



# 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 16, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 10:00 a.m. on January 16, 2018, 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 Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard) (who participated remotely by telephone conference call); Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

1. SSA General Manager Robert B. Davis reported that the SSA has been addressing some open items with respect to the temporary Woods Hole terminal building since it opened for use on December 4th. Indoor/outdoor carpeting has been installed on the decking in order to keep it from being slippery and, based upon how it works over the winter, the SSA will determine next spring whether the carpeting is only going to be a temporary measure or a permanent solution. In addition, the contractor has finished installing the air curtains for both sets of doors to the lobby. Mr. Davis recounted how, on Christmas Day, a storm had knocked a string of lights down so that they were hanging in front of the north lobby door, causing the door to open and close constantly. The open doors allowed the wind to blow into the lobby, which then blew the south doors off of their tracks. (They since have been fixed.) Meanwhile, the lobby in the old terminal building will remain open as a waiting area for the SSA's customers until the end of the month, when the building will need to be vacated so that it can be demolished.
2. Mr. Davis also reported that the construction of the SSA's new administrative office building at Palmer Avenue in Falmouth is progressing, noting that:
  - the contractor has continued working on the mechanical, electrical and plumbing systems on all floors of the building;
  - the second and third floors have been carpeted and the finished painting has wrapped up;

- the contractor has installed the interior drywall and the glass partitions on the first floor;
- the exterior stone veneer on the lower part of the building has been installed, as well as the stone veneer on the elevator shaft, and the exterior siding has been installed;
- the stair towers are currently being finished with flooring and hand rails;
- furniture on the third floor has been installed and the furniture for the second floor has been delivered and is being installed; and
- the electricians continue to wire the server room, including the UPS system for the room.

The contractor is still attempting to have the building ready for occupancy by January 26, 2018, but it is going to be tight and everything will have to proceed smoothly to meet that deadline. The current plan is for the SSA's Accounting Department employees to move into the new administrative office building on January 29th and then to move the rest of the employees a week later, although each of those dates probably will be pushed out a week. While some of the equipment from the SSA's current offices will also be moved to the new building, other equipment will be repurposed to the Mashpee Reservations Office and various terminals and maintenance facilities.

3. Mr. Davis also reported that Jay Cashman, Inc., the contractor for the Woods Hole terminal reconstruction project's waterside work (Phases 2-4), is mobilizing this week by bringing in a construction trailer, which will be located behind the temporary terminal building. Cashman is also currently digging trenches at the site to reroute the power to Slip 3, which is now routed out of the existing administration/terminal building. This spring Cashman will:
  - move the passenger ramp and gangway system that is currently on the wharf to a location between existing Slips 1 and 2;
  - install a temporary fender system on the north side of Slip 1 for support when the wharf is excavated; and
  - start the excavation of the wharf after the terminal building is demolished.
  
4. SSA Director of Engineering and Maintenance Carl R. Walker reported, while that the schedule for the *Martha's Vineyard* mid-life refurbishment project still calls for the delivery of the vessel at the SSA's Fairhaven Vessel Maintenance Facility on February 16th, the shipyard has submitted two requests for further extensions of time totaling another four days, and that he will be negotiating those requests later this week. However, due to the already extended time for the vessel's delivery, the SSA has begun sending machinists and other employees to the shipyard to perform some work on the vessel's main engines so that it will be ready to return to service on March 3rd. Mr. Walker also noted that while the vessel's exterior is now in good shape, with the paint on and all of the windows in, there is still a lot of work to be done in its interior, particularly in the passenger compartments.

5. Mr. Davis also updated the Board on what service the SSA has been able to provide for Nantucket with all of the ice that has been in the Hyannis and Nantucket channels this past month:
  - On Saturday, January 6th, the USCGC icebreaker *Bollard* made a path into the Hyannis channel, making it possible for the *Nantucket* to be the first vessel to transit to Nantucket in three days, loaded with food deliveries as well as a truck with a needed part for Nantucket's sewer system. Only one round trip could be made that day.
  - The following day, the *Nantucket* and the *Gay Head* were both able to make the trip, again after the *Bollard* cleared the Hyannis channel. The *Bollard* then had to go to Nantucket to clear ice from that channel, and the SSA hired a tug to continue breaking the ice in the Hyannis channel.
  - Also on Sunday, January 7th, the *Sankaty* was placed into service and carried fuel trucks from Woods Hole to Nantucket. Since the SSA was restricted to daylight hours when transiting the Hyannis channel, it continued to carry fuel and food shipments to Nantucket from Woods Hole this past week.
  - With the change in the weather, the SSA should be back to normal operations on the Nantucket route within the next day or so.
  
6. Mr. Davis also reported how the SSA had experienced issues with respect to its internet reservation system when it opened reservations this past Thursday, January 11th, for travel by the general public during our 2018 summer season, and that the issues prevented many people from being able to access the system that day. The SSA's Information Technology programmers and employees, along with the system's hardware vendors, methodically checked everything to isolate the problem, and finally resolved it around 4:30 p.m. that day by making a configuration change. Ultimately, the SSA processed a similar number of reservations that day as it did last year, but Mr. Davis apologized for the inconvenience that was experienced by the SSA's customers. Mr. Davis also assured them that the SSA will be looking into what changes it can make to avoid a similar occurrence in the future.
  
7. Over the years, the SSA has received complaints from its customers about what channels were being watched on the televisions in the ferries' passenger areas. In response to those complaints, the SSA issued guidelines in 2013 instructing the vessel crews generally to display regular news broadcasts on FOX, CNN, MSNBC or PBS channels, unless there is a general consensus among the passengers to watch a sports or weather event. However, since then, a number of customers have expressed concern over some of the SSA's choices and, in response, Mr. Davis reported that the staff is implementing new customer television programming guidelines. Specifically, whenever possible, television programming on the vessels and in the ticket offices should be displayed in the following order:
  - NECN in the ticket offices during local news broadcasts; and local news on other channels (Channels 4, 5, 7 and 10) on the ferries. Local news is generally aired from 5:00 a.m. to 8:00 a.m., from 4:00 p.m. to 7:30 p.m., and from 9:00 p.m. to 11:30 p.m.);
  - Local Sports, such as New England Patriots and Boston Red Sox games;

- National Sports, such as ESPN broadcasts or nationally televised NFL games;
  - The Weather Channel, the Food Channel or the Discovery Channel.
8. Because the SSA is scheduled to occupy its new administrative office building within the next few weeks, the Board voted to amend the SSA's By-Laws to provide that its principal office can be located anywhere in the Town of Falmouth. Until today, the By-Laws required that the SSA's principal office be located in Woods Hole. The Board also voted to change the address of the SSA's principal office from "the Foot of Railroad Avenue, Woods Hole, Massachusetts 02543" to "228 Palmer Avenue, Falmouth, Massachusetts 02540" effective upon its occupancy of the new administrative office building.
9. Mr. Davis presented the preliminary version of the staff's proposed 2018 Capital Budget to the Board for their initial consideration. (The final version of the proposed 2018 Capital Budget will be presented for approval next month.) Specifically:
- as of November 30, 2017, the SSA had \$35,733,000 in funds available for its capital projects,;
  - no additional transfers were made to the Replacement Fund or Bond Redemption Account in December 2017;
  - the staff is anticipating that an additional \$18,000,000 will be provided through the issuance of bonds or bond anticipation notes to fund the 2018 marine construction associated with Phases 2-2A of the Woods Hole terminal reconstruction project; and
  - \$46,754,000 is needed to complete current projects which already have been approved, leaving \$6,980,000 currently available for new projects.

