the SSA was able to conduct three days of training classes for its Senior Captains and Senior Chief Engineers, and they have been able to go back to work and see the changes in the live system. The SSA's next critical objective for this project is to have the system work on computer tablets as well as on laptops so that users can enter information when they are working on the boats even though they might not have any connectivity to the system at that time, and the information will then be automatically recorded in the system when they subsequently connect to it.
4. Mr. Lamson reported that the staff has gone back to see if there is anything the SSA can do with this coming fall's operating schedule, in addition to the steps the SSA has already taken, to reduce the early morning truck noise at the Woods Hole terminal. For the past four summers, the SSA has operated a 5:30 a.m. trip from Woods Hole with a drive-through vessel that does not require trucks to back onto the vessel. Also for the past three years, the SSA has operated a 5:30 a.m. trip in the spring with a freight boat that does require trucks to back onto the vessel. For the first time last year, a 5:30 a.m. trip was added in the fall to address the shortage of automobile spaces coming off-island in the morning for Vineyard residents and, because of the freight boat used, trucks similarly were required to back onto the vessel this fall.

Based upon complaints the SSA started to receive last fall about early morning truck noise from excessive idling and back-up alarms coming from the terminal, the SSA has taken a number of steps to address the neighbors' complaints:

- The SSA reminded freight shippers about the State's anti-idling law, and it posted additional signs about the law at the terminal.
- The SSA changed the opening time of the terminal so that it now does not open until one-half hour before the first vessel departure.
- The SSA sent a letter to all of its regular freight shippers asking them to be courteous to the neighbors by obeying speed limits and to refrain from using engine brakes ("Jake brakes") on Woods Hole Road.

- The changed the way trucks are staged on the property prior to loading for the first few trips in order to minimize the need for back-up alarms as much as possible.

Ultimately, the SSA concluded that it should not change the operating schedule that has already been approved for this coming fall which, as the spring and summer schedules, has the first freight trip leaving Woods Hole at 5:30 a.m. While the staff looked at various other possibilities, including triple-crewing and berthing the vessel overnight on Martha’s Vineyard and changing the schedule later in the season, there has been little demand for an additional crew to run trips in the late afternoon and early evening that time of year except on Fridays and Sundays and, by contrast, the demand for early morning off-island travel remained pretty steady during the entire 2015 fall season. Also, the principal complaints about noise from the terminal during the early morning have been about the back-up alarms of trucks while they were being loaded on the vessel, and this complaint should be addressed this coming fall by having the *M/V Woods Hole* on the route, which will allow trucks to be driven straight onto the boat. However, Mr. Lamson stressed that the SSA will continue its efforts to mitigate whatever noise is generated at the terminal during the early morning hours.

5. The Board authorized Mr. Lamson to execute amendments to the SSA’s Lease and Easement Agreement with the Falmouth Youth Hockey League (“FYHL”) altering the SSA’s leased parking area and the path of its easement across the FYHL’s property at 9 Technology Park Drive so that the FYHL can construct a small one-story addition to the Ice Arena to provide additional indoor running/training space and an additional locker room. The SSA leases around 200 parking spaces at the Ice Arena for use as overflow parking during the summer season, and the Ice Arena’s new addition will reduce the amount of that parking by around 21 spaces. The path of the SSA’s easement across the FYHL’s property from Technology Park Drive to the SSA’s undeveloped parcel on Research Road will also be altered so that the SSA will have a sufficient area for vehicular and pedestrian access around the new addition.
6. The Board approved the staff’s recommendation that the SSA once again promote ridership on the *M/V Iyanough* this year when it returns to service on April 12th by offering a 20% discount on the sale of the SSA’s high-speed passenger ticket books from Friday, April 1st, through Friday, April 15th. The discount will apply to all of the SSA’s high-speed passenger 10-ride ticket books (adults, seniors and children). As a result, the prices for the electronic high-speed ferry ticket books will be as follows during this 15-day period:

	<u>Regular Price</u>	<u>With 20% Discount</u>
Adult	\$ 275	\$ 220
Seniors*	\$ 185	\$ 148
Children (ages 5-12)	\$ 170	\$ 136

\* Eligibility Restrictions Apply

7. Mr. Lamson reported that, in accordance with the authorization the Board gave him last month, he awarded Contract #02-2016 for a new automated vehicle identification system for the Woods Hole and Palmer Avenue parking lots to Amano McGann Inc. of Charlestown, Massachusetts, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$104,890. The new system will allow permit holders, employees and shuttle buses to enter and exit those parking lots without having to use a gate card. Instead, permit holders will be issued a transmitter decal that will be affixed to the permitted vehicle. The new system should be installed by the end of April.
8. Similarly, Mr. Lamson reported that, in accordance with the authorization the Board gave him last month, he awarded Contract #03-16 for the purchase of spare parts for two EMD 8-645-F7 diesel propulsion engines for the *M/V Katama*, two EMD 12-645-E diesel propulsion engines for the *M/V Nantucket*, two EMD 12-567-BC diesel propulsion engines for the *M/V Sankaty*, and two EMD 12-710-G7B turbochargers for the *M/V Island Home* to Marine Systems, Inc. of Cheapeake, Virginia, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$705,923.79.
9. The Board awarded Contract #04-2016 for Phase III of the site work at the SSA's Fairhaven Vessel Maintenance Facility to Robert B. Our Co. Inc. of Harwich, Massachusetts, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$124,939. After the "Lobster" building on the property is demolished this month, the contractor will finish the remaining site improvements for the property as part of the project that replaced the "Be Careful" and "Lobster" buildings with the new modular building. The work includes furnishing and installing a new stormwater system, pavement structures, bituminous pavement sealcoat and concrete pads, as well as extending the seawall. The work is planned to begin on April 4th and is expected to be completed in four to six weeks.
10. The Board awarded Contract #06-2016 for Rental Car Services at both the SSA's Palmer Avenue parking lot and its Hyannis terminal to Avis Budget Car Rental ("Avis") of Parsippany, New Jersey, whose proposal was ranked as the highest among three proposals submitted by Avis, Enterprise Holdings and Hertz Rent a Car. The agreement will allow Avis to maintain office/counter space at both locations and have the use of 20 parking spaces at the Palmer Avenue parking lot and 10 parking spaces at the Hyannis terminal for \$65,000 or 10% of its gross rental revenues (net time and mileage), whichever is higher, per year. The term of the agreement is three years (May 15, 2016 through May 14, 2019), and the SSA has the option, at its sole discretion, to extend it for up to two one-year extensions after that. Avis has been operating out of the SSA's Hyannis terminal since November 2011 and at its Palmer Avenue parking lot since July 2015. Avis also plans to locate some Zipcars at those locations.
11. The Board awarded Contract #07-2016 for Hyannis terminal concrete repairs to Chapman Waterproofing Co. of Boston, Massachusetts, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$143,070. The contractor will begin work on April 1st by removing and disposing the deteriorating concrete on the passenger stairs that

access the terminal's Slip #1, as well as all of the corroded reinforcing steel and other materials encountered during the course of the work. The contractor will then place new concrete repair mortar on the stairs, walls, landings and deck, as well as new aluminum stair nosing and surface mounted aluminum railings. The work is scheduled to be completed by April 30th.

12. The Board authorized Mr. Lamson to award Contract #09-16 for the service and testing of marine evacuation slides (MES) and inflatable buoyant apparatuses (IBA) to the lowest eligible and responsible bidder when bids for the contract are opened on Thursday, March 24th. The work under the three-year contract (which the SSA can further extend at its option for two additional one-year periods) will also include hydrostatic testing of CO<sub>2</sub> bottles, replacement of CO<sub>2</sub> bottles, pick-up and delivery charges, and labor to install and remove the systems.
13. The Board ratified Mr. Lamson's approval of a change order to the SSA's design contract with Bertaux + Iwerks Architects for the Woods Hole terminal reconstruction project to conduct a probing program to attempt to identify obstructions at the proposed monopile locations for the terminal's three new slips, in the amount of \$232,968. The current schematic design drawings for the slips provide for 39 new monopile dolphins with an outer diameter of 8 feet. (By comparison, the project calls for the removal of around 370 regular piles that currently support the existing slips and dolphins.) The use of monopiles instead of regular piles will speed up the construction of the dolphins and reduce their footprints over the ocean floor, but because of their larger size it is expensive and more difficult to relocate them if an obstruction is encountered while they are being driven during construction. The probes will be driven in the locations of the 28 proposed dolphin locations that are currently accessible by water. Because one of the ferry slips will need to be closed while the probing takes place, it is important to complete the probing program prior to the commencement of the 2016 Spring Operating Schedule on April 12th. Therefore, it will begin this week and should be completed around April 1st.
14. The Board approved a change order to the SSA's contract with Lawrence-Lynch Corp. for the construction of the SSA's Thomas B. Landers Road parking facility to construct additional stormwater management improvements at the site. Since last summer, the SSA has been experiencing problems with stormwater runoff in the southeast corner of the parking lot during heavy rain events. The engineers (Green Seal Environmental Inc.) and contractor (Lawrence-Lynch Corp.) have been working with the SSA to address the contributing issues and formulate the most cost-effective solution so that the lot can handle a 10-year theoretical storm of 4.97 inches of rainfall over a 24-hour period before infiltration while maintaining the current number of parking spaces. The proposed solution includes the following elements:
  - a 14,000 square-foot sand infiltration basin five to seven feet deep beneath the entire north-to-south length of the parking lot that will be capable of capturing all of the stormwater runoff from the upper two-thirds of the lot;

- a 2,400 square-foot, eight-foot deep underground rain storage tank system in the southeast corner of the lot; and
- an underground pump chamber in the southeast corner of the lot to pump excess stormwater from the storage tank, via a 732-foot force main pipe, back up into a 36-inch distribution pipe in the middle of the sand infiltration basin.

The total estimated cost of these improvements is \$490,000, and the Lawrence-Lynch has indicated that all of the construction and restoration work can be completed by mid-May.

15. Last week during a routine inspection, the SSA found the *M/V Katama's* port reduction gear to have a significant crack in a gear tooth of the bull gear and lesser damage to the gear teeth of the pinion gears, which made the gear inoperable. Accordingly, Mr. Lamson reported that, last week, he authorized an emergency procurement of new gears from Reintjes GmbH of Hamelin, Germany, the original manufacturer of the gears, in the amount of \$113,747. In addition to the gears, the repair of the port gearbox will require additional parts, including bearings, seals and clutch plates, as well as a technical representative's on-site labor and expenses. Today the Board authorized a second emergency procurement for these additional parts from Karl Senner, Inc., of Kenner, Louisiana, in the amount of \$108,485.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, April 19, 2016. The meeting is currently scheduled to take place in New Bedford, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

April 19, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on April 19, 2016, in the New Bedford Art Museum, located at 608 Pleasant Street, New Bedford, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. SSA General Manager Wayne C. Lamson reported that the latest progress meeting on the construction of the *M/V Woods Hole* took place at Conrad Shipyard last week and that Conrad's latest progress schedule still shows an expected delivery date of June 6, 2016 for the vessel at the SSA's Fairhaven Vessel Maintenance Facility. Although the SSA is continuing to try to have that date moved up, Conrad is not willing to commit to anything as of now in case something unexpected comes up over the next few weeks. From the SSA's perspective, Conrad's production crew continues to do everything they can to move the project along, despite some challenges they have faced with the delay in the delivery of certain equipment the SSA specified in the contract with certain specific vendors. There are now progress meetings on the vessel's construction every two weeks, and the next meeting is scheduled for Wednesday, April 27th.
2. SSA Director of Engineering and Maintenance Carl R. Walker reported that Lawrence-Lynch Corp. is working on the improvements to fix the stormwater runoff problems at the SSA's Thomas B. Landers Road parking facility, and that the SSA expects those improvements to be completed by mid-May.
3. Mr. Lamson then reported that the SSA has received the schematic design report for the waterside and landside portions of the Woods Hole terminal reconstruction project, as well as for the temporary terminal building (but not including the permanent new terminal building, its surrounding plaza or the new equipment storage building). The report contains

a very detailed cost estimate of \$59,500,000 for those portions of the project, and the estimate includes an escalation factor to the mid-point of construction of 4% per year for the landside construction and 3% per year for the waterside construction, as well as a 15% design (estimating) contingency for the landside work and a 10% design contingency for the waterside work. However, the estimate does not include any contingency for unforeseen events that may be encountered during construction. The staff has projected how the SSA will be able to fund the project through transfers to its replacement fund and occasionally issuing bonds for it, and everything looks doable through 2023. Those projections also include funds for the *M/V Martha's Vineyard* mid-life refurbishment and another vessel replacement within the next five or six years.