The staff's proposed new capital projects for 2018 total \$2,241,000 (including a \$250,000 allowance for miscellaneous projects under \$50,000). If all of those proposed new projects are approved next month, the SSA will therefore still have \$4,738,000 available for contingencies and/or future projects. The proposed new capital projects include:

- Purchase of three luggage trailers, two power pushers, one Kubota utility vehicle with plow, and two tow motors (\$153,000);
- Purchase of an automated passenger counting system for the SSA's shuttle buses (\$100,000);
- Replacement of four oil pollution response boats (\$90,000);
- Replacement of davits on the *M/V Eagle* and the *M/V Nantucket* (\$220,000);
- Installation of trench drains around the perimeter of the pier of the Fairhaven Vessel Maintenance Facility (\$275,000);
- HVAC systems for the Fairhaven Vessel Maintenance Facility's paint room and the Mashpee Reservations Office (\$50,000);
- Purchase of a machinist truck and trailer, a plumber service van, and a rack-body truck (\$162,250);
- Web environment for the new administrative offices (\$535,00);

- Upgrade of backup hardware and storage devices (\$236,000); and
- Upgrade of passenger boarding/check-in hardware at terminal passenger loading areas (\$170,000).

The staff's proposed 2018 Capital Budget also includes 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.

10. The Board voted to authorize Mr. Davis to execute two contracts for a new accounting system and associated consulting services so that the SSA can replace its 40-year-old "legacy" accounting system. The new system will be a Microsoft Dynamics NAV (Navision) Enterprise Resource Planning (ERP) software solution, with a time and attendance capability from Time Clock Plus and a payroll and human resource capability from Kenex Vision Payroll. The system's total software and hardware costs amount to \$631,000. The SSA will be buying the system from CBIZ MHN, Inc. (CBIZ), who will also guide the SSA in implementing the system. This guidance, which will cost an additional \$220,000, includes a "Day in the Life" workshop phase where CBIZ will document the SSA's current requirements and methodologies, and then demonstrate exactly how the system will work for the SSA in a normal day-to-day operation. Finally, while the SSA will be responsible for the management of this project, it are also engaging RSM to assist it with the system's administration and implementation at an estimated cost of \$120,000. RSM will provide project management tools and guidance, facilitate discussions between the parties, define and assign project activity, and monitor and report on the project's status.
11. The Board approved a change order to the SSA's contract with Senesco Marine for the mid-life refurbishment of the *M/V Martha's Vineyard* in the amount of \$108,768 for steel plate replacement inserts in the vessel's port mezzanine deck, which were required as a result of a United States Coast Guard inspection. When the vessel was dry-docked during the initial phase of this project, extensive steel work was found to be required as Senesco performed the complete sandblasting and recoating of the vessel's exterior surfaces, the painting of the freight deck, and the water blasting and recoating of the vessel's void spaces. In total, steel replacement change orders amounted to approximately \$850,000, of which this change order encompassed 32 individual steel inserts. (None of the other change orders for steel replacement exceeded \$100,000 and, therefore, did not need to be approved by the Board.)
12. The Board (without Ms. Gladfelter participating in this matter) also authorized Mr. Davis to award Contract No. 01-2018 for maintenance dredging of the Woods Hole terminal's Slip 2 to the lowest eligible and responsible bidder for the contract after bids are opened on January 25th. Dredge quantities are estimated at 306 cubic yards of base dredge and 136 cubic yards of over-dredge. The dredged materials will be removed with conventional dredging equipment, dewatered on a barge, and then transported by truck to an approved beach nourishment site within the Town of Falmouth. However, before the SSA

commences any dredging, it still needs to receive an Order of Conditions from the Falmouth Conservation Commission and an exemption from the Division of Marine Fisheries' prohibition against dredging between January 15th and May 31st in order to protect spawning, larval and juvenile development of winter flounder.

At the conclusion of the meeting, the SSA's 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 10:00 a.m. on Tuesday, February 20, 2018 in a yet-to-be-determined location in Falmouth, Massachusetts. The time and date of the meeting are also 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 20, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 10:30 a.m. on February 20, 2018, at the Falmouth Art Center, located at 137 Gifford Street, Falmouth, Massachusetts. Four Board Members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth). Board Member Moira E. Tierney (New Bedford) was absent.

1. SSA General Manager Robert B. Davis reported that on Friday, February 2nd, the State Building Inspector issued a temporary occupancy permit for the SSA's new administrative office building at 228 Palmer Avenue in Falmouth, although there are still a few items that will need to be addressed before the SSA can receive a final occupancy permit. The most significant item will be the installation of a "BDA" communications system within the building that has been required by the Falmouth Fire Department, which will need its own shaft and be fire rated for a minimum of two hours. By February 5th, most of the SSA's Accounting Department had moved into the third floor of the new building. The SSA's Payroll Department then moved into the new building the following Wednesday, and the rest of the employees in the old Woods Hole terminal building reported to work at the new building on Monday, February 12th. However, there remains some unfinished work at the building which the contractor, G & R Construction, will continue to address over the next month or so.

Mr. Davis particularly thanked all of the employees in the SSA's MIS Department for working tirelessly over the last few weeks disconnecting all of the SSA's computer systems in Woods Hole, moving them, reconnecting them in the new office building, and then reprogramming them so that they all work seamlessly at their new locations. The MIS Department employees not only moved each employee's personal computer, but all of the computer equipment needed to operate the SSA's reservation and ticketing systems, website, credit card processing, computer networks, and electronic and telecommunications. Their last move of the remaining equipment in Woods Hole will take place tomorrow night.

2. Mr. Davis also reported that Jay Cashman, Inc., the marine contractor for the Woods Hole terminal reconstruction project, had begun some of the preliminary work for the project and had moved its construction trailer on site behind the temporary terminal building. In addition to having weekly planning meetings, Cashman has completed virtually all the work necessary to power the ferry slips from the freight shed. The only remaining work requires the power at the site to be shut off so that the electrical bus work in the freight shed and the final wiring connections to the switchgear in the freight shed can be accomplished. The SSA expects this to happen on February 26th. Communication wiring has been completed between the temporary terminal and Slip #1, and the conduit routing to connect the communications to Slip #2 and the freight shed.

On Thursday, after the SSA moves the last of its computer equipment out of the old terminal building Wednesday night, the demolition contract, J.R. Vinagro, Inc., will mobilize at the old terminal building to perform abatement on the identified hazardous materials inside the building.

3. SSA Director of Engineering and Maintenance Carl R. Walker reported that the *M/V Martha's Vineyard* mid-life refurbishment project was progressing very rapidly and that everyone will be working on the vessel until the end of the day on March 2nd so that it can return to line service as scheduled on March 3rd. The vessel's dock and sea trials took place over the long holiday weekend, and the vessel is now scheduled to leave the shipyard at noon tomorrow, although Senesco will continue completing punch list items on the vessel in Fairhaven after it arrives there. On Thursday, the SSA's vessel crews will deploy the Marine Evacuation Slide System in the presence of the United States Coast Guard, who will also ride the vessel on February 28th to test its equipment so that they can issue the vessel's Certificate of Inspection. The only other item the SSA will then need is a new stability letter from the Coast Guard's Marine Safety Center, which should arrive next week before the vessel is scheduled to return to service.

Mr. Walker especially thanked SSA Port Engineer Stephen Clifford, Senior Captain Paul Hennessy, and Senior Chief Engineer Allan Flack, as well as Marine Systems Corp.'s Edward Jackson, for the tremendous time and effort they have spent on this project, saying that they all have done a terrific job and that the *M/V Martha's Vineyard* is going to be a great boat.