4. Mr. Lamson also reported that the Falmouth Conservation Commission has issued an Order of Conditions for the Woods Hole terminal reconstruction project. The order includes requirements to monitor eelgrass beds and a beach that are just south of the terminal, as well as to monitor structures in the area during pile driving activities, to have an environmental monitor on site during the construction phases who will provide weekly reports to the Commission, and to provide the Commission with more detailed dewatering plans before starting any excavation or dredging work.

Last Thursday, the Massachusetts Department of Environmental Protection held a hearing at the Falmouth Public Library on the SSA's application for a Chapter 91 license and water quality certificate. The deadline for the submission of public comments on the application is May 4, 2016, and the SSA will then be asked to respond to all of the comments that are received.

5. SSA Director of Information Technologies Mary T.H. Claffey reported that the SSA has made a lot of progress on the upgrade to its Maximo computerized maintenance management information system. All of the changes that the SSA had requested have been applied to the live system and most of the SSA's Senior Captains and Senior Chief Engineers have been trained on the upgraded system. Ms. Claffey also reported that the SSA's consultant, Aquitas, has returned to help configure and deploy computer tablets that employees will use to enter information into Maximo while working on the boats, even though they might not have any connectivity to the system at that time. The information will then be recorded automatically in the system when they subsequently connect to it. The SSA hopes to be able to get those tablets deployed soon, as that is the last critical piece of the upgrade.
6. Ms. Claffey also reported that the SSA is now allowing customers to buy high-speed passenger tickets for the *M/V Iyanough* on their mobile devices and then simply show their mobile devices to the terminal employees who are collecting tickets as they are boarding the vessel. (Customers who have electronic ticket books are able to use this technology as well.) Customers are instructed to activate their tickets on their mobile devices when they are ready to board the vessel, and they then show their devices to the terminal employees who are collecting tickets for a visual inspection. As a result, the SSA will no longer have to scan any customer's mobile device and, once a mobile device is activated to allow a



customer to board, it remains active (and valid) for only a limited period of time. After this technology is used for the *M/V Iyanough*, in a couple of months the SSA will allow passengers on its traditional ferries to use it as well.

7. Ms. Claffey also noted that some of the SSA's other recent technology improvements continue to be quite popular among the SSA's customers. For example, the SSA now has more than 38,000 customers who have signed up to receive text messages immediately when they receive matches for their wait list requests. In addition, a few months ago the SSA implemented a change to its waitlist system that now allows customers to choose to have their waitlist requests continue to be processed up to 12:00 noon the day before their scheduled sailings, instead of only up to 48 hours before their scheduled sailings. More than half of the SSA's customers on the waitlist have since chosen this option.
8. As some of you may already know, the delivery of Hy-Line's new high-speed passenger ferry, the *M/V Grey Lady IV*, has been delayed until the middle of June 2016 and, as a result, Hy-Line has to make certain changes to its schedules until the new vessel is able to begin service. For example, earlier this month Mr. Lamson approved Hy-Line's request to operate the *M/V Lady Martha* as a substitute for the *M/V Grey Lady IV* on the route between Hyannis and Nantucket, provided that the Hy-Line still makes the same number of daily trips on that route with the *M/V Lady Martha* and the *M/V Grey Lady* as set forth in its original schedule.

Today the SSA's Board approved other schedule changes requested by Hy-Line due to the delayed delivery of the *M/V Grey Lady IV*. With respect to the route between Hyannis and Martha's Vineyard, Hy-Line will be reducing the number of daily round trips from four to three from May 27, 2016 through June 24, 2016, as well as changing some of those trips' arrival and departure times. Further, with respect to the inter-island route, Hy-Line will be using the *M/V Vineyard Lady* instead of the *M/V Lady Martha* to operate only one daily round trip from May 27, 2016 through June 24, 2016 instead of the three daily round trips it was licensed to operate around Memorial Day weekend and the two daily round trips thereafter.

The SSA's only concern with respect to Hy-Line's schedule changes is whether the SSA will have enough passenger capacity on its traditional ferries on the route between Hyannis and Nantucket over the Memorial Day weekend, as Hy-Line's *M/V Great Point* is no longer in service. While it looks as if the SSA will have sufficient capacity, on the Monday of that weekend (Memorial Day itself) there may be some passenger cutoffs on some trips, even on the SSA's traditional ferries, and customers may have to travel later in the day than they originally planned.

9. Mr. Lamson reported that the SSA's five-year lease with the Martha's Vineyard Airport Commission for space for the SSA's reservations office at the Martha's Vineyard Airport expires on November 30, 2016, and that the SSA is exploring whether the reservations office instead could operate out of the rooms in the second floor of the Vineyard Haven terminal that are no longer used for crews quarters. This would give the reservation clerks

a better work environment than they now have at the airport and would not result in reducing the number of SSA employees who work on the island. Mr. Lamson also noted that the reservation clerks on the island now process an average of only around 40 counter transactions per day due to more customers making their own reservations on line, and that the staff believes the SSA's ticket sellers can handle those transactions without much more traffic at the Vineyard Haven and Oak Bluffs terminals.

10. Mr. Lamson reported that the staff has issued their preliminary report on the feasibility of providing freight service between New Bedford and Martha's Vineyard. In the preliminary report, the staff is recommending (on a preliminary basis only):
  - A. That the SSA entertain a proposal from Packer Marine (R.M. Packer Co., Inc. / Towing & Transportation Co., Inc.) to provide a barge and tug service for transporting freight vehicles between New Bedford and Martha's Vineyard on a "roll-on/roll-off" basis pursuant to a license agreement with the SSA, potentially without the payment of any license fees.
  - B. that the SSA also engage the services of Craig Johnson of Flagship Management to find out, on the SSA's behalf, whether any private operators might be interested in providing the New Bedford freight service at their own financial risk under a license agreement with the SSA and, if so, under what terms and conditions.
  - C. that the SSA work with the Cape Cod Commission, the Martha's Vineyard Commission, and public officials of all of the municipalities that could be affected by a New Bedford freight service for the purpose of submit-ting a joint request to the appropriate agency or agencies of the Commonwealth of Massachusetts and/or other local or regional governmental entities:
    1. to fund the construction, operation and maintenance of a suitable freight ferry terminal in New Bedford; and
    2. to provide annual funding to the SSA for the New Bedford freight service in a sufficient amount to cover the difference each year between (a) the amount of the SSA's direct and allocated costs of the service, and (b) the amount of fares the SSA derives from the service.
  - D. Once the funding described in (C) above is secured and a schedule is established for the New Bedford freight ferry terminal's completion, unless by that time a private operator has entered into a license agreement with the SSA to provide the New Bedford freight service at its own financial risk, that the SSA negotiate and enter into a time charter for a freight vessel from a private operator to provide freight ferry service between New Bedford and the SSA's Vineyard Haven terminal in accordance with the following parameters (as they might be revised based upon the comments, information and suggestions received in response to the preliminary report):

1. The freight vessel would make two round trips a day on weekdays (excluding holidays) during approximately a 22-week summer season, with the potential to also operate the service, if the SSA chooses, on weekends and holidays.
2. The SSA would provide reservation and ticketing services for the freight service, and will integrate reservations for travel on the New Bedford route into its existing reservations system so that customers traveling to and from Martha's Vineyard can make reservations in one direction by way of New Bedford and in the other direction by way of Woods Hole.
3. The first daily one-way trip from New Bedford to Martha's Vineyard would be designated as a "hazardous cargo" trip and customers traveling between New Bedford and Martha's Vineyard with their vehicles (both trucks and automobiles) would be able to make reservations on that route the same way they are able to make reservations on the SSA's other freight trips.
4. Customers traveling with their automobiles would also be allowed to travel standby on the freight trips between New Bedford and Martha's Vineyard in the same manner that they are able to travel standby on the SSA's other freight trips.
5. Freight shippers would be allowed to ship their trucks between New Bedford and Martha's Vineyard without their drivers if the SSA is assured that each "driverless" truck on the vessel is physically met at the ferry terminal by its driver when the vessel arrives there so that the truck can be immediately driven off the vessel.
6. The New Bedford freight service would be provided on a summer-seasonal basis for an initial three-year period, with the potential to extend the operating season if the SSA so chooses.
7. The SSA would establish the same rates of fare for the New Bedford route as it establishes for the Woods Hole route.

The SSA's Board asked the staff to make their preliminary report publicly available and to provide copies of it to the public officials of all the SSA's constituent communities. The SSA will then solicit comments, information and suggestions from those public officials and everyone else who may be interested in a possible New Bedford freight service so that the SSA's Board can consider them while it continues to discuss this subject over the next several months.

11. Mr. Lamson informed the SSA's Board of changes in vessel assignments that have made due to the need to replace one of the *M/V Katama's* reduction gears when it was discovered to have a cracked tooth and is therefore inoperable until the repairs are completed. It is now estimated that the *M/V Katama's* repairs will not be completed until May 17th. Until

the *M/V Governor* can be brought back from the shipyard and put into line service, the *M/V Island Home* has been brought out of repair status and is being used on the Martha's Vineyard route in place of the *M/V Nantucket*, and the *M/V Nantucket* is being used in place of the *M/V Katama*. When the *M/V Governor* is able to go into line service, which is expected to be after the first week in May, the *M/V Island Home* will go back into repair.

12. The SSA's Board approved a contribution in the amount of \$36,421.89 towards the cost of operating the Nantucket Regional Transit Authority's Ferry Connector Park 'n Ride shuttle service for a third year, with the understanding that the Town of Nantucket and the NRTA will have to find a more sustainable source of funding (possibly using some or all of the embarkation fees that the SSA and Hy-Line collect from their ferry passengers on behalf of the Town), if the shuttle service is going to continue to operate after this year. Last year the service ran from May 21 through October 12th, but this year it will run only from June 1st through September 5th due to a decrease in the number of organizations who have agreed to contribute toward its funding.
13. Mr. Lamson reported that, in accordance with the authorization the SSA's Board gave him last month, he had awarded Contract #09-16 for the service and testing of marine evacuation slides (MES) and inflatable buoyant apparatuses (IBA) to Life Raft & Survival Equipment of Tiverton, Rhode Island, the only eligible and responsible bidder for the contract, for a total contract price of \$420,940. The work under the three-year contract also includes hydrostatic testing of CO<sub>2</sub> bottles, replacement of CO<sub>2</sub> bottles, pick-up and delivery charges, and labor to install and remove the systems.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, May 17, 2016. The meeting is currently scheduled to take place in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

May 17, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on May 17, 2016, in the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. Four Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); and Marc N. Hanover (Martha's Vineyard). Robert L. O'Brien (Barnstable) was not present.

1. SSA General Manager Wayne C. Lamson reported that Conrad Shipyard was still on schedule to deliver the *M/V Woods Hole* to the SSA's Fairhaven Vessel Maintenance Facility by June 6, 2016. The vessel's main engines were started last week, and other major systems are being tested this week before the vessel's dock trials. Assuming the dock trials go well, sea trials are scheduled to begin on May 24th, and the vessel could then leave Louisiana by the end of next week. Meanwhile, there will be a christening ceremony for the vessel in Louisiana this Friday. The SSA will have the vessel's commissioning ceremony in Woods Hole next month before it goes into service between Woods Hole and Martha's Vineyard on June 17th.
2. Mr. Lamson also reported that all of the work to fix the stormwater runoff problems at the SSA's Thomas B. Landers Road parking facility has been completed and that the parking lot is ready for the upcoming summer.
3. Mr. Lamson reported that the comment period in response to the SSA's application for a Chapter 91 License and a Water Quality Certificate from the Massachusetts Department of Environmental Protection (DEP) for the Woods Hole terminal reconstruction project ended on May 4, 2016 and that the SSA will be asked to respond to all of the public comments that DEP has received about the application. The DEP will then conduct its technical review of the application and issue a draft license, which will be subject to 21-day waiting period. The SSA will then hopefully have a final license by this summer.