4. Mr. Davis also reported that that the SSA has had several planning meetings and telephone conversations with CBIZ MHN, Inc. ("CBIZ"), which is providing the SSA with a Microsoft Dynamics NAV product to replace its accounting system. CBIZ's team will be onsite at the SSA's offices during the week of March 5, 2018 to conduct their "Day In The Life" discovery sessions in order to learn and document the SSA's accounting requirements and methodologies so that they can be incorporated into the new system. RSM USA LLP's enterprise resource team will also be assisting the SSA in the system's development and rollout. The overall completion date for the new accounting system is January 1, 2019.



5. Mr. Davis also reported that Tetra Tech, the SSA's consulting firm which is analyzing the feasibility of barging municipal solid waste from Martha's Vineyard to New Bedford, has received the information it had requested from Bruno's Rolloff, Inc. regarding the volume of solid waste it transports off-island, and that Tetra Tech is now able to incorporate that data into its analysis to calculate how much it currently costs to transport solid waste off-island on a per-ton basis. However, Tetra Tech is still waiting to receive the information it had requested from Tisbury Towing and Transportation Co., Inc. regarding how much it would cost to barge solid waste off the island and, until it receives that information, it cannot provide a direct cost comparison between those current costs and how much it would cost to barge a similar amount of solid waste off-island.
6. Mr. Davis also reported that, on Monday, January 22, 2018, he had provided a brief update, together with Falmouth SSA Member Elizabeth H. Gladfelter, Falmouth Port Council member Robert S. C. Munier, and SSA General Counsel Steven Sayers, to the Falmouth Board of Selectmen regarding a potential freight ferry service between New Bedford and Martha's Vineyard. The presentation essentially repeated the same parameters that the staff had previously identified in their earlier study as the ones that would give the service the best chance to succeed, including having the service provided by a private operator at its own financial risk, as described in Craig Johnson's report, and using the New Bedford State Pier, which was now being managed by MassDevelopment. After the presentation, the Falmouth Board of Selectmen voted to send a letter to State Senator Vinny deMacedo asking him for his assistance in securing funding for the needed improvements to the New Bedford State Pier. Mr. Davis also stressed that the staff has an open mind for whatever ideas are offered with respect to how such a freight service would be operated, although the SSA's most obvious constraint is its need to use its terminal facilities for its own operations. In this regard, the staff is more than willing to consider any suggestions that any private operator or anyone else might have with respect to the potential service.
7. Mr. Davis also provided the Board with a description of the ongoing programs the SSA has in place to ensure that the SSA is in compliance with all of the various environmental regulatory requirements that apply to its facilities, as well as an advance copy of the SSA Facility Environmental Handbook which the SSA will soon be issuing. The SSA's environmental compliance programs include having its consultants, Tetra Tech, conduct quarterly site visits to all of the SSA's ferry terminals and maintenance facilities and then provide the SSA with a report for each site that describes any issues they find and recommends how they should be resolved.
8. Mr. Davis also reviewed with the Board his proposed changes to the SSA's management structure to respond, in part, to the fact that several staff members will be retiring this year. Mr. Davis further noted that he also needs to begin considering how other management positions in the organization will be filled from the ranks as additional staff members subsequently retire as well. One of Mr. Davis's proposed changes is the addition of a Communications Director who would be responsible for preparing minutes of SSA and Port Council meetings, responding to public records requests, and overseeing the SSA's marketing and advertising, thus ensuring that the SSA has an integrated communications

program both internally and with respect to all of its communications to the media and the public. Mr. Davis stated that he also feels the SSA's MIS Department needs more support, as its current employees are being taxed to the limit and the senior programmers similarly are nearing retirement. In addition, although the Vessel Personnel Dispatch employees currently report to SSA's Director of Human Resources, he feels they more appropriately should be part of Vessel Operations. Mr. Davis will be discussing these changes, as well as other proposed changes, with the SSA's Board and the Port Council over the next month.

9. The Board approved the staff's request to offer the SSA's high-speed passenger ticket books for sale at a twenty percent (20%) discount during the two-week period from March 19, 2018 through April 3, 2018, one day after the vessel resumes service this year on April 2, 2018. Last year, 51% of all the SSA's high-speed passenger ticket books were sold during this two-week promotional period. This year's prices for the 10-ride high-speed passenger ticket books are:

	Regular Price	With 20% Discount
Adult	\$ 275.00	\$ 220.00
Seniors *	\$ 185.00	\$ 148.00
Children (ages 5-12)	\$ 170.00	\$ 136.00

\* Restrictions apply

Mr. Davis also reported that, as a result of replacing the paper 10-ride ticket books for travel on the SSA's traditional ferries with RFID cards, the staff is now able to collect data on how often only one coupon is used per trip from each RFID card, which was the SSA's ticket book policy when the Passenger Embarkation Fee Statute was enacted. A few years later, the SSA revised its policy to allow customers to use multiple coupons per trip from the same ticket book, but the SSA never knew how many customers were using more than one coupon per trip from the same ticket book, and it now appears that a number of customers are doing so.

Accordingly, today the Board agreed with the staff's recommendation to change SSA policies with respect to the SSA's traditional ferry 10-ride ticket books to limit the use of coupons in each ticket book to one per trip in order for the customer to be exempt from paying a passenger embarkation fee. As a result, the SSA will not have to collect any passenger embarkation fees based upon the sale of those books.

But because of the significant changes that would need to be made to the reservation system to limit the use of high-speed ferry ticket book coupons to one per trip, the Board also agreed with the staff's recommendation that the SSA collect passenger embarkation fees on the sale of those high-speed ticket books. In addition, because the SSA already has publicized that there will be no increase in the prices of those ticket books this year, the amount of the passenger embarkation fees collected on the sale of those books will be included in their current prices.

10. The Board also discussed the SSA's policies that are in place to assist customers who need to travel for medical treatments or appointments, such as:

- The SSA provides discounted automobile excursion fares for island residents who need to travel to the mainland with their vehicles on a repeated basis for special medical treatments or appointments.
- The SSA also allows Nantucket residents who require frequent medical treatment on the mainland to purchase high-speed ferry 10-ride ticket books at a 50% discount.
- The SSA also allows preferred spaces to be reserved in advance by eligible customers who must travel with their vehicles either (a) due to their disabilities; or (b) for medical appointments or treatments; or (c) to attend a funeral service upon the death of a member of their immediate family.
- The SSA also allows the preferential boarding of vehicles of certain individuals with disabilities traveling on standby, provided that the individual or the individual's attending physician or other person accompanying the individual, as the case may be, contacts the Terminal Agent to explain the need for the preferential boarding of the individual's vehicle.

Of course, there are eligibility requirements and other guidelines that must be followed by SSA customers who would like to travel under any of the above policies. Those requirements and guidelines are described on the SSA's website, [www.SteamshipAuthority.com](http://www.SteamshipAuthority.com). Just click on the "Traveling Today" tab and then the "Accessibility" tab to see all of the policies that the SSA has to assist individuals with disabilities.

11. Mr. Davis also informed the Board that he have approved a request from SeaStreak to start its New Bedford-Nantucket service one week earlier than the currently approved schedule. As a result, SeaStreak will provide service between New Bedford and Nantucket during the week of the Nantucket Wine Festival, May 14th through May 20th.