4. SSA Director of Information Technologies Mary T.H. Claffey reported that the SSA is again working with its consultant, Aquitas, to finalize the computer tablets the SSA will be using with its upgraded Maximo computerized maintenance system, and that the changes should be finalized within the next few days. The computer tablets will then be usable with the live system, and the SSA will provide additional training to its employees on how to use them. Last week the SSA also trained almost all of the terminal agents and parking lot supervisors who will be using the upgraded Maximo system, and the employees' usage of the system is continuing to increase.
5. Ms. Claffey also reported that the SSA is now allowing customers to buy high-speed passenger tickets for the *M/V Iyanough* on their mobile devices and then simply show their mobile devices to the terminal employees who are collecting tickets as they are boarding the vessel.
6. Ms. Claffey then reported that the SSA now has over 46,000 customers who have signed up to receive text messages immediately when they receive matches for their wait list requests and that more than half have opted to have their wait list requests continue to be processed up to 12:00 noon the day before their scheduled sailings, instead of only up to 48 hours before their scheduled sailings with the recent technology improvements that have implemented.
7. The Board authorized the staff to proceed with an invitation for bids for the mid-life refurbishment of the *M/V Martha's Vineyard*. The project, which is estimated to cost \$13,500,000, will include, among other items:
  - extending the 02 passenger cabin to enclose the aft stair towers;
  - creating a center island for the Purser's office, restrooms and food concession area;
  - removing and replacing all of the joiner work in the passenger cabins on the 02 and mezzanine decks;
  - HVAC upgrades;
  - an upgrade of the bow door (so that it is similar to the bow doors on the *M/V Woods Hole* and the *M/V Island Home*);
  - installation of a stern roller curtain door;
  - upgrade of crew accommodations;
  - replacement of the ship's switchboard and emergency switchboard;
  - installation of a third ship service generator;
  - installation of an additional elevator on the port side of the mezzanine deck to the 02 passenger deck;
  - replacement of all exterior windows;

- relocation and replacement of the rescue boat and davit;
- complete sandblasting and recoating of all exterior surfaces and the freight deck;
- water blasting and recoating the void spaces as necessary;
- installation of a new Marine Evacuation Slide system (MES);
- upgrade of the steering system controls;
- replacement of steel plating as necessary;
- pilothouse modifications; and
- an increase of interior and exterior passenger seating on the vessel.

The invitation for bids for the mid-life refurbishment contract is scheduled to be issued by June 1, 2016, and the bid opening is scheduled for July 8, 2016 so that the contract can be awarded to the lowest eligible and responsible bidder at the Board meeting which is currently scheduled for July 19, 2016. The vessel will then be delivered to the shipyard in mid-October 2016 and return to Fairhaven around the end of February 2017.

8. The Board also authorized the staff to relocate the SSA's Reservation Office at the Martha's Vineyard Airport to the Vineyard Haven terminal (and the Oak Bluffs terminal during the summer schedule) after the SSA's lease with the Martha's Vineyard Airport Commission expires on November 30, 2016. The crews' quarters on the second floor of Vineyard Haven terminal, which are no longer utilized, will be converted to office space for use as a replacement for the current call center space at the airport.
9. The Board authorized the staff to allow SeaStreak, LLC to operate one additional high-speed ferry trip from Nantucket to New Bedford on the morning of Memorial Day (Monday, May 30, 2016), and the staff will agree upon a departure time for SeaStreak's vessel from Nantucket that does not conflict with the SSA's own operating schedule.
10. The Board also authorized the staff to charter one of SeaStreak's New York-class ferries to provide an additional high-speed ferry trip from Nantucket to the SSA's Hyannis terminal on the morning of Memorial Day (Monday, May 30, 2016). The staff has been concerned that, due to the delayed delivery of Hy-Line's *Grey Lady IV* and its discontinuation of traditional ferry service this year with the *M/V Great Point*, there might be a shortage of passenger capacity on some trips from Nantucket to Hyannis on Memorial Day. Accordingly, the SSA felt it prudent to charter SeaStreak's vessel for a trip leaving Nantucket at 11:30 a.m. that day, which will still give it enough time to return to Nantucket for its regularly scheduled departure to New York at 2:30 p.m. The SSA will add this 11:30 a.m. trip into its reservation system and make it available for reservations.
11. The Board authorized Mr. Lamson to execute the final versions of the amendments to the SSA's Lease and Easement Agreement with the Falmouth Youth Hockey League ("FYHL") altering the SSA's leased parking area and the path of its easement across the

FYHL's property at 9 Technology Park Drive so that the FYHL can construct a small one-story addition to the Ice Arena to provide additional indoor running/training space and an additional locker room.

12. SSA Treasurer/Comptroller Robert B. Davis presented his analysis of the effectiveness of the SSA's rate structure to cover each route's cost of service for passengers, automobiles and trucks during the 2015 calendar year. With respect to the Martha's Vineyard route, Mr. Davis reported that:
  - (a) In 2015, total vessel operating costs increased by \$515,000, or 2.1%; total indirect non-vessel costs increased by \$1,200,000, or 5.2%, principally due to the cost of dry-dock expenses for the *M/V Governor* and the *M/V Island Home*, the cost of traffic circulation improvements at the Vineyard Haven terminal, and higher depreciation expenses in connection with recent improvements to the SSA's offsite parking lots located on Palmer Avenue and on Thomas B. Landers Road in Falmouth; and, as a result, the overall cost of service for the Martha's Vineyard route increased by \$1,715,000, or 3.6%, from 2014.
  - (b) The total number of trips operated increased by 189 in 2015, with a total capacity for the year increasing by 6,300 car-equivalent unit spaces. The number of spaces occupied increased by 13,187, 2.2%, from 2014, resulting in an increase of the occupancy rate from 80.8% in 2014 to 81.9% in 2015.
  - (c) The estimated cost of a car-equivalent unit space was \$51.35 in 2015, down from \$52.32 in 2014. On average, automobiles covered 94.4% of their allocated cost of service, with the standard fare automobiles covering 125.9% and excursion fare automobiles covering 38.9%. By comparison, on average, trucks covered 111.7% of their allocated cost of service.

With respect to the Nantucket Route, Mr. Davis reported that:

- (a) In 2015, total vessel operating costs decreased by \$174,000, or 1.1%, primarily due to a decrease in dry-dock and fuel expenses; total indirect non-vessel costs increased by \$1,022,000, or 9.5%, principally due to the cost of dock and dolphin repairs at the Nantucket terminal; and, as a result, the overall cost of service for the Nantucket route increased by \$848,000, or 3.3%, from 2014.
- (b) The total number of trips operated increased by 149 in 2015, with a total capacity for the year increasing by 6,150 car-equivalent unit spaces. The number of spaces occupied increased by 8,328, or 4.9%, from 2014, resulting in an increase of the occupancy rate from 82.7% in 2014 to 84.2% in 2015.
- (c) The estimated cost of a car-equivalent unit space was \$113.16 in 2015, down from \$117.35 in 2014. On average, automobiles covered 134.8% of their allocated cost of service, with the standard fare automobiles covering 171.0% and excursion fare



automobiles covering 48.0%. By comparison, on average, trucks covered 102.8% of their allocated cost of service.

Over the past ten years, the allocated revenues and cost of service for the Martha's Vineyard route represented 57.3% and 57.2%, respectively, of the SSA's total operating revenues and cost of service, whereas the allocation of revenues and cost of service on the Nantucket route were 42.7% and 42.8%, respectively, of the SSA's overall operating revenues and cost of service. It would be practically impossible to get much closer than that in terms of the effectiveness of the SSA's rate structure to cover each route's allocated cost of service.

13. The Board approved the appointment of David W. Hammond of Centerplate to be the manager in connection with the SSA's alcoholic beverages license on the *M/V Woods Hole*. The regulations of the Massachusetts Alcoholic Beverages Control Commission requires license holders, including the SSA, to formally approve the appointment of the managers of each license. The SSA currently has alcoholic beverages licenses for the *M/V Martha's Vineyard*, the *M/V Nantucket*, the *M/V Eagle*, the *M/V Island Home*, and the *M/V Iyanough*. Because the *M/V Woods Hole* will also have a food concession area, the SSA will be applying for a license for that boat as well.
14. The Board authorized Mr. Lamson to award a contract to Electrical Wholesalers, Inc., of New Bedford, Massachusetts, a state-authorized vendor, for all of the materials necessary for the installation of an emergency generator at the Fairhaven Vessel Maintenance Facility. These materials include a container-mounted 400KW, 480-volt, 3-phase generator set, a 1200-amp automatic transfer switch, main breaker, associated load breakers, conduit, raceways and associated conductors, for a Total Contract Price of \$231,665. A request for quotes to perform the labor to install the generator, which is estimated to cost \$100,000, will be issued at a later date.
15. The Board also authorized Mr. Lamson to award Contract #12-16 for dry-dock and overhaul services for the *M/V Sankaty* to Thames Shipyard and Repair Company of New London, Connecticut, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$1,550,685. The vessel will go into the shipyard from June 17, 2016 through August 12, 2016 to undergo a required United States Coast Guard hull examination, ballast modifications, modifications to tank locations, commercial blasting and coating, tank cleaning, sea valve, shaft, propeller and rudder inspection, and steel repairs. The work will include removing buoyant foam and fabricating and relocating an aft ballast tank to improve the vessel's maneuverability during light load conditions. The removal of the foam will also reduce the chance of a shipboard fire. The rescue boat and davit will also be replaced to increase accessibility of parts and commonality across the fleet; both the men's and women's restrooms will be refurbished; and a freight deck tie down system (similar to one that will be on the *M/V Woods Hole*) will be installed.
16. The Board also authorized Mr. Lamson to award Contract #13-16R for two USCG-approved rescue boat davits to the lowest eligible and responsible bidder for the contract

after bids are opened on June 8, 2016. One of the rescue boat davits will be installed on the *M/V Sankaty* and the other one will be put on the *M/V Martha's Vineyard* during its mid-life refurbishment. Drawings and specifications for the davits were sent to two marine supply vendors last month, but neither of the vendors submitted a bid for the contract by the original May 11, 2016 deadline. Therefore, another invitation for bids has been issued with the new deadline date.

17. The Board voted to approve the re-appointment of RSM US LLP (formerly known as McGladrey LLP) as the SSA's independent auditors for the years ending December 31, 2016, 2017 and 2018. RSM's proposed fee for this upcoming year's work is \$126,200, the same as this past year's fee, and it includes both the annual audit and a Circular No. A-133 audit, which is required because the SSA anticipates receiving more than \$500,000 in federal grants this year.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, June 21, 2016. The meeting is currently scheduled to take place in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

June 21, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on June 21, 2016, in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. The Board reviewed how the SSA's operations went over the Memorial Day weekend, observing that, while the SSA carried 4.2% more passengers on the Martha's Vineyard route this year than it did last year, it carried even more passengers on the Nantucket route. Indeed, on that route, the SSA carried 11.6% more passengers on the *M/V Iyanough* and 18.1% more passenger on its traditional ferries than it did over the 2015 Memorial Day weekend. On Memorial Day itself, all of the SSA's high-speed ferry trips leaving Nantucket were essentially sold out, and it had passenger cutoffs on some its traditional ferry trips, so it was a good thing that the SSA had chartered SeaStreak's high-speed ferry to run an extra trip off-island that day.
2. SSA General Manager Wayne Lamson reported that everyone at the SSA had been very busy with the *M/V Woods Hole* this past month. On May 20th, Conrad Shipyard had a christening ceremony for the vessel while it was still in Louisiana, and then delivered it at the SSA's Fairhaven Vessel Maintenance Facility on Monday, June 6th. After the SSA accepted the vessel on June 8th, it had a commissioning ceremony in Woods Hole on June 13th and sailed the boat to Vineyard Haven and Nantucket for open houses that Monday and Tuesday before placing it into regular service on the Martha's Vineyard route on June 17th. All of these achievements, including getting the vessel's Certificate of Inspection from the Coast Guard last week, took an enormous amount of effort on everyone's part, but Mr. Lamson thanked in particular those employees who have worked tirelessly on this project over the past few months, including Director of Engineering and Maintenance Carl Walker, Senior Captain Al Brox, Senior Chief Engineer John Stanton, and Fleet Personnel

Administrator Joe Russas. Mr. Lamson observed that it was truly a team effort, along with Conrad Shipyard and the Coast Guard, that enabled the SSA to reach this final milestone, and that the SSA has a terrific boat that can be used year round on both routes for a long time to come.