12. The Board also approved the staff's proposed 2018 Capital Budget, which had been updated since last month with respect to the funds that are currently available to complete the SSA's capital projects and the cost estimates for those project. Specifically:

- as of December 31, 2017, the SSA had \$25,750,000 in funds available for its capital projects;
- the SSA is anticipating that an additional \$18,000,000 will be provided through the issuance of bonds or bond anticipation notes to fund the 2018 marine construction associated with Phases 2-2A of the Woods Hole terminal reconstruction project; and
- \$38,144,000 is needed to complete current projects which already have been approved, leaving \$5,606,000 currently available for new projects.

The approved new capital projects for 2018 total \$2,241,000 (including a \$250,000 allowance for miscellaneous projects under \$50,000). The SSA will therefore still have \$3,365,000 available for contingencies and/or future projects. The new capital projects include:

- Purchase of three luggage trailers, two power pushers, one Kubota utility vehicle with plow, and two tow motors (\$153,000);
- Purchase of an automated passenger counting system for the SSA's shuttle buses (\$100,000);
- Replacement of four oil pollution response boats (\$90,000);
- Replacement of davits on the *M/V Eagle* and the *M/V Nantucket* (\$220,000);
- Installation of trench drains around the perimeter of the pier of the Fairhaven Vessel Maintenance Facility (\$275,000);
- HVAC systems for the Fairhaven Vessel Maintenance Facility's paint room and the Mashpee Reservations Office (\$50,000);
- Purchase of a machinist truck and trailer, a plumber service van, and a rack-body truck (\$162,250);
- Web environment for the new administrative offices (\$535,00);
- Upgrade of backup hardware and storage devices (\$236,000); and
- Upgrade of passenger boarding/check-in hardware at terminal passenger loading areas (\$170,000).

The 2018 Capital Budget also includes 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.

13. The Board approved SSA Treasurer/Comptroller Gerard J. Murphy's 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 February 2016, with minor revisions to update the SSA's scheduled debt service payments.
  
14. Mr. Davis also informed the Board that, in accordance with the authorization they gave him last month, he awarded Contract No. 01-2018 for maintenance dredging of the Woods Hole terminal's Slip 2 to Burnham Associates, Inc. of Salem, Massachusetts, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$136,260. Following the award of the contract, Burnham mobilized in Slip 2 on February 6th, began dredging on February 8th, and completed the dredging by February 14th. The dredged materials were to be dewatered on a barge, and then transported by truck to an approved beach nourishment site within the Town of Falmouth. However, after inspection by the Beach Superintendent, the material was deemed unsuitable, so it will be stored in the upper lot of the SSA's Palmer Avenue parking lot until such time as it can determine another suitable disposal site.

At the conclusion of the meeting, the SSA's 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 10:00 a.m. on Tuesday, March 20, 2018, in the first floor meeting room of the SSA's new administrative office building, located at 228 Palmer Avenue in Falmouth, Massachusetts. The time, date and place 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 20, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 10:00 a.m. on February 20, 2018, in the Meeting Room (Room 103) of the SSA's Administrative Office Building, located at 228 Palmer Avenue, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard); Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

The Members held this meeting as a joint meeting with the SSA's Port Council, and six Port Council members were in attendance: Chairman Robert V. Huss (Oak Bluffs); Secretary Eric W. Shufelt (Barnstable); Frank J. Rezendes (Fairhaven); Robert S. C. Munier (Falmouth); Nathaniel E. Lowell (Nantucket); and George J. Balco (Tisbury). Port Council Vice Chairman Edward C. Anthes-Washburn (New Bedford) was absent.

1. SSA General Manager Robert B. Davis presented the Builder's Plaque for the SSA's new administrative office building and thanked many of the people who were instrumental in its planning, design and construction. Mr. Davis stated that five years ago, when the SSA's design team for the Woods Hole Reconstruction Project confirmed that the SSA would have to demolish the old Woods Hole terminal building and excavate a portion of the terminal's wharf in order to rebuild the three ferry slips, no one ever thought that, five years later, the SSA's administrative office building would be located at its Palmer Avenue parking lot and that the Members would be having a meeting in the meeting room of a building which evokes many of the nostalgic elements of the old Grossman Lumber Yard barn and, indeed, is built on the same footprint as that barn. Mr. Davis also observed that the building is a wonderful working environment for all of the employees there and, while a number of things remain to be done and adjusted, those unfinished items do not detract from the building's huge success. Mr. Davis then expressed his gratitude and appreciation to everyone involved, and in particular to Chris Iwerks and Sela Bailey of Bertaux + Iwerks, Architects, Robert Morel, Dan Aylward and Dennis Morel of G & R Construction, Inc., Clerk of the Works Steve LeBaron and, of course, Project Manager Bill Cloutier.

2. Mr. Davis then gave the Board an update on the status of the *M/V Woods Hole* and the *M/V Martha's Vineyard*. At approximately 9:00 a.m. this past Thursday the *M/V Woods Hole* ran aground in shallow water as it approached the slip in Vineyard Haven, but was able to back off the soft bottom and berth safely following the incident. Then on Friday, the Captain and Pilot of the *M/V Woods Hole* noticed a problem with the on-board operating system. The SSA's maintenance staff along with Coast Guard inspectors concluded that the SSA needed to have the equipment vendor run diagnostic tests and, after those tests were performed on Saturday, the vessel was once again cleared for service. However, on Sunday the vessel's Captain and Pilot noted an anomaly with the transfer of controls, and the Coast Guard decided that the vessel could continue to provide service if it were maintained in only one of the operating modes available to the crew until some of the equipment was replaced. The SSA then replaced the center controller head in the bridge console on Sunday night, and the equipment vendor has sent it for bench testing. Since then the anomaly has not reoccurred during any of the docking and sea trials the SSA has conducted without passengers on board, but the SSA is continuing to operate the vessel in one operating mode when it is in service until the results of the bench test are received.

At approximately 8:45 p.m. on Saturday, the *M/V Martha's Vineyard* lost power to its main engines approximately 15 minutes into its 45-minute trip from Vineyard Haven to Woods Hole. An emergency generator maintained power to the vessel but was not able to generate propulsion or heat. The anchor was dropped to keep the vessel from drifting and, after concluding that the main engine could not be re-started, the vessel was towed back to Vineyard Haven, arriving there shortly before 2:00 a.m. On Sunday, it was determined that the vessel's main fuel oil transfer pump was not generating enough pressure to transfer fuel properly, which led to the vessel losing power. After undergoing sea trials late Sunday afternoon with the back-up fuel transfer pump, and further inspection by the Coast Guard, the vessel was cleared to return to service on Monday beginning with its 7:00 a.m. scheduled trip from Woods Hole.

The issue with the fuel transfer pump began earlier in the day on Saturday when a wire on one of the newly installed ship service generators came loose and began to arc. The pump was connected to the generator and would have been required to be reset once the backup generator was brought on line. Unfortunately, the alarm for the pump to the control panel was not activated and the pressure gauge on the pump did not provide sufficient detail to warn the engineer on board of a problem. That situation has now been rectified by adding an alarm setting and installing a new pressure gauge for the pump.

Mr. Davis reported that, in both situations, the vessel crews responded extremely well, and a number of passengers had told him how the crews provided information as soon as it was available and focused on making sure that they were as comfortable as possible. Similarly, Mr. Davis said, the SSA's employees at the Vineyard Haven terminal did a terrific job securing transportation and accommodation for those passengers who needed them when the vessel was escorted back there in the early morning hours. Mr. Davis expressed his heartfelt thanks to them and the other members of the SSA's staff who responded to the situation, as well as to the United States Coast Guard, Tucker Roy Marine and Tisbury Towing for their assistance.

3. Mr. Davis then reported that the SSA's entire administration staff, including Accounting, Operations, Human Resources, Engineering and Maintenance, and Information Technologies, have moved into the new office building at 228 Palmer Avenue in Falmouth even though there are still few items which need to be addressed before the final occupancy permit can be issued. The most significant of these items is the certification of a "BDA" (Bi-Directional amplifiers) system for communications within the building for the fire department in the event of a fire. The BDA system, which requires its own shaft and has to be fire rated for a minimum of two hours, was recently installed, although it still needs to be certified. There also remains some unfinished work that the contractor, G & R Construction, will continue to address, and the landscaping will be done in the spring.
4. Mr. Davis also reported that the SSA has been making significant progress with respect to its Woods Hole terminal reconstruction project. During this past week the demolition contractor for the old terminal building worked on removing the debris pile from the site, and it pretty much completed its work by today. The electrical contractor also spent the last week cleaning up details related to all the electrical changes required for the SSA to be able to continue operating in the slips during construction, such as making final connections to all the lights and strobes on the wharf. They will be demobilizing this week as well.

Last week, Jay Cashman also mobilized its equipment and materials by barge from Quincy to start their work excavating the wharf, and the barge arrived at the terminal on Friday morning loaded with three excavators and one large crane. This week they will begin the demolition of the foundation slab for the demolished terminal building, while Lawrence Lynch will begin excavating and removing soils from the wharf area, including the contaminated soils that have been previously identified in earlier site surveys. This work will be done under the supervision of a Licensed Site Professional (LSP). Also this week Cashman will disassemble the existing passenger ramps and platform on the wharf, and prepare the new area for their relocation between Slips 1 & 2, including pouring a new slab foundation for them at that new location. The work necessary to relocate the ramps and platform is expected to continue for the next two weeks, with a targeted completion date of Friday, March 30th.

5. With the *M/V Martha's Vineyard* back on the run and operating well (except for last weekend's issue with the main fuel oil transfer pump), SSA Director of Engineering and Maintenance Carl R. Walker reported that his department will be meeting with the shipyard about more than 200 punch list items that still need to be addressed. Although most of the items are very minor and can be resolved while the vessel is on the run, some of the more significant items will not be able to be addressed until the vessel is in the SSA's Fairhaven Vessel Maintenance Facility for a spruce up this coming May or in repair this September.
6. The SSA's Board approved the staff's proposed Policy Prohibiting Discrimination on the Basis of Pregnancy or a Pregnancy-Related Condition so that the SSA will be in formal compliance with the Massachusetts Pregnant Workers Fairness Act that goes into effect on



April 1, 2018. The SSA already prohibits discrimination on the basis of pregnancy or a pregnancy-related condition, because it is a form of discrimination on the basis of gender. But the law, as well as the new policy, is much more specific about what protections pregnant employees have, and also what obligations employers have to accommodate employees' pregnancy-related conditions, such as lactation or the need to express breast milk for a nursing child.

7. Mr. Davis presented the preliminary version of the staff's proposed 2019 Winter and Spring Operating Schedules for discussion purposes only. The proposed 2019 Winter Operating Schedules would run from January 3, 2019 through March 15, 2019, starting days earlier and ending one day later than this year; the 2019 Early Spring Operating Schedules would then run from March 16, 2019 through April 2, 2019, ending one day later than this year; and the 2019 Spring Operating Schedules would then run from April 3, 2019 through May 14, 2019, ending four days later than this year. Other changes from this year's Winter and Spring Operating Schedules are as follows:

Proposed 2019 Winter Operating Schedule for the Martha's Vineyard Route:

- The 6:30 AM trip from Woods Hole to Vineyard Haven and the 7:30 AM trip from Vineyard Haven to Woods Hole would be scheduled to operate on Saturdays instead of being optional trips. In 2018, the optional 6:30 AM trip operated every Saturday in January and February except on January 6th, when it did not operate due to weather.
- The vessels assigned to this route would be similar to 2018, with the exception that the *M/V Martha's Vineyard* would be back from its mid-life refurbishment and operate the entire schedule and the *M/V Woods Hole* would not operate during this schedule.
- The *M/V Martha's Vineyard* would berth overnight in Vineyard Haven, with its first departure scheduled for 6:00 AM. In 2018, this schedule had the *M/V Woods Hole* berthing in Vineyard Haven from January 5, 2018 to January 10, 2018 departing at 6:00 AM, the *M/V Nantucket* berthing in Vineyard Haven from January 11, 2018 to March 6, 2018 departing at 6:00 AM and the *M/V Martha's Vineyard* berthing in Vineyard Haven from March 7, 2018 to March 14, 2018 departing at 6:00 AM.
- The *M/V Island Home* would operate from January 3, 2019 to January 8, 2019 and from February 23, 2019 to March 15, 2019. The *M/V Nantucket* would operate this schedule from January 9, 2019 to February 22, 2019. In 2018, the *M/V Island Home* operated from January 5, 2018 to January 10, 2018 and the *M/V Woods Hole* operated from January 11, 2018 to March 14, 2018.

Proposed 2019 Early Spring Operating Schedule for the Martha's Vineyard Route:

- The only proposed change to this schedule as compared to 2018 is that the freight vessel *M/V Woods Hole* would operate in place of the *M/V Katama*. It would continue to be berthed overnight in Vineyard Haven with the first departure at 5:30 AM.

Proposed 2019 Winter Operating Schedule for the Nantucket Route:

- The *M/V Gay Head* would be scheduled to operate two (2) round trips Monday through Saturday with optional service of two (2) round trips on Sunday. The *M/V Gay Head* would also have the option of operating three (3) round trips, 7 days a week if needed, although this would require the *M/V Gay Head* to be tripled crewed in 2019 compared to being double crewed in 2018.

Proposed 2019 Spring Operating Schedule for the Nantucket Route:

- The *M/V Sankaty* would have the ability to operate a third round trip Monday through Friday, if needed, which would require the *M/V Sankaty* to have two single crews in 2019 compared to one single crew in 2018.

The proposed schedules will now be posted to the SSA's website and advertised in local newspapers for public comment over the next month. After reviewing whatever public comments are received, the staff will present their final version of the proposed operating schedules for consideration and a vote by the SSA's Board at their May 15, 2018 meeting.

8. In order to ensure the SSA's compliance with the Passenger Embarkation Fee Statute, the Board approved the staff's proposed revisions to the SSA's policy that currently allows customers to use multiple coupons per trip from the same ticket book for travel on the SSA's traditional ferries. As a result, when the SSA starts selling its new "Lifeline Cards" within in the next few months, the usage of the coupons from each book will be limited to one individual per trip on the SSA's traditional ferries so that the SSA will not have to collect any passenger embarkation fees based upon the sale of those books. In addition:
  - The new LifeLine Cards will have a minimum number of five tickets instead of ten; and they will also be able to be reloaded in 5-ticket increments. This is to minimize any financial hardship to customers who need to purchase multiple Lifeline Cards when traveling together.
  - The expiration of the new Lifeline Cards will be the same for both routes. As a result, the tickets in those cards will be valid for passage only within one year from the end of the month in which the Lifeline Card is sold. However, if a customer recharges a LifeLine Card, the expiration date for all of the tickets in the card will be extended to one year from the end of the month in which the card was recharged.

In addition, holders of existing "FerryPass Cards" will be grandfathered in their use, and the SSA will continue to honor those cards based upon the rules that were in place when those cards were originally purchased. The ability to reload those "FerryPass Cards" will also be halted when the SSA stops selling those cards and instead starts selling the new "Lifeline Cards."