3. Mr. Lamson reported that, last week, the SSA submitted its comprehensive responses to all of the public comments that the Massachusetts Department of Environmental Protection (DEP) had received on the SSA's application for a Chapter 91 license and water quality certificate in connection with its Woods Hole terminal reconstruction project. The SSA expects that DEP will complete its technical review of the application and issue a draft license later this summer. Of course, the SSA also needs a U.S. Army Corps of Engineers' permit for the project before any work can begin. Meanwhile, earlier this month the SSA received a variance from the Massachusetts Architectural Access Board that will allow the 24-foot gangways that will be located on the piers for passenger side loading onto the SSA's larger ferries to be steeper than the maximum slope for ramps (1:12) during high-tide conditions. Finally, the SSA also has filed its application for a variance from the State Appeals Board so that the first floor elevation of the temporary terminal building can be lower than the 13-foot base flood elevation for the site. Eventually the SSA will need another variance for the first floor elevation of the new terminal building so that it can be lower than 16 feet above sea level.
4. SSA Director of Information Technologies Mary Claffey reported that, with its consultant, Aquitas Solutions, Inc., the SSA has completed the necessary changes so that its computer tablets can be used by the SSA's Senior Captains and Senior Chief Engineers when they are working with the Maximo computerized maintenance management information system. After the SSA makes certain that it is satisfied with how the tablets are working, it will deploy them to everyone in the fleet who needs to work with them.
5. Ms. Claffey also reported that the new visual boarding system the SSA has implemented for the *M/V Iyanough* (which the SSA is promoting as "Show and Sail") has proven to be a great improvement, and that the SSA also now has over 56,000 customers who have signed up to receive text messages immediately when they receive matches for their wait list requests.
6. Mr. Lamson reported that the SSA's staff have changed their plans for how the SSA is going to proceed with the *M/V Martha's Vineyard* mid-life refurbishment project. Due to the long lead times for certain items of new equipment the SSA needs for the refurbishment, the SSA would have had difficulty finishing the project on time to have the vessel back in line service by next spring, and the SSA also would have had to furnish those items to the shipyard as owner-furnished equipment. Therefore, the staff is now planning to have only the dry-dock work performed this fall, which will include the required hull work, keel cooler replacements, the painting of the exterior of both the hull and superstructure, the overhaul of the bowthruster, the foundation work for the third generator, and the installation of the new rescue boat and davit. Then, in January 2017, the SSA will award a second contract for the remaining work, all of which can be accomplished without dry-

docking the vessel. This should result in more shipyards submitting bids for the contract and will also allow the shipyard that receives the second contract to order all of the equipment itself so that it will be on hand when the vessel is delivered to the shipyard the following fall.

7. Because of the change in plans for the *M/V Martha's Vineyard* mid-life refurbishment project, the SSA will now be able to bring the *M/V Woods Hole* into repair from December 8, 2016 through January 3, 2017. As a result, the Board approved the staff's recommendation to change the 2016 Fall Operating Schedule for the Martha's Vineyard route. Specifically, the SSA will now maintain the previously approved 2016 Fall Operating Schedule for the Martha's Vineyard route only from October 12, 2016 through December 7, 2016, the time period that the *M/V Woods Hole* is assigned as the freight boat on that route. During this time period the *M/V Woods Hole's* first trip from Woods Hole will be at 5:30 a.m. However, after the *M/V Woods Hole* is replaced on that route by the *M/V Sankaty* on December 8, 2016, the *M/V Sankaty's* first trip from Woods Hole will be at 6:15 a.m. instead of at 5:30 a.m., because trucks will have to back up to be loaded onto the *M/V Sankaty*.
  
8. The Board also approved the staff's proposed 2017 Budget Policy Statement that sets forth the guidelines the staff will be using to develop the revenue and expense estimates for the SSA's 2017 Operating Budget. As presented by SSA Treasurer/Comptroller Robert Davis at the meeting, the Budget Policy Statement requires the staff, among other things:
  - to base the SSA's projected operating revenue primarily on actual traffic statistics for what will then be the most recent 12 months (August 2015 through July 2016), although the staff will include slightly increased revenue projections to reflect additional capacity due to the substitution of the *M/V Woods Hole* for other freight vessels next year and any increased ridership the SSA experiences on its traditional ferries on the Nantucket route this summer now that the SSA is the only provider of traditional service on that route;
  - to base the SSA's projected vessel operating expenses in part on the operating schedules the staff will be proposing over the next few months for 2017;
  - to identify significant terminal repairs and maintenance that will be needed;
  - to schedule the vessels that will be dry-docked during 2017 (the *M/V Martha's Vineyard*, *M/V Katama* and *M/V Gay Head*).
  - to assume that existing job vacancies will be filled while staffing requirements for the Information Systems group will be evaluated and adjusted accordingly.
  - to take into account the SSA's expected training expenses due to the continuation of a number of different training programs, including STCW basic training, Marine Evacuation Slide (MES) training, the Wiper-to-Oiler promotional training program, customer service training, and rescue boat, security and oil spill prevention and response training.

One of the SSA's more significant operating expenses is vessel fuel oil. As for the past few years, the 2017 Operating Budget will base the budgeted cost of vessel fuel oil on next year's cap prices or the then-current forecasts for oil prices during 2017 (plus the premium cost of the hedging program), whichever is lower. Currently, the barrel price of crude oil is trading in the \$40 - \$50 range while a year ago at this same time crude oil was trading in the \$55 - \$65 range. The SSA's hedge program for expected vessel fuel consumption for 2017 has been executed through the first half of the year with an average cap price of \$2.04 per gallon. By comparison, this year's average budgeted cost for vessel fuel is \$2.21 per gallon.

Finally, the staff will be making all efforts to avoid the need for any additional rate increases. The staff will prepare a preliminary budget using these guidelines for presentation to the Board for discussion in September, and ask that the final version of the budget be approved in October.

9. Mr. Lamson informed the Board that, in accordance with the authorization they gave him last month, last week he awarded Contract #13-16R for two USCG-approved rescue boat davits to Coastal Marine Equipment, Inc. of Gulfport, Mississippi, which was the only eligible and responsible bidder for the contract, for a Total Contract Price of \$163,800. One of the rescue boat davits will be installed on the *M/V Sankaty* and the other one will be put on the *M/V Martha's Vineyard* during its mid-life refurbishment.
10. The Board also approved the SSA's 2016 non-union personnel wage and salary program. As a result, this year's salary program will provide for an aggregate 3% increase in the total budget for all unrepresented employees' salaries, including a 2.1% increase in the salary structure (the range of salaries within each salary grade).
11. The Board also conducted their evaluation of Mr. Lamson's performance over the last twelve months and then established a committee to recommend the procedures and forms that will be used for next year's evaluation of the General Manager's performance. The committee will be comprised of Ms. Gladfelter, Mr. Ranney, and whomever the Port Council votes to appoint as additional members of the committee.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would reconvene in public. After reconvening in public session, the Board took the following actions:

12. The Board voted to increase Mr. Lamson's salary by 3.5% effective July 1, 2016.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, July 19, 2016. The meeting is currently scheduled to take place in the first floor meeting room of the Oak Bluffs Public Library, located at 56R School Street, Oak Bluffs, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

July 19, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on July 19, 2016, in the first floor meeting room of the Oak Bluffs Public Library, located at 56R School Street, Oak Bluffs, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. SSA General Manager Wayne C. Lamson reported that the *M/V Woods Hole* has been providing service between Woods Hole and Martha's Vineyard for more than a month now, and that it is operating pretty much as the SSA had hoped. There are, however, two principal outstanding issues with the vessel:
  - The SSA still needs to balance the vessel's HVAC system, as some areas are not as cool as other areas. However, technicians are continuing to work on that.
  - The vessel has a bow wake that comes up in front of the boat, particularly at higher speeds (14 knots) and in shallower waters (where the water depth is 10 feet below the keel), that can result in a change of the vessel's trim and may get worse in rough weather. The SSA has been working with the vessel's designer, Elliott Bay Design Group, and its consultant Force Technology, who have been doing some computer modeling to determine what should be done for the long term. Options include possibly removing one of the vessel's spray rails or modifying the bulbous bow. Meanwhile, the SSA's Captains have been experimenting with different ballasting weights, particularly when the vessel is lightly loaded, that appear to have addressed the problem for the short term.
2. Mr. Lamson also reported that the SSA is waiting for the Massachusetts Department of Environmental Protection to complete its technical review of the SSA's application for a Chapter 91 license and water quality certificate for the Woods Hole terminal reconstruction project, although the SSA still hopes to receive the license later this summer. The United



States Army Corps of Engineers also still needs to act on the SSA's application for a federal permit for the project. Meanwhile, earlier this month, the SSA received a variance from the State Building Code Appeals Board so that the first floor elevation of the temporary terminal building can be lower than the 13-foot base flood elevation for the site. The SSA will need to use the temporary terminal building beginning in 2018 when the current terminal building is demolished until the new permanent terminal building is built near the end of the project's six-year construction period.

3. Mr. Lamson also reported that the SSA's design team is finalizing the design for the SSA's new administrative office building that will be located in the Palmer Avenue parking lot so that an invitation for bids for the construction of the building can be issued next month. The SSA's Board will then be able to award the construction contract at their September meeting. Construction will take around fourteen months so that the building is completed by the end of 2017.
4. Last year, the SSA had planned to start the mid-life refurbishment of the *M/V Martha's Vineyard* this fall and have it completed by next spring. However, last month, Mr. Lamson reported that the SSA's staff had changed their plans and had decided to have only the vessel's dry-dock work performed this fall and then, in January 2017, award a second contract for the remaining work which would be accomplished the following off-season. However, Mr. Lamson reported today that, since then, it was determined that the vessel would also have to dry-docked during the second phase of the project in order to blast, paint and replace steel for the superstructure, and to replace the vessel's windows. Therefore, the SSA has decided not to proceed with the project in two phases. Instead the entire project will be accomplished under one contract that will be awarded in January 2017 and the vessel's dry-docking will take place in the fall of 2017 instead of this fall. This approach will also allow plenty of lead time for the shipyard that is awarded the contract to order all of the necessary equipment.
5. Mr. Lamson reviewed with the Board the preliminary version of the staff's proposed 2017 Winter and Spring Operating Schedules for discussion purposes only. As currently proposed:
  - The winter operating schedules (January 4, 2017 through March 16, 2017) will remain the same as they were during this time period in 2016 for both the Martha's Vineyard route and the Nantucket route. During this time, the *M/V Woods Hole* will be assigned to the Nantucket route from January 4th through February 20th (when the *M/V Nantucket* will be operating in place of the *M/V Eagle*) and then be assigned to the Martha's Vineyard route through March 16th (when the *M/V Nantucket* will be operating in place of the *M/V Island Home*).
  - The early spring operating schedules will also remain the same as they were last year for both routes, except that they will end earlier (on March 31st instead of April 11th). The *M/V Woods Hole* will also continue to be assigned to the Martha's Vineyard route while the *M/V Island Home* remains in repair.

- The spring operating schedules will begin 11 days earlier than this past year and end on May 15, 2017. During this schedule, the staff is also proposing to single crew the *M/V Sankaty* so that it operates exclusively on the Nantucket route Mondays through Fridays, instead of operating on both routes (a few days on the Nantucket route during the middle of the week and on the Martha's Vineyard route around the weekends) as it did this past spring schedule. The staff does not believe that the Martha's Vineyard route will need this additional vessel on weekends next year during the spring because both the *M/V Island Home* and the *M/V Woods Hole* will be assigned to that route during that time period.

Mr. Lamson also reported that, while the first freight trip from Woods Hole to Martha's Vineyard will be at 6:15 a.m. during the winter schedule, the staff is proposing to again change the time of that freight trip so that it leaves at 5:30 a.m. beginning March 17, 2017, when the *M/V Woods Hole* is assigned to that route so trucks will not need to back up in order to be loaded onto the vessel. The earlier freight boat departure will result in an additional early morning trip from Martha's Vineyard which will allow island residents to travel off-island earlier in the day. In addition, it will spread out the trucks that the SSA carries to the island during the morning so that they arrive at the terminal over a longer period of time and can then be staged prior to being loaded without having to back up (and use their back-up alarms) as much. The staff also will continue to mitigate whatever noise is generated by the SSA's early morning operations as much as possible.

The proposed schedules will be posted on the SSA's website so that they are available for public comment prior to the Board's next meeting on August 16, 2016.

6. Mr. Lamson also reported that, in the last two and one-half months since the staff issued their preliminary report on the feasibility of providing freight service between New Bedford and Martha's Vineyard, he had received three comments on the report, including a letter from New Bedford Mayor Jonathan Mitchell in which he asked that any freight service from New Bedford be consistent with the recently released New Bedford Waterfront Framework Plan. The SSA's Board decided to discuss this matter further at their meeting next month, but meanwhile they asked Mr. Lamson to meet with the Mayor to further explore how port facilities in New Bedford (other than the State Pier) might suit the needs of freight haulers.
7. The Board approved a change order in the amount of \$246,923.39 for the replacement of a substantial amount of steel on the *M/V Governor's* hull that was completed by Thames Shipyard this past spring. When the vessel was in the shipyard last fall and underwent void blasting, the exposed structure revealed wastage that was not evident through many years of coatings. Inspections then determined that a substantial amount of steel in the vessel's hull required replacement, far more than the 300 square feet of readily accessible hull plating replacements/inserts, at a price of \$52,000, that had been provided for in the original dry-dock and overhaul services contract.

8. As has already been reported in the press, Mr. Lamson recently informed the SSA's Board that he will be retiring at the end of June 2017. Today the Board appointed a committee (comprised of Barnstable Member Robert L. O'Brien and Martha's Vineyard Member Marc N. Hanover) to start the process of finding his successor.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, August 16, 2016. The meeting is currently scheduled to take place in the second floor meeting room of the SSA's Hyannis ferry terminal, located at 141 School Street, Hyannis, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

August 16, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on August 16, 2016, in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. SSA General Manager Wayne C. Lamson reported that the *M/V Woods Hole* is operating pretty much as expected and that the biggest issue continues to be the bow wave that is created when the vessel travels at 14 knots in shallow water (a depth of ten feet or less below the keel). While this problem is not affecting the SSA's operations, the SSA's contract with Elliott Bay Design Group was for a vessel that could travel at 16 knots fully loaded. Earlier this month, Elliott Bay ran some computer models with slightly changed hull forms (without the bulbous bow and/or the spray rails). The initial modeling indicates that the SSA would not see a huge benefit by changing either the shape or the size of the bulbous bow, but the model simulations got progressively better as more of the spray rails were cut back (all the way to nine feet). Therefore, tonight the SSA's own maintenance employees are scheduled to complete this modification themselves.

Meanwhile, Conrad Shipyard continues to be responsive in its efforts to finish the remaining punch list items for the vessel. The SSA's staff continues to have weekly telephone conference calls with Conrad to review the outstanding items, and the labor and materials the SSA incurs to correct any of those items itself are being billed back to the shipyard.

2. Mr. Lamson also reported that the SSA has received the water quality certificate from the Massachusetts Department of Environmental Protection for the Woods Hole terminal reconstruction project, but that it is still waiting for a draft Chapter 91 license for the project, which the staff hopes will be issued by the end of the month (when the staff similarly hopes to receive the Army Corps of Engineers permit for the project).

3. Mr. Lamson also reported that the SSA is currently going through a prequalification process that is required by state law for general contractors and subcontractors who want to submit bids for the construction of the SSA's new administrative office building. After the process is finished, the SSA will then issue an invitation for bids for the construction contract. During the first round of the prequalification process, the SSA prequalified seven general contractors to submit bids for the contract and at least three subcontractors in 12 of the 13 required subtrades. However, because the SSA was unable to prequalify at least three subcontractors for the elevator subtrade, it has to go through the prequalification process a second time, and state law does not allow the invitation for bids for the contract to be issued until after that second prequalification process is completed. As a result, the earliest the SSA can issue the invitation for bids for the contract will be in early September, and the earliest the contract can be awarded will be at the SSA Board's meeting on October 18, 2016. However, after the contract is awarded, the construction of the building is still expected to take around fourteen months so that it is completed by the end of 2017.
4. The Board approved the staff's proposed 2017 Winter Operating Schedules for the period from January 4 through March 16, 2017. The schedules, which were advertised last month in the local newspapers, are substantially the same as the schedules the SSA operated this past winter through March 15, 2016. The *M/V Woods Hole* will be the freight boat on the Nantucket route during the winter schedule through February 20, 2017 (while the *M/V Eagle* is in repair), and will then be the freight boat on the Martha's Vineyard route for the remainder of the winter schedule (while the *M/V Island Home* is in repair).
5. Mr. Lamson announced that the staff will be waiting until next month to ask the Board to approve their proposed 2017 Early Spring and Spring Operating Schedules which were presented at last month's Board meeting, as those schedules were just advertised in the local newspapers a few weeks ago.
6. Mr. Lamson then reviewed the preliminary version of the staff's proposed 2017 Early Summer, Summer, Late Summer and Fall Operating Schedules, noting that the staff is proposing to start the early summer, summer and late summer schedules two days earlier than this year and to end the late summer schedule four days later (which will also result in the fall operating schedule starting four days later). If approved, the proposed schedules will basically provide the same level of service as the SSA is providing during these same periods this year. However:
  - During the 2017 summer schedule (June 15th through September 6th) on the Martha's Vineyard route, the staff is proposing to operate one freight boat – the *M/V Governor* – and three large passenger/vehicle ferries – the *M/V Island Home*, the *M/V Martha's Vineyard* and the *M/V Nantucket*, which will replace the *M/V Woods Hole*; and the *M/V Woods Hole* will in turn replace the *M/V Nantucket* on the Nantucket route. While the *M/V Woods Hole* does not have as much passenger capacity as the *M/V Nantucket*, the staff thinks that the Nantucket route will benefit by its ability to carry more trucks in the center lanes of its freight deck.

- During the late 2017 summer schedule (September 7th through October 15th), the staff is proposing to keep the *M/V Woods Hole* on the Nantucket route with the *M/V Eagle* and the *M/V Gay Head*, and assign the *M/V Island Home* and the *M/V Nantucket* on the Martha's Vineyard route with the *M/V Governor* and the *M/V Sankaty*, as the *M/V Martha's Vineyard* will be leaving at the beginning of this schedule for its mid-life refurbishment.
- During the early summer, summer and late summer schedules, the staff is proposing to continue operating the 5:30 a.m. freight trip from Woods Hole with the *M/V Governor*, as it is a drive-through vessel that minimizes the need for trucks to use their back-up alarms. However, during the proposed fall schedule, when the *M/V Sankaty* will be the freight boat on the Martha's Vineyard route, the first freight trip from Woods Hole will be at 6:15 a.m.
- During all of the schedules (beginning May 16th), the staff is proposing to adjust the times of some of the freight boat departures on the Martha's Vineyard route during the day so that, instead of arriving and departing 15 minutes after the larger passenger/vehicle ferries, they will arrive and depart 20 minutes later (a difference of five minutes). This will provide more of a break in traffic between the vehicles that are unloaded from the larger ferries and the vehicles that are then unloaded from the freight boats.

Finally, the staff's proposed 2017 operating schedules for the *M/V Iyanough* are the same as this year's schedules, except that the staff is proposing to resume high-speed passenger service between Hyannis and Nantucket with that vessel on April 1st next year instead of April 12th.

7. The Board approved a change order authorizing the construction of a larger aft ballast tank in the *M/V Sankaty* than originally planned while it is in Thames Shipyard this summer. The change order includes the cost of additional steel and wasted steel replacement to construct the new ballast tank, in the amount of \$200,226.37, and then provides a credit in the amount of \$88,470.72 based upon changes made to the original plans, for a net cost of \$111,755.65.
8. The Board authorized Mr. Lamson to dispose of a large amount of surplus property that is no longer of use to the SSA and is currently being stored at a number of the SSA's facilities. SSA Procurement Officer Peggy Nickerson will use [www.govdeals.com](http://www.govdeals.com), an online auction website, to sell most of the surplus equipment to the general public, although a few unique items will be marketed at cost in certain targeted publications and areas. At this time, the sale is planned for mid-to-late September.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, September 27, 2016. The meeting is currently scheduled to take place in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

September 27, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on September 27, 2016, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable) (who participated remotely by telephone conference); and Marc N. Hanover (Martha's Vineyard).

1. SSA General Manager Wayne C. Lamson reported that the *M/V Woods Hole* continues to be operating very well during its first 3½ months in service, although there has not yet been any particularly rough weather to test her maneuverability and operating limits in high wind conditions. While the SSA believes that she will prove to be a very reliable vessel, she does have a different hull configuration than the *M/V Eagle*, the *M/V Nantucket* and the *M/V Martha's Vineyard* due to the payload-carrying requirements that the SSA requested at the beginning of the design process. Indeed, the *M/V Woods Hole* has roughly twice the payload capacity as those other vessels because it was designed to be able to carry up to 10 very heavy tractor-trailer trucks without exceeding a 10-foot draft, leaving the SSA with an allowance for an additional six inches of draft over its estimated service life.

The SSA also continues to work on the outstanding punch list items with Conrad Shipyard, who has remained very responsive since the vessel was delivered this past June. A few weeks ago, Conrad sent a crew from Louisiana to work on some of the outstanding punch list items, while others will be deferred until the vessel is in repair for three weeks at the end of the year.

2. Mr. Lamson also reported that the SSA has received a draft Chapter 91 license from the Massachusetts Department of Environmental Protection (DEP) for the Woods Hole terminal reconstruction project. However, on September 21st, 13 Falmouth residents submitted a notice of claim for an adjudicatory hearing on DEP's decision to issue the draft license. Depending upon how long that administrative appeal process takes, it could affect

the start of that portion of the project that is subject to DEP's jurisdiction. Meanwhile, earlier this month, the Army Corps of Engineers also issued its permit for the project.

3. Mr. Lamson also reported that the SSA completed the prequalification process that was required by state law for general contractors and subcontractors who want to submit bids for the construction of the SSA's new administrative office building and that, on September 2nd, the SSA then issued an invitation for bids for the contract. If all proceeds as planned, sub-bids for the contract will be opened on Friday, October 7th, and then general bids will be opened the following Friday, October 14th, so that the contract can be awarded at the SSA Board's next meeting on October 18th. The construction of the new building is expected to be completed within 14 months from the date the contract is awarded. During this same time, the SSA will be constructing a temporary terminal building at the Woods Hole terminal, and the SSA will issue a request for proposals for that contract later this year.
4. SSA Director of Engineering and Maintenance Carl R. Walker reported that the *M/V Sankaty* has been in the shipyard this summer far longer than anticipated, and that it will continue to be there until late October due to the need for much more work on the vessel than was originally estimated. This work includes:
  - modifications to the vessel to increase its cargo-carrying capacity (so that the vessel can carry more cargo without limiting the number of passengers on board to 25);
  - the installation of an aft ballast tank in the vessel to make it more maneuverable in light-load conditions; and
  - the replacement of much more wasted steel than anticipated (accounting for around \$400,000 of the contract's change orders).
5. The Board approved the staff's proposed 2017 Early Spring and Spring Operating Schedules for the period from March 17 through May 15, 2017:
  - The early spring operating schedules will also remain the same as they were last year for both routes, except that they will end earlier (on March 31st instead of April 11th). During this period, the *M/V Woods Hole* will also be assigned to the Martha's Vineyard route while the *M/V Island Home* is in repair.
  - The spring operating schedules will begin 11 days earlier than this past year. During this period, the SSA will single crew the *M/V Sankaty* so that it operates exclusively on the Nantucket route Mondays through Fridays, instead of operating on both routes (a few days on the Nantucket route during the middle of the week and on the Martha's Vineyard route around the weekends) as it did this past spring schedule. The SSA does not believe that the Martha's Vineyard route will need this additional vessel on weekends next year during the spring because the *M/V Island Home* and the *M/V Woods Hole* (along with *M/V Martha's Vineyard*) will be assigned to that route during that time period.



- The first freight trip from Woods Hole to Martha's Vineyard will be at 5:30 a.m. during these schedules because the *M/V Woods Hole* will be the freight boat operating that trip and trucks will not need to back up in order to be loaded onto the vessel.
6. The Board also approved the staff's proposed 2017 Early Summer, Summer, Late Summer and Fall Operating Schedules for the period from May 16, 2017 through January 4, 2018. The early summer, summer and late summer schedules will start two days earlier than this year and the late summer schedule will end four days later (which will also result in the fall operating schedule starting four days later), and will basically provide the same level of service as the SSA is providing during these same periods this year. However:
- During the 2017 summer schedule (June 15th through September 6th) on the Martha's Vineyard route, the SSA will operate one freight boat – the *M/V Governor* – and three large passenger/vehicle ferries – the *M/V Island Home*, the *M/V Martha's Vineyard* and the *M/V Nantucket*, which will replace the *M/V Woods Hole*; and the *M/V Woods Hole* will in turn replace the *M/V Nantucket* on the Nantucket route. While the *M/V Woods Hole* does not have as much passenger capacity as the *M/V Nantucket*, the SSA thinks the Nantucket route will benefit by its ability to carry more trucks in the center lanes of its freight deck.
  - During the late 2017 summer schedule (September 7th through October 15th), the SSA will keep the *M/V Woods Hole* on the Nantucket route with the *M/V Eagle* and the *M/V Gay Head*, and assign the *M/V Island Home* and the *M/V Nantucket* on the Martha's Vineyard route with the *M/V Governor* and the *M/V Sankaty*, as the *M/V Martha's Vineyard* will be leaving at the beginning of this schedule for its mid-life refurbishment.
  - During the early summer, summer and late summer schedules, the SSA will continue operating the 5:30 a.m. freight trip from Woods Hole with the *M/V Governor*, as it is a drive-through vessel that minimizes the need for trucks to use their back-up alarms. However, during the proposed fall schedule, when the *M/V Sankaty* will be the freight boat on the Martha's Vineyard route, the first freight trip from Woods Hole will be at 6:15 a.m.
  - During all of the schedules (beginning May 16th), the SSA is adjusting the times of some of the freight boat departures on the Martha's Vineyard route during the day so that, instead of arriving and departing 15 minutes after the larger passenger/vehicle ferries, they will arrive and depart 20 minutes later (a difference of five minutes). This will provide more of a break in traffic between the vehicles that are unloaded from the larger ferries and the vehicles that are then unloaded from the freight boats.