9. The Board also approved the staff's proposed License Agreement with the Town of Nantucket pursuant to which the SSA will allow the Town to make roadway, sidewalk and crosswalk improvements on its property at the intersection of South Beach and Broad Streets on Nantucket, and will then also allow the public the right to continued passage over those improvements. The Town is currently reconstructing South Beach Street on Nantucket following the sewer force main break that occurred in January 2018, and is using this opportunity to also improve pedestrian and vehicular traffic in the area with new sidewalks and crosswalks. The Town's improvements will not adversely impact or otherwise intrude upon the SSA's Nantucket terminal operations, and will significantly improve both the appearance of that intersection and the safety of pedestrians who pass by there.
10. The Board also approved Mr. Davis's request to create a new Communications Director position. The new Communications Director will be responsible for preparing minutes of SSA and Port Council meetings, as well as overseeing the SSA's marketing and advertising programs, responding to requests from the media and the public, preparing the SSA's external communications (*e.g.*, website content, press releases and e-News), and overseeing (with other senior staff members) the memorialization of SSA's policies to make certain that they are appropriately, effectively and accurately communicated, as well as updated as needed. Thus, the role of the Communications Director will be to ensure that the SSA has an integrated communications program both internally and with respect to all of its communications to the media and the public. In addition, the SSA's next General Counsel will be able to devote more time to other legal matters and take a more active part in ensuring that the SSA complies with all of its various environmental, procurement and safety obligations.
11. Mr. Davis also announced that Terry Kenneally had accepted the SSA's offer to become the SSA's next General Counsel after Steve Sayers retires at the end of July 2018, and the Board approved the staff's proposed employment agreement with him. Mr. Kenneally is an accomplished civil litigator with experience in maritime defense, insurance defense and commercial transactions, and has been practicing with the firm of Clinton & Muzyka, P.C., in Boston since 2004, where he has represented the SSA in dozens of civil matters involving contract disputes and tort actions in both state and federal courts. As a result, Mr. Kenneally has gained and repeatedly applied a strong working knowledge of the applicable legal and regulatory frameworks in which the SSA operates. Before joining Clinton & Muzyka, he was in-house counsel and operations manager for an international shipping company in Gloucester, Massachusetts, where he was responsible for overseeing and managing all legal, operational and risk management issues. Mr. Kenneally has agreed to join the SSA as its General Counsel designate on May 1, 2018 so that he and Mr. Sayers can work together for three months before Mr. Sayers's retirement.
12. The Board also adopted a Bond Resolution authorizing SSA Treasurer/Comptroller Gerard Murphy to issue and sell on behalf of the SSA up to \$18,000,000 of Steamship Bonds on a competitive basis no later than December 31, 2018 pursuant to an Official Notice of Sale, at a price not less than par and accrued interest. The proceeds of the bonds, along with any

bond premium received, will be used towards the reconstruction of the waterside facilities at the Woods Hole ferry terminal and to pay for the costs of issuing the bonds. Bids for the bonds will be received by the SSA's fiscal advisor, Unibank Fiscal Advisory Services, and Mr. Murphy will be required to award the bonds to the bidder who offers to purchase them at the lowest net effective interest rate pursuant to the Official Notice of Sale.

13. The Board awarded Contract No. 02-2018 for dry-dock and overhaul services for the *M/V Katama* 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 \$869,430. The *M/V Katama* is scheduled to be at the shipyard from late May through mid-July 2018 to undergo a required United States Coast Guard hull examination; propulsion shaft, propeller and rudder inspections; hull plating replacement; painting above the rub rail; reduction gear grid cooler installations; generator exhaust repairs; HVAC modifications in the passenger and crew spaces; and relocation of its rescue boat.
14. The Board also authorized Mr. Davis to award Contract No. 03-2018 for the emergency replacement of a failed dolphin in Slip #2 at the Woods Hole terminal to the lowest eligible and responsible bidder for the contract after the opening of bids, which is now scheduled for next Monday, March 26, 2018. Due to seriously strong winds during the first weekend in March, a dolphin in Slip #2 of the Woods Hole terminal failed. Contract No. 03-2018 will require the contractor to replace the failed dolphin as an emergency repair to be accomplished as soon as possible, and the contractor will be allowed to use the materials on hand to expedite the replacement. The scope of work requires driving steel piles and framing a heavy timber facing in the piles to fend the ferries away from the concrete and steel bulkhead when docking. The work is expected to take two weeks to complete after contract award.

The next regular monthly meeting of the SSA's Board is currently scheduled for 10:00 a.m. on Monday, April 23, 2018, at the New Bedford Whaling Museum, located at 18 Johnny Cake Hill, New Bedford, Massachusetts. However, the time, date and place 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 23, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 10:00 a.m. on April 23, 2018, in the Katharine Cornell Theatre of the Tisbury Town Hall, located at 51 Spring Street, Vineyard Haven, Massachusetts. All five Board Members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard); Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

1. SSA General Manager Robert B. Davis updated the Board on all of the mechanical problems the SSA had with the *M/V Woods Hole*, the *M/V Martha's Vineyard* and the *M/V Island Home* since their last meeting on March 20, 2018, as well as all of the actions the SSA has taken to resolve them.
  - (a) On March 22nd, the *M/V Woods Hole* was taken out of service after experiencing issues with its propeller pitch controls. The SSA's engineering staff and the vendor's technician determined that the check valves had broken in the vessel's port propeller shaft and, after obtaining replacement valves, installed the new valves in both the port and starboard shafts and reassembled the units. The United States Coast Guard then cleared the vessel to return to service on March 25th.

However, on March 27th, an alarm code went off in the vessel's control panel. Even though the Captain had experienced no loss of control or power, the Coast Guard was appropriately notified and the vessel was taken out of service to Fairhaven until the issue could be investigated. Following the arrival of the technical representatives from both Hundested Propeller and Prime Mover Controls, the vessel filters were changed on both reduction gears (i.e., the suction filter, the filter for clutch, and the filter for pitch on each reduction gear) even though nothing abnormal was found. The SSA then took the vessel on light ship sea trials with both technical representatives on board to monitor the system while the SSA engaged in repeated maneuvers in an attempt to have the alarm activate again and the system switch to the secondary (backup) Actuator driver signals. These light

ship sea trials lasted nearly three hours while the crew tried again and again to create a condition that would cause the alarm to activate. Throughout the entire sea trials, the system and all of the vessel's equipment were fully responsive and operational. After the light ship sea trials, the vessel's gear was examined, including the hydraulic check valves that had recently been replaced. All of the valves were found to be in good order.

On March 31st, the SSA conducted additional sea trials with a simulated cargo load similar to what had been on board when the alarm activated on March 27th. As with the previous light ship sea trials, both technical representatives were on board to monitor the system while the SSA engaged in repeated maneuvers in an attempt to have the alarm activate again and the system switch to the secondary (backup) Actuator driver signals. These additional sea trials lasted nearly another four hours while SSA Captains engaged in maneuvers to simulate dockings at and departures from the SSA's slips at both Vineyard Haven and Woods Hole. Throughout the entire additional sea trials, the system and all of the vessel's equipment were fully responsive and operational.

Following more sea trials on April 2nd, the Coast Guard cleared the vessel and approved the SSA's plan to place the *M/V Woods Hole* on the Hyannis to Nantucket route April 3rd and 4th for further monitoring by the technicians. The plan then called for the vessel to return on April 5th to Vineyard Haven to resume its published schedule on the Martha's Vineyard route, but due to weather conditions the vessel remained on the Hyannis to Nantucket route for an additional day. At the end of the operating day on April 5th, the vessel sailed to Vineyard Haven to resume its scheduled service on Friday, April 6th.

- (b) At the end of its operating day on March 20th, the *M/V Martha's Vineyard* had another generator issue, and the Coast Guard issued a "no sail" order. The following day, the vessel was taken out of service for additional work and testing, and was transported to the SSA's Fairhaven vessel maintenance facility. The SSA's engineering department and the technician for the vendor of the generator identified the parts of the switchboard which required replacement and, after those parts were replaced, the Coast Guard cleared the vessel to return to service on March 27th. But then, during the vessel's engine start-up on March 28th, the breaker for the vessel's steering pump malfunctioned. The Chief Engineer on board the vessel recycled the breaker and was able to get the pump back on line, but the SSA cancelled the vessel's trips in order to assess the situation. The SSA's engineering and maintenance department personnel and the manufacturer's technician determined that a breaker in the vessel's electrical panel needed to be replaced. The new breaker was expedited, installed and tested in time for the vessel to be inspected and undergo sea trials with the Coast Guard early the next morning. As a result, on March 29th, the vessel was cleared to resume service starting with its 7:00 a.m. scheduled trip, although later the same day the crew had an issue with the bow doors which resulted in a delay of up to an hour for trips after 6:00 p.m.

On March 31st, what originated as a breaker tripping on the bow thruster was ultimately diagnosed as a control gear failure to release. The 5:00 p.m. trip to the island and corresponding 6:15 p.m. trip off island were cancelled as the maintenance staff addressed the situation. Then during the evening of April 19th the vessel had an issue with the bow doors again. This time, however, the weld on one of the rollers failed, causing the housing and roller to separate from the door and fall to the vehicle deck. The following morning a spare roller unit was installed in place of the failed unit. While visual inspections of the other roller units found no signs of weld failure, the crew has extended the safety zone around the door as an additional safety measure.

Also during this past month, the SSA's maintenance and engineering crews along with workers from Senseco have been onboard to address the punch list items left over from the mid-life refurbishment. Due to the number of items remaining open, the SSA's staff concluded that the SSA would not be able to address them all during the vessel's next scheduled repair period that was scheduled for May 17th through 22nd. Therefore, this morning, the *M/V Martha's Vineyard* was taken off the run and replaced by the *M/V Woods Hole*, which was in turn replaced by the *M/V Katama*. The *M/V Martha's Vineyard* is now at the SSA's Fairhaven facility where the remaining punch list items are expected to be completed by May 3rd so that the vessel can be back on the run for the Martha's Vineyard's Chili-fest Weekend.

- (c) Meanwhile, the *M/V Island Home*, which was originally expected to be back in service on March 24th, remained in Fairhaven. Part of the delay in the vessel's return to service was attributable to delays in the shipyard. The vessel's return to service was then expected to be delayed by six days, but nevertheless it was still expected to be in service for the Easter holiday weekend. Then on March 29th, while undergoing a Coast Guard inspection, it was determined that there was an issue with one of the bow thrusters. The issue required the system technician to return from out of the country to re-install the software program. He arrived late in the evening on April 2nd and, after the repairs were completed, the Coast Guard cleared the vessel to return to service on April 5th.

While these issues were mostly isolated to vessels providing service on the Martha's Vineyard route, they impacted service on the Nantucket route as well. For example, on March 25th, the *M/V Gay Head* was diverted from its schedule on the Nantucket route in order to provide two round trips on the Martha's Vineyard route before returning to service later in the day on the Nantucket route. In addition, as of April 2nd, the operating schedule called for the *M/V Sankaty* to be providing service on the Nantucket route in addition to the *M/V Eagle* and *M/V Gay Head*. But no additional service with that third vessel was provided on April 2nd, although the *M/V Woods Hole* provided it beginning April 3rd until it was finally replaced by the *M/V Sankaty* on April 6th.

Mr. Davis then thanked the SSA's Woods Hole neighbors for being so understanding this past month as there have been a number of occasions in which the SSA needed to run some late night or early morning trips in order to minimize some of the service disruptions these

vessel cancellations caused. Again, Mr. Davis apologized for the noise that may have been generated during the late night and early morning hours, although the SSA attempted to make every effort to minimize any noise generated by its operations.

Mr. Davis also apologized to the residents of Martha's Vineyard and the commuters who rely on the SSA to provide safe and reliable service and who had to endure a seemingly endless barrage of service disruptions. Mr. Davis noted that the SSA has long taken pride in being able to provide a dependable service and that the staff is embarrassed by their failure to do so this past month.

2. Mr. Davis then reported that, in light of all of the vessel mechanical failures the SSA experienced this past month, the staff clearly needs to look at ways to improve the SSA's maintenance of its vessels. In addition, the SSA has to improve its communications to the public and its use of information technologies to do so. Ironically, the staff and the Board already had discussed the SSA's need to better communicate with its customers before this past month's events and, at their March 20th meeting, the Board approved the creation of a new Communications Director position. Since then, the SSA has been advertising the position in local and regional newspapers as well as on its website. These advertisements have generated a significant number of applicants, and the staff expects more before the deadline, which is this coming Friday, April 27th. The staff will then schedule interviews over the next few weeks to keep this process moving forward.

Meanwhile, the staff also will be looking at additional ways for the SSA to communicate to its customers. One change the SSA already has made is to change the delivery service for its email messages so that they can be distributed without delay. (Previously, as the SSA found during one of the n'easters that occurred this year, the SSA's emails ended up not being delivered until 5 or 6 days after they were sent.) The staff also would like to sit down and work with the area Chambers of Commerce regarding other improvements the staff can make, and Mr. Davis stated that he appreciated the offer from the Martha's Vineyard Chamber of Commerce to get together and discuss how the SSA's communications can be improved, which include its better use of information technologies.

Finally, Mr. Davis reported that with the increased demand for service and the complexities of the SSA's newer vessels, the staff also needs to be looking at the SSA's vessel operations. For example, Mr. Davis said, the staff needs to look at additional training opportunities the SSA can provide which will provide the necessary tools to properly use advanced technologies to their fullest. In addition, members of the traveling public have raised concerns about the SSA's vessels leaving late or cancelling too often. Mr. Davis stated that the staff will look into this as well, although they realize that sometimes a delay is attributable to a tight turnaround schedule and at other times it can be a function of customer service.

Mr. Davis stated that the bottom line is that everything that transpired this past month needs to be looked at in order to ensure that the SSA doesn't repeat its past failures. The Board agreed, and then discussed whether the staff should review the SSA's operations themselves or whether the SSA should hire one or more outside consultants to conduct



independent reviews of certain aspects of the SSA's operations or even conduct a comprehensive review of the SSA's entire operation. Ultimately, the Board voted to have the staff develop a recommendation within the next two weeks to present to them for their consideration.

3. Mr. Davis then reported that the contractor for the SSA's new administrative office building continues to address some of the remaining punch list items. The testing and certification of the "BDA" (Bi-Directional amplifiers) system which is for communications within the building for the fire department was completed two weeks ago. The HVAC contractor continues to work on the system but part of the problems appear to be related to air leaks in the ducts. In order to seal the ducts the vendor needed to shut the system down for one or two days. They did so this past weekend and the SSA is awaiting a report of their progress. The HVAC contractor also plans to start up the chiller system for the air conditioning mode this week. Finally, the landscaping crew was onsite last week starting the landscaping around the building.
4. Mr. Davis also reported that the Woods Hole terminal reconstruction project is moving forward. During this past month, Jay Cashman, Inc. assisted the SSA in attaching temporary fenders to the bulkhead of Slip 2 that will be used until the dolphin that failed in that slip last month can be replaced. Cashman also assisted the SSA with its crane so that the SSA could make some repairs to Slip 2's transfer bridge. Earlier this month, Cashman moved its barge into Slip 1 and got to work on the pile driving for the temporary dolphins required to keep Slip 1 operational while the wharf that currently forms the north side of that slip is excavated. Meanwhile, the site contractor excavated the area between Slips 1 and 2 where the foundation for the passenger platforms will be relocated, and then compacted the soils in that area. Cashman then set the rebar in place, built the formwork for the concrete slab, and poured the concrete for the main platform. Testing of the contaminated soils from the wharf area has been completed, and the site contractor will dispose of the soils this week. Meanwhile, Cashman began the demolition of the old terminal building's foundation last Saturday.