Finally, the 2017 operating schedules for the *M/V Iyanough* are the same as this year's schedules, except that the SSA will resume high-speed passenger service between Hyannis and Nantucket with that vessel on April 1st next year instead of April 12th.

7. SSA Marketing Director Kimberlee McHugh announced the winners of the SSA's first-ever art contest for students in grades K-12 living in the SSA's constituent communities (Barnstable, Fairhaven, Falmouth, Martha's Vineyard, Nantucket and New Bedford). Almost 200 students submitted original artwork inspired by the theme "Sail into Imagination," and thirteen prize winners were selected. Their art work are currently posted on the SSA's website (in the News section) and are being exhibited on board the *M/V Island Home* and the *M/V Eagle*. They will also be showcased in the SSA's 2017 calendar, which will have one image for each month and one for the cover.
  
8. SSA Treasurer/Comptroller Robert B. Davis presented the preliminary draft of the staff's proposed 2017 Operating Budget for the Board's review and comments. The final budget will not need to be approved until the Board's next meeting on October 18, 2016. The SSA's total operating expenses in 2017 are expected to be around \$95,151,000, which represents a \$3,401,000 or 3.7% increase in total operating expenses compared to the most recent estimate for 2016 (based on seven months of actual expenses and five months of budgeted expenses). Significant changes include:
  - (a) Payroll expense is expected to increase by \$1,130,000 (or 3.5%) from this year's estimate.
  - (b) Pension expense is expected to increase by \$747,000 (10.3%) in part due to obligations that are now required to be recognized on the SSA's financial statements by Governmental Accounting Standards Board Pronouncement 68 (GASB 68).
  - (c) Health care costs are expected to increase by \$717,000 (or 9.5%).
  - (d) Depreciation expense is expected to increase by \$212,000 (or 2.0%), as the *M/V Iyanough* will be fully depreciated in January 2017.
  - (e) Vessel maintenance is expected to increase by \$111,000 (1.3%).
  - (f) Terminal repairs are expected to decrease by \$918,000 (35.5%), as dolphin and dock repairs are expected to decrease by \$978,000 versus the estimate for this year.
  - (g) Telephone expenses are expected to increase by \$194,000 (27.0%) as data communication upgrades will be made.
  - (h) Vessel fuel expense is expected to increase by \$1,002,000 (or 18.2%) from the updated estimate for 2016. More than one-half of the increase is attributed to additional fuel consumption (\$550,000) and the remaining increase is due to higher anticipate fuel costs (\$450,000). Crude oil is currently trading around \$45 per barrel, and the SSA is expecting crude oil prices to range between \$45 and 55 per barrel in 2017.

In 2017, the SSA's total operating revenues are projected to be around \$104,404,000, representing a \$1,479,000 (or 1.4%) increase from this year's currently estimated revenues. As a result, even without any rate increases next year, the staff is projecting a net operating income next year of around \$8,321,000, while the SSA's bond interest and principal payments will total approximately \$8,633,650. In 2017, 56% of the SSA's cost of service

will be allocated to the Martha's Vineyard route, and 44% to the Nantucket route, while the Martha's Vineyard route is expected to generate 55.4% of the SSA's revenues and the Nantucket route 44.6%.

9. The Board awarded Contract #21-2016 for a new steering gear system for the *M/V Eagle* to the only bidder for the contract, Engine Monitoring, Inc. of St. Rose, Louisiana, in the amount of \$100,736.75. The *M/V Eagle's* current steering system was installed when the vessel was constructed in 1987 and is now obsolete. Its new steering system will be similar to the steering systems that have been installed on the *M/V Nantucket*, the *M/V Island Home* and the *M/V Woods Hole*.
10. The Board also authorized the purchase of \$215,057 worth of hardware and software under a state contract from IntraSystems Inc. of Braintree, Massachusetts, that the SSA needs to support its web services, including its primary website, mobile website, and various reservation sites, at its disaster recovery site. The estimated total cost of this "Web Redundancy Project" is \$375,000.
11. The Board agreed with the recommendations of the General Manager Search/Selection Committee to:
  - Approve an updated position description for the General Manager position;
  - Establish the initial annual salary for the next General Manager at \$175,000; and
  - provide internal candidates the opportunity to apply and be considered for the position before deciding whether to widen the pool of qualified candidates by conducting an external search.

Accordingly, SSA employees who would like to be considered for the General Manager position after Mr. Lamson retires next year should apply by submitting their cover letters and resumes to Mr. Lamson by Wednesday, October 5, 2016. He will then promptly forward all of the applications he receives to the Search/Selection Committee so that it can conduct a preliminary screening of the candidates in executive session, with the hope that the Committee will then prepare their recommendations regarding the preliminarily screened candidates for consideration by the Board in public session at the next SSA meeting on October 18, 2016.

12. After the Board went into executive session to discuss various matters appropriate for discussion in executive session, they reconvened in public session and voted to ratify tentative collective bargaining agreements that the staff had negotiated with Teamsters Union Local No. 59 governing the terms and conditions of employment for the SSA's Agency and Terminal Employees and Maintenance Employees, and with District No. 1 – PCD, MEBA (AFL-CIO) governing the terms and conditions of employment for the SSA's Licensed Engineering Officers.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, October 18, 2016. The meeting is currently scheduled to take place in the Katharine Cornell Theatre of the Tisbury Town Hall, located at 21 Spring Street, Vineyard Haven, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

October 18, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on October 18, 2016, in the Katharine Cornell Theatre of the Tisbury Town Hall, located at 21 Spring Street, Vineyard Haven, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert L. O'Brien (Barnstable) (who participated remotely by telephone conference); and Marc N. Hanover (Martha's Vineyard).

1. As SSA General Manager Wayne C. Lamson reported last month, although the SSA has received a draft Chapter 91 license from the Massachusetts Department of Environmental Protection (DEP) for the Woods Hole terminal reconstruction project, 13 Falmouth residents have submitted a notice of claim for an adjudicatory hearing on DEP's decision and, depending upon how long that administrative appeal process takes, it could affect the start of that portion of the project that is subject to DEP's jurisdiction. After DEP scheduled the hearing on the appeal for March 6, 2017, the SSA filed a request for an expedited hearing and, yesterday, the Hearing Office granted the SSA's request and rescheduled the hearing for January 5, 2017.

Meanwhile, on October 7, 2016, the SSA issued a request for proposals for the construction of the new modular temporary terminal building at the Woods Hole ferry terminal. Proposals in response to the RFP are currently due on November 9th and the SSA's management staff hopes that the SSA's Board will be able to award the contract at their November 15th meeting. The contractor will then have one year to construct the temporary terminal building, which will be located on the north side of the terminal's current automobile staging area during the six years that the Woods Hole terminal is completely reconstructed.

2. SSA Director of Engineering and Maintenance Carl Walker reported on the repair status of the *M/V Sankaty*, which went to Thames Shipyard this summer to be dry-docked. Mr. Walker reported that the vessel is now expected to be back in Fairhaven during the first week of November, and that the work is taking so long because the shipyard has had to replace a lot more deteriorated steel in the hull than what had been anticipated.
3. Mr. Lamson reported that the SSA will be closing its Reservation Office at the Martha's Vineyard Airport by the end of October and that, beginning November 1st, its reservation call center on the island will be located on the second floor of the Vineyard Haven terminal. Customers will also continue to be able to make reservations at the ticket counter on the first floor of that terminal on a year-round basis. For next summer, the management staff is looking into opening the Oak Bluffs terminal earlier in the morning so that customers will also be able to make reservations there before the first ferry arrives at 9:15 a.m.
4. The Board approved an agreement with the architect and structural engineer of the new modular temporary terminal building which will be built at the Woods Hole terminal that obligates the SSA to indemnify them from any claims arising from its decision to place that temporary building within the AE13 flood zone in Woods Hole with a first floor elevation three feet, six inches below the 13-foot flood elevation. Earlier this year, the SSA received a variance from the State Building Code Appeals Board for the temporary terminal building to be built at that lower elevation, primarily to ensure that it is fully accessible for individuals with disabilities without the need to build additional ramps between the building and the surrounding site (which is at an elevation of around 6 feet above sea level). Under the agreement, however, the architect and engineer are still required to conform to the standard of care exercised by design professionals knowing that the first floor of the building is going to be at an elevation below the flood elevation.
5. In November 2015, the SSA entered into an agreement with the Wampanoag Tribe of Gay Head (Aquinnah) pursuant to which the Tribe agreed to transfer Tribal Transportation Program (TTP) funds to the SSA (that the SSA will use to maintain, repair and operate its boat line), and the SSA in turn agreed to make available reduced price automobile and passenger fares to all enrolled Tribal members. In April 2016, the Tribe then transferred \$200,000 of its TTP funds to the SSA, and the SSA in turn began providing eligible Tribal members with a 20% discount on their otherwise applicable non-commercial vehicle fares (both regular non-commercial automobile fares and excursion fares) between Woods Hole and Martha's Vineyard ("Tribal Fares"). While the Tribal Fares program has become very popular with Tribal members, the aggregate amount of the discounts provided by the SSA with respect to those reservations – only \$9,119.50 through September 30, 2016 – has proven to be only a small fraction of the \$200,000 of TTP funds that the Tribe has transferred to the SSA. Accordingly, the Board agreed that the Tribal Fare discount provided under the Agreement should be increased from 20% to 40%.

6. Mr. Lamson reviewed with the Board the SSA's 2017 reservation opening dates when members of the traveling public will be able to make vehicle reservations during the SSA's 2017 summer and fall schedules.

Reservations for the Summer Schedule (05/16/2017 through 10/15/2017)

- Headstart reservations will be accepted (by mail and internet only) from January 5, 2017 through January 11, 2017.
- Reservations for the general public will be accepted by mail and over the internet beginning January 12, 2017.
- Telephone reservations for the general public can be made beginning January 19, 2017.

Reservations for the Fall Schedule (10/16/2017 through 01/04/2018)

- Reservations for the general public will be accepted (by mail, internet and telephone) beginning June 19, 2017.

In addition, the "reservation-only" days for vehicles traveling on the Martha's Vineyard route will be every Friday, Saturday, Sunday and Monday from June 23rd through September 4th, as well as from May 25th through May 30th (around Memorial Day), August 22nd, September 5th, October 6th and October 9th (around Columbus Day). Next year's "reservation-only" dates for the Martha's Vineyard route are almost identical to this past year's dates, except that the SSA is also adding the Thursday before Memorial Day as a "reservation-only" day because of the amount of traffic it experienced at the Woods Hole terminal that day this year.

7. The Board approved the staff's proposed 2017 Operating Budget today. SSA Treasurer/Comptroller Robert B. Davis reported that the final version of the budget was essentially the same as the preliminary version of the budget that was presented last month except for some additional trips and some changes in the SSA's estimated computer expenses. In 2017, the SSA's operating expenses are now expected to be \$95,185,000, which is an increase of \$2,908,000 (or 3.2%) over the current estimate for 2016. Significant changes include:
  - Payroll expense is expected to increase by \$1,193,000 (or 3.7%).
  - Pension expense is expected to increase by \$607,000 (or 8.2%) due in part to new reporting obligations under GASB 68.
  - Health care costs are expected to increase by \$808,000 (or 10.8%).
  - Payroll taxes are expected to increase by \$74,000 (or 3.2%).
  - Depreciation expenses are expected to decrease by \$203,000 (or 2%) because, even though the SSA will have a full year's depreciation of the *M/V Woods Hole*, the *M/V Iyanough* will become fully depreciated at the beginning of the year.

- Vessel fuel oil is expected to increase by \$1,156,000 (or 21.5%). Crude oil is currently trading around \$45-\$50 per barrel and the SSA expects it to range next year between \$45 and \$55 per barrel. This increase in price accounts for almost half of the SSA's projected vessel fuel oil cost increase, while the remaining portion is attributable to additional fuel consumption.
- Vessel maintenance is expected to decrease by \$434,000 (or 4.8%).
- Terminal repairs are expected to decrease by \$969,000 (or 36.0%) as this year the SSA had substantial dolphin and dock repairs at the Nantucket terminal.
- Telephone expenses are expected to increase by \$217,000 (or 31.1%) as the SSA will be making data communication upgrades.
- Insurance expenses are expected to increase by \$155,000 (or 4.3%).

The SSA's operating revenues next year are projected to be \$104,404,000, representing a \$1,375,000 (or 1.3%) increase from the current estimate for 2016. Based upon the staff's estimates of revenues and expenses for 2017, the SSA's net operating income is expected to be around \$8,287,000. By comparison, its bond interest and principal requirements will be around \$8,634,000 next year.

Finally, in 2017, 55.4% of the SSA's cost of service will be allocated to the Martha's Vineyard route, and 44.3% to the Nantucket route, while the Martha's Vineyard route is expected to generate 56% of the SSA's revenues and the Nantucket route 44%.

8. The Board also approved the staff's proposed 2017 Capital Budget. Mr. Davis reported that, as of August 31, 2016, the SSA had \$21,461,000 in funds available for its capital projects, that an additional \$11,797,000 will be transferred to the Replacement Fund and Bond Redemption Account during the remainder of 2016, that the staff is anticipating that an additional \$13,500,000 would be provided through the issuance of bonds or bond anticipation notes to fund the construction of the SSA's new administrative offices, and that \$39,560,000 was needed to complete current projects which already have been approved, leaving \$7,198,000 currently available for new projects. The Board approved new projects totaling \$4,217,000 (including an allowance of \$250,000 for miscellaneous projects under \$50,000), including:
  - Shuttle bus replacements for the Woods Hole and Hyannis terminal operations (\$300,000);
  - Passenger ticketing and access control systems (\$750,000);
  - Design and engineering to extend the Hyannis terminal's fast ferry passenger shelter (\$25,000);
  - Design and engineering to extend the Nantucket terminal's fast ferry passenger shelter (\$50,000);
  - Parking access and revenue control system revenue hardware (\$250,000);
  - Trench drain around pier with storm sceptor at the Fairhaven Vessel Maintenance Facility (\$115,000);



- Design and engineering for the *M/V Island Home* bow thruster prime mover upgrades (from electric drive to diesel reduction) (\$30,000);
- Replacement of two of the four HVAC systems for the Mashpee Reservations Office (\$35,000);
- Canopy to cover Genie booms and other equipment at the Fairhaven Vessel Maintenance Facility (\$71,000);
- Fork lift replacement at the Falmouth warehouse and a new forklift at the Fairhaven Vessel Maintenance Facility (\$100,000);
- Additional inflatable buoyant apparatuses for the *M/V Woods Hole* (\$40,000);
- MIS network and data center equipment to be installed in the SSA's new administrative office building (\$2,129,000); and
- Personal computer replacements (\$72,000).

The Capital Budget also included the construction of a new maintenance shop building and related site work on the SSA's property at 50 Bernard St. Jean Drive, Falmouth, but that project is contingent upon the SSA's ability to obtain additional funding for the project through state and/or federal grants. As a result, Mr. Davis reported that, if all of the projects are completed as estimated, there will be approximately \$3,000,000, not including the fund transfers that will be made during the 2017 calendar year, remaining for contingencies and future projects.

9. The Board also approved the staff's recommendation to renew the SSA's transportation agreement with the Martha's Vineyard Regional High School District for school-related approved transportation for the period from July 1, 2017 through June 30, 2018. Every year the SSA enters into the agreement to establish a fixed price for the transportation of student groups, teachers, administrators and game officials on school-approved travel for the District's upcoming fiscal year (beginning July 1st). The fixed price is intended to reflect approximately a 50% discount over applicable tariff rates. For each of the last six years, the agreement established a fixed price of \$60,000, which reflected approximately a 50% discount over applicable tariff rates. The fixed price under the new agreement will also be \$60,000, as the amount of school-approved travel has remained relatively steady over the years and the SSA's 2017 Operating Budget does not include any rate adjustments for next year.
  
10. The Board awarded Contract No. 16-2016 for the construction of the SSA's new General Offices to the lowest eligible and responsible general bidder for the contract, G&R Construction, Inc. (G&R) of Quincy, Massachusetts, for the total contract price of \$12,687,000. (G&R's bid was \$313,000 less than the \$13,000,000 cost estimate the SSA had received for contract.) The contract requires G&R to construct the building, which will be a three-story structure located within the SSA's Palmer Avenue parking lot with a full basement, approximately 32,000 square feet in size. The building will serve as the SSA's new administrative offices, public meeting space and IT/data center. The contract work also includes associated site work for utilities, storm water drainage, new paved

parking areas and landscaping. G&R will now be given a notice to proceed with the construction work and, once that notice to proceed is given, all work required under the contract is to be completed within 426 calendar days (approximately 14 months).

11. The Board also approved the purchase of two shuttle buses from Dattco, Inc. of New Britain, Connecticut, for the combined price of \$288,885. The buses will be used for transporting customers between the Woods Hole terminal and the SSA's off-site parking lots in Falmouth and Cataumet, as well as transporting customers between the Hyannis terminal and the SSA's Hyannis off-site parking lots.
12. The Board also authorized a change order to the SSA's design contract with Bertaux + Iwerks Architects, LLC (BIA) in the amount of \$533,390 to provide environmental monitoring services during all six construction phases of the Woods Hole terminal reconstruction project, as required by the Order of Conditions for the project that has been issued by the Falmouth Conservation Commission. BIA will engage the services of GZA GeoEnvironmental, Inc. (GZA) to be the project's Environmental Monitor, who is expected to be on-site one day per week during the construction seasons from 2016 through 2023 and to prepare weekly reports for the Commission. GZA will also review the contractor's filing for the Stormwater Construction General Permit that is required to be submitted to the EPA prior to each construction season, and will prepare a turbidity monitoring plan for submission to the Massachusetts Department of Environmental Protection, which will include the equipment, frequency and procedures that will be used during dredging.
13. The Search/Selection Committee for the SSA's next General Manager reported that they had conducted a preliminary screening of the SSA employees who had applied for the position and unanimously concluded that the only candidate who possesses all of the qualifications that are necessary to be considered by the Board for the position is Treasurer/Comptroller Robert B. Davis. The Board then agreed to schedule a special meeting within the next few weeks to interview Mr. Davis and decide whether he should be selected as the SSA's next General Manager.
14. In August, the SSA published its proposed 2017 operating schedules in local newspapers and asked the public to comment on the proposed schedules through September 27th by emailing [schedules@steamshipauthority.com](mailto:schedules@steamshipauthority.com). However, due to a flagging problem with one of the SSA's email security programs, the 46 comments from the public that were emailed to that address were never delivered to their intended recipients. Many of those comments were from Woods Hole and Falmouth residents objecting to the SSA's 5:30 a.m. freight trip from Woods Hole. Their complaints about that trip – including trucks showing up before the terminal opens at 5:00 a.m. and the noise generated by trucks idling their engines and having to back onto the 5:30 a.m. ferry – have been discussed during many Board and Port Council meetings this past year and, since these complaints were first raised last fall, the SSA has taken a number of steps to address them, including assigning a drive-through freight boat to operate the 5:30 a.m. trip so that trucks will not have to back up when they are loaded onto it. Nevertheless, even though those public comments did not

raise any new issues that have not previously been considered, Mr. Lamson apologized for this failure of the SSA's email system to deliver them to the SSA's staff and, as a result, the staff's failure to include them with their original recommendation.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, November 15, 2016. The meeting is currently scheduled to take place in Falmouth, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

November 15, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on October 18, 2016, in the Cultural Center of the Falmouth Historical Society's Museums on the Green, located at 55 Palmer Avenue, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford); Secretary Robert F. Ranney (Nantucket); Robert R. Jones (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. SSA Chairman Gladfelter began the meeting by welcoming Mr. Jones to the SSA's Board as the newly appointed representative from the Town of Barnstable. Mr. Jones needed no introduction to the audience, as he has been the Town of Barnstable's Port Council member for the last 14 years.
2. Ms. Gladfelter also expressed the entire Board's gratitude to Robert L. O'Brien, who retired this past month as the Town of Barnstable's representative on the Board after 25 years of dedicated service. Ms. Gladfelter observed that over the years Mr. O'Brien has sailed with the SSA through some rough waters, and that he also helped guide the SSA to calmer waters, which she hopes will continue into the foreseeable future.
3. SSA General Manager Wayne C. Lamson reported that the administrative appeal by 13 Falmouth residents of the draft Chapter 91 license that the Department of Environmental Protection ("DEP") issued for the Woods Hole terminal reconstruction project is proceeding apace. Pursuant to the hearing officer's October 17, 2016 order allowing the SSA's request to expedite the appeal, the SSA submitted its pre-filed testimony on November 9th. The petitioners now have until December 2nd to submit their pre-filed testimony, and DEP will then have until December 16th to submit its testimony before the SSA files its rebuttal testimony on December 21st. The hearing will then take place on January 27, 2017.

4. Mr. Lamson also reported that work has begun on the construction of the SSA's new administrative offices in the Palmer Avenue parking lot. The staff had a kick-off meeting with the contractor, G&R Construction, Inc. of Quincy, Massachusetts, on October 31st, and the contractor began mobilizing last week so that it can complete the excavation and foundation work by February 2017. The contractor will then start erecting the structure in March 2017, and the schedule still calls for the SSA to be able to assume occupancy of the building by the end of 2017.
5. Mr. Lamson also reported that the invitation for bids for the mid-life refurbishment of the *M/V Martha's Vineyard* has been issued and that bids are scheduled to be opened on January 10, 2017. As he mentioned several months ago, all of the work will be completed under this one contract, and awarding it in January will provide the successful shipyard with sufficient time to order all of the equipment with long lead times. The vessel will be delivered to the successful shipyard after Labor Day next year and will stay in the shipyard for 4-½ to 5 months before it returns to the SSA's Fairhaven Vessel Maintenance Facility for another month and then resumes service in March 2018.
6. SSA Director of Engineering and Maintenance Carl R. Walker reported that the *M/V Sankaty*, which has been in Thames Shipyard in New London, Connecticut, since the summer, will be delivered back to the SSA's Fairhaven Vessel Maintenance Facility tomorrow. Mr. Walker also reported that the vessel's certificate of inspection is being finalized and that he hopes to receive its stability letter by next Friday so that it can be available as a backup vessel over the Thanksgiving weekend.
7. The Board approved a request from Hyannis Harbor Tours, Inc. ("Hy-Line") to extend its inter-island ferry service next year by one week so that the last day of its operating season is Sunday, October 8, 2017, instead of Sunday, October 1, 2017. During that additional week Hy-Line will continue operating its post-Labor Day schedule of one round trip per day between the islands. Hy-Line requested this one-week extension of its inter-island operating schedule to accommodate a promotion by one of the island hotels.
8. For the last three years, the Board has allowed Island Commuter Corp. ("ICC") to provide additional service with the *M/V Island Queen* by beginning its summer schedule one week earlier in June. Today the Board approved ICC's request to provide that additional service again during its 2017 operating season. However, the SSA also has received complaints from the public every year about the lack of service provided by the *M/V Island Queen* after Labor Day when, on Mondays through Thursdays, there are no afternoon trips from Falmouth or morning departures from Oak Bluffs. Therefore, the Board also allowed ICC's request to provide an additional trip from Oak Bluffs (at 9:40 a.m.) and an additional trip from Falmouth (at 3:00 p.m.) on those Mondays through Thursdays during both the *M/V Island Queen's* spring and fall schedules.

9. The Board approved certain revisions to the SSA's Procurement Policy in order to make the policy consistent with the Act Modernizing Municipal Finance and Government that was passed by the Legislature earlier this year and approved by the Governor on August 9, 2016. The act increases the monetary thresholds before certain contracts are required to be awarded through competitive bids, including the monetary threshold in Section 15 of the SSA's Enabling Act (increasing it from \$25,000 to \$50,000) before the SSA is required to award contracts for construction or for the purchase of equipment, supplies or materials, whether repairs or original construction, through competitive bids.
10. Mr. Lamson noted that the SSA will be providing additional service for both islands during the week of Thanksgiving (beginning Monday, November 21st, through Sunday, November 27th). The *M/V Martha's Vineyard* will begin the week on the Nantucket route (providing one additional round trip on Monday and two on Tuesday) and then provide service on the Martha's Vineyard route (providing three additional round trips on Wednesday and four on Friday). However, because the *M/V Martha's Vineyard* also will be providing service for the football game between Nantucket and Martha's Vineyard on Saturday, it will be able to make only two trips that day in each direction between Vineyard Haven and Woods Hole before providing four more round trips on Sunday.
11. The Board authorized Mr. Lamson to execute an Easement with NSTAR Electric Company (now doing business as Eversource Energy) that will allow NSTAR to lay and maintain underground lines and above-ground equipment to provide electric service to the SSA's new administrative office building in the Palmer Avenue parking lot.
12. The Board awarded Contract No. 23-2016 for the SSA's new modular temporary terminal building at the Woods Hole terminal to Triumph Modular, Inc. of Littleton, Massachusetts, the responsible, responsive and eligible proponent who submitted the most advantageous proposal for the contract, for a Total Contract Price of \$2,591,182. Triumph's proposal was highly responsive to the project's requirements and evidenced Triumph's understanding of not only the project as a whole, but also its complex site issues. Its proposal also illustrated how the on-site and off-site work will be coordinated. Under Triumph's proposed schedule, the temporary terminal building might be completed as early as next June, although the contract will still require that it be completed no later than December 2017.
13. The Board also awarded Contract No. 25-16 for dry-dock and overhaul services for the *M/V Katama* to Thames Shipyard and Repair Company, Inc. of New London, Connecticut, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$931,120. The *M/V Katama* is scheduled to be in the shipyard from January 4, 2017 through February 20, 2017 to undergo a required United States Coast Guard hull exam, sea valve, shaft, propeller and rudder inspections, hull plating replacement and commercial blasting and coating. Major work includes bottom plate replacement, painting above the rub rail, ladder reconfigurations, HVAC installations at Voids 4 & 5, HVAC modifications in the CO<sub>2</sub> room, vehicle tie-down modifications, rescue boat davit replacement and an overhaul to one of the vessel's reduction gears.

14. The Board also awarded Contract No.27-2016 for access control readers and related interface with the SSA's point-of-sale ticketing system upgrade to SKIDATA Inc. of Lakewood, Colorado, for a total contract price of \$633,742.45. Under the contract, SKIDATA will provide and install 28 ticket control readers with turnstiles/gates, 14 additional readers (without turnstiles/gates), and fifteen hand-held scanners for the SSA's five ferry terminals by March 15, 2017, along with the required software interface with the SSA's ongoing point-of-sale ticketing system upgrade. SKIDATA's equipment is particularly suited for outdoor use without additional weather protection, as the firm provides ticketing and access control systems for numerous ski resorts. The scanners are capable of reading and processing various ticket formats and mobile devices from a single scanning point.

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, December 20, 2016. The meeting is currently scheduled to take place in the mansion of Highfield Hall and Gardens, located at 56 Highfield Drive, Falmouth, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



# Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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## SUMMARY OF THE MEETING OF THE WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

December 20, 2016

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on December 20, 2016, at Highfield Hall and Gardens, located at 56 Highfield Drive, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Elizabeth H. Gladfelter (Falmouth); Vice Chairman Moira E. Tierney (New Bedford) (who participated remotely through Skype); Secretary Robert F. Ranney (Nantucket); Robert R. Jones (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. The Board began the meeting by recognizing Robert L. O'Brien for his 25 years of dedicated service as the Town of Barnstable's representative on the Board from 1991 until his retirement earlier this year. As you might expect, the list of Bob's accomplishments during his tenure is too extensive to include in this summary, but suffice it to say that the expertise he brought with him after serving for 32 years in United States Coast Guard (ultimately as its Comptroller in Washington, DC) helped transform both the SSA's fleet and its Hyannis terminal. Everyone at the SSA is greatly indebted to him for his many contributions over the years, and will try their best to follow his example as the SSA continues to proceed full steam ahead.
2. SSA General Manager Wayne C. Lamson reported that the SSA has had its kick-off meeting with Triumph Modular, Inc., the company that is constructing the temporary Woods Hole terminal building. Triumph has informed the SSA that it expects the building to be completed by the end of June 2017 even though the contract does not require it to be completed until the end of December 2017. Therefore, although the SSA will continue to operate out of the existing terminal building for the rest of the 2017 calendar year, it does not appear that any construction will need to take place during the busiest part of the summer season. Meanwhile, the SSA's engineers are working on the plans and specifications for all of the phases of the marine work and related site work. The SSA hopes to be able to issue an invitation of bids for that contract by the third quarter of 2017 and to award a marine construction contract in the fall.
3. Mr. Lamson also reported that G&R Construction, Inc. has begun the construction of the SSA's new administrative offices in the Palmer Avenue parking lot and has started to pour some of the footings for the foundation. The schedule calls for the foundation work to be



completed by the end of February, and the SSA to be able assume occupancy of the building by the end of 2017. The SSA will then be in a position to start demolition of the current terminal building in Woods Hole.

4. The *M/V Sankaty* is back in line service after having been in the shipyard since June. The shipyard work included the installation of ballast tanks to help the vessel's Captains maintain the desired trim in the stern when operating in lightly loaded conditions, and crews are still experimenting with the new ballast tanks to determine when they need to be used.
5. The Board approved a correction to the SSA's 2017 Early Summer Schedule for the Martha's Vineyard route confirming that, from May 16 through June 14, 2017, the *M/V Woods Hole's* 6:30 p.m. from Woods Hole will go to Vineyard Haven seven days a week instead of going to Vineyard Haven Mondays through Thursdays and to Oak Bluffs Fridays through Sundays. This makes the schedule for that time period essentially the same as the schedule the SSA operated on this route during the same time period this past year.
6. As many of you remember, there were a few weeks at the beginning of the SSA's 2016 Fall Operating Schedule when it was not able to keep up with traffic demand on either the Nantucket route or the Martha's Vineyard route. Therefore, today the Board agreed that the SSA should publish advertisements in the local newspapers of the management staff's recommended schedule changes to the 2017 Fall Operating Schedules in order to provide more service during the same time next year. Specifically:
  - Under the previously approved 2017 Late Summer Schedule for the Nantucket route, from September 19, 2017 through October 15, 2017, the *M/V Woods Hole* was scheduled to operate the second daily hazardous trip from Nantucket (leaving at 2:15 p.m.) on Mondays through Fridays. The SSA is proposing instead that the *M/V Gay Head* operate that second daily hazardous trip (leaving Nantucket at 1:30 p.m. on Mondays through Fridays) so that the *M/V Woods Hole's* 2:15 p.m. trip will be available for vehicle reservations and passengers.
  - Under the previously approved 2017 Fall Operating Schedules, from October 16, 2017 through January 4, 2018, only two vessels were scheduled to provide service on the Nantucket route, one large ferry (either the *M/V Eagle* or the *M/V Nantucket*) and one freight boat (the *M/V Gay Head*), both of which will be triple-crewed. The SSA is proposing to add another single-crewed freight boat (the *M/V Sankaty*) on that route from October 16, 2017 through October 27, 2017, which will also provide two round trips per day on Mondays through Fridays during that period.
  - Also under the approved 2017 Fall Operating Schedules, from October 16, 2017 through January 4, 2018, only three vessels were scheduled to provide service on the Martha's Vineyard route, two large ferries (the *M/V Island Home* paired with either the *M/V Nantucket* or the *M/V Woods Hole*), both of which will be triple-crewed, and one freight boat (the *M/V Sankaty*) that was going to be double-crewed. The SSA is proposing to replace the *M/V Sankaty* on this route with the *M/V Katama* for the entire

schedule and that, from October 16, 2017 through October 27, 2017, to add the *M/V Woods Hole* to this route with a triple crew so that it can provide seven additional round trips per day. Further, after the *M/V Woods Hole* stops providing service on this route on October 28, 2017, the SSA is proposing to continue to triple crew the *M/V Katama* through December 5, 2017 and berth it overnight on the island during that time so that its first trip from Vineyard Haven will be at 5:30 a.m.

Essentially, the proposed revised schedules will extend the late summer schedules for both routes through October 27, 2017, except that, on the Nantucket route, the *M/V Sankaty* instead of the *M/V Woods Hole* will be triple-crewed from October 16, 2017 to October 27, 2017 and, on the Martha's Vineyard route, all of the service will operate out of Vineyard Haven after October 15, 2017.

7. The Board approved an agreement with Ellen Tully, who owns the property south of the SSA's Woods Hole terminal, setting forth the terms and conditions under which the SSA will be allowed to conduct surveys from her property of the beach and eelgrass beds that are situated to the south of the terminal that are to be submitted to the Falmouth Conservation Commission. The agreement also sets forth the conditions under which the SSA will monitor her property for potential damage during the construction of the new Slip #1 (which will be the southernmost slip).
8. The Board adopted a Bond Resolution authorizing SSA Treasurer/Comptroller Robert Davis to issue and sell up to \$12,685,000 of Steamship Bonds on a competitive basis not later than February 23, 2017 in order to fund the construction of the SSA's new administrative offices building. The SSA currently has \$66,310,000 of bonds outstanding with a maximum bond authorization of \$100,000,000. The principal of these additional bonds will be paid back over 10 years on a straight-line basis.
9. The Board awarded Contract No. 26-2016, which allows a local bank to have an ATM machine at each of the SSA's ferry terminals for the next five years, as follows:
  - Cape Cod Five Cents Savings Bank will have an ATM machine at each of the Hyannis and Nantucket terminals for \$9,000 per year in compensation. Cape Cod Five Cents Savings Bank cardholders will not be charged a transaction fee at those ATMs, while all other customers using those ATMs will be charged a \$3.00 transaction fee.
  - Martha's Vineyard Savings Bank will have an ATM machine at each of the Woods Hole, Vineyard Haven and Oak Bluffs terminals for \$69,500 per year in compensation. Similarly, Martha's Vineyard Savings Bank cardholders will not be charged a transaction fee at those ATMs, while all other customers using those ATMs will be charged a \$3.00 transaction fee.
10. The Board also approved a change order to the SSA's design contract with Bertaux + Iwerks Architects, LLC for the Woods Hole terminal reconstruction project to provide construction phase testing services for both the new administrative offices building and the temporary Woods Hole terminal building. Both buildings will need special inspections

and testing services during structural steel erection and other related work, concrete foundation and slab placement, and excavation and compaction of fill in the proposed building pads, and the cost for these additional testing services is \$189,335.

11. The Board approved an employment agreement with Mr. Davis pursuant to which he will become the SSA's next General Manager on July 1, 2017. The Board also authorized Mr. Lamson to advertise internally for qualified employees who are interested in applying for the position of Treasurer/Comptroller, which will become open at that time.
12. The Port Council's current Chairman, Oak Bluffs Port Council member Robert Huss, announced that, at their meeting earlier this month, the Port Council had voted to elect the following members to be their officers for the year 2017: Tisbury Port Council member George Balco as Chairman; Nantucket Port Council member Nathaniel Lowell as Vice Chairman; and New Bedford Port Council member Edward Anthes-Washburn as Secretary
13. In accordance with the SSA's Enabling Act, in January 1, 2017, New Bedford Board Member Moira Tierney will become the SSA's Chairman for next year. Pursuant to their by-laws, the Board also elected Nantucket Board Member Rob Ranney to serve as the SSA's Vice Chairman and Barnstable Board Member Robert Jones to serve as the SSA's Secretary next year.
14. Finally, the Board recognized Captain David Moore and his crew on the *M/V Nantucket* for coming to the rescue of a fisherman who had fallen overboard from the *F/V Sky Pie* in Nantucket Sound on August 30, 2016. At a recent U.S. Coast Guard Port Safety & Security Forum, Captain Richard Schultz, Commander of Sector Southern New England, presented Captain Moore with a letter of commendation for the "swift actions, sound judgment and expert seamanship displayed" by Captain Moore and his crew that day. While in route from Hyannis to Nantucket, Captain Moore diverted the *M/V Nantucket* to the vicinity of the *F/V Sky Pie* and quickly launched the vessel's rescue boat. The two crew members operating the rescue boat, Able Seamen Timothy Smith and Richard Fraser, then swiftly maneuvered it into close proximity of the distressed fisherman, safely recovered him within minutes, and then properly administered first aid. The fisherman survived this perilous accident due entirely to this professional response by the *M/V Nantucket's* crew, and all of them are to be commended for performing their duties in a skilled manner. Their actions reflect the professionalism of all of the SSA's crews who perform rescue boat drills and man overboard drills on a regular basis.

Captain David Moore  
Purser/AB Barry Fuller  
Able Seaman Timothy Smith  
Able Seaman Tom Kelleher  
Chief Engineer Edward Kelleher

Pilot/Mate Christopher Keating  
Boatswain/AB Carlos Tavares  
Able Seaman Richard Fraser  
Ordinary Seaman Doug Aguiar  
Oiler Bruce Demers

At the conclusion of the meeting, the Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, January 24, 2017. The meeting is currently scheduled to take place at the Falmouth Art Center, located at 137 Gifford Street, Falmouth, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.