Mr. Davis noted that a property owner on Water Street also has informed the SSA that she has experienced tremors and vibrations during the SSA's driving operations. As part of the contract specifications for the waterside work, the SSA's engineers established a vibration monitoring program that calls for monitoring properties within a 200-foot radius of pile driving activities. Beyond that distance the engineers feel that ground vibrations are attenuated by the soil. Currently there are no properties within this radius. Nevertheless, after receiving this property owner's email, the SSA has decided to establish vibration monitoring near the property line at Luscombe and Railroad Avenues. The SSA wants to verify that it is not currently exceeding any generally accepted thresholds, which are 0.25 inches/second to 2.0 inches/second. If the threshold values are reached, the contractor will be required to alter operations, such as reducing the energy on the pile hammer to reduce construction vibrations below the threshold levels.

5. Mr. Davis then reported that, as he had mentioned earlier, there remains a number of open items on a punch list to be addressed on the *M/V Martha's Vineyard*. Originally the list grew to 257 items, but it has since been paired down to 126 open items. While some of these items are relatively minor, such as mounting a paper towel dispenser in the crew area, some high priority items still remain on the list, such as fixing the vents on the sinks, urinals and toilet drains. As Mr. Davis mentioned, the vessel left this morning to go to the SSA's Fairhaven vessel maintenance facility and all of the work is expected to be completed by May 3rd.
  
6. SSA General Counsel Steven M. Sayers reported that Tetra Tech, the SSA's consulting firm which is analyzing the feasibility of barging municipal solid waste from Martha's Vineyard to New Bedford, should be submitting its report this week so that it can be reviewed and discussed by the Port Council and the Board at their meetings next month (although that may be delayed by a month while the staff develops their recommendation on how the SSA's operations should be reviewed). Mr. Sayers noted that the subject matter of the report has been expanded to include not only the feasibility of barging municipal solid waste, but also the feasibility of barging construction and demolition mater (C&D). It appears that municipal solid waste constitutes approximately 50% of the solid waste stream from Martha's Vineyard, and that C&D and recyclables constitute approximately 40% and 10%, respectively. Last month, Ralph Packer also gave the SSA a tour of Goodale Construction Company's property on Martha's Vineyard where a grinding machine could be used to grind up C&D into chips so that it can be transported like gravel.
  
7. Mr. Sayers also reported that the staff hopes to have a meeting with MassDevelopment representatives later this week to discuss potential uses of the New Bedford State Pier, which might include a freight ferry service between New Bedford and Martha's Vineyard. While MassDevelopment is now in a better position to understand the operations at the State Pier and what may be possible there, because different public officials have different ideas about what use should be made of the State Pier, MassDevelopment may not want to explore any possible uses of the State Pier that are not supported by everyone who has an interest in that facility. Mr. Sayers also noted that the New Bedford Harbor Development Commission, which is now called the "New Bedford Port Authority" (NBPA), had just issued a draft Strategic Plan for the years 2018 through 2023. In its draft Strategic Plan, the NBPA indicates that:
  - The NBPA supports the expansion of passenger ferry service for the purpose of drawing visitors to the New Bedford waterfront, but that support does not necessarily extend to the operation of freight ferry service from the State Pier.
  - The State Pier has been neglected by the Commonwealth of Massachusetts for so long that it requires significant renovations, but those renovations cannot be undertaken until there is an understanding about future uses of the Pier among the NBPA, the City of New Bedford, and the Commonwealth.
  - It appears that the NBPA would like any freight ferry terminal to be located at the North Terminal, which is not yet constructed to accommodate a freight ferry service, although the NBPA continues to seek federal and state funding for its construction. One

drawback of the North Terminal is that the MassDOT has classified the New Bedford-Fairhaven Bridge as “functionally obsolete,” and its repair costs are projected to be around \$45,000,000.

8. Last month the Board approved the staff’s proposed issuance of new RFID “Lifeline Cards” for travel on the SSA’s traditional ferries and, in order for the SSA to remain compliant with the Passenger Embarkation Fee Statute, the use of the new Lifeline Cards will be limited to one individual per trip. Today Mr. Davis reported that:
  - The new Lifeline cards have been ordered and are expected to arrive this week
  - The programming changes for the new Lifeline Cards will be made by the end of the month, after which the card data will be downloaded into the Point of Sale system.
  - The staff expects to distribute informational posters explaining the new cards as well as include a feature about the cards in the May 1, 2018 e-News.
  - Customers will continue to be able to reload the existing 10-ride “FerryPass” cards through May 14, 2018.
  - The SSA will begin selling the new Lifeline Cards on May 15, 2018, although it will continue to honor all of the coupons remaining in customers’ FerryPass cards.
9. Mr. Davis also reported that the SSA sold 4,215 10-ride high-speed passenger ferry ticket books during its two-week pre-season sale of those books this year, which represented a 5.1% decrease from the 4,443 books the SSA sold during last year’s pre-season sale of those books. It appears that individuals and businesses that typically purchase these books during the SSA’s pre-season sale did not need to buy as many as they needed to buy last year, as the number of unused coupons on existing ticket books increased by nearly 21% from February 28, 2017 to February 28, 2018.
10. Mr. Davis then informed the Board that, in accordance with the authorization they had given him last month, he awarded Contract No. 03-2018 for emergency dolphin repairs for the Woods Hole terminal’s Slip 2 to Burnham Associates, Inc. of Salem, Massachusetts, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$129,000. Following the recent dredging in the Slip in conjunction with the strong winds and tides during the first week of March, a dolphin in Slip 2 failed. Until the repair work can be completed, the slip has been fitted with a temporary fendering system utilizing removable Yokohama fenders. While the staff had planned on getting this work completed before the early summer operating schedule, work in the slip cannot begin until the SSA is able to use Slip 1 again and Cashman will be working in Slip 1 constructing the temporary dolphins there until early May. Therefore, the Slip 2 dolphin repairs may be delayed until after the summer.
11. Finally, the Board approved the charter agreement the SSA reached with SeaStreak LLC for the high-speed passenger service it provided with the *M/V Whaling City Express* between Woods Hole and Vineyard Haven from March 28, 2018 through April 5, 2018

when the *M/V Woods Hole*, the *M/V Martha's Vineyard* and the *M/V Island Home* were out of service. Initially, the term of the charter was going to be for seven days, but when repairs to the *M/V Island Home's* bow thruster caused a further delay in providing full scheduled service, the charter was extended by two additional days, bringing the charter's total cost to \$126,500.

At the conclusion of the meeting, the SSA's 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 15, 2018, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. The time, date and place 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 15, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 4:00 p.m. on May 15, 2018, in the Performing Arts Center of the Martha's Vineyard Regional High School, located at 100 Edgartown-Vineyard Haven Road, Oak Bluffs, Massachusetts. All five Board Members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard); Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

There were only two topics on the agenda: Alternative Plans to Improve the Authority's Operations, and Public Comment. The meeting ran for two hours, with more than 200 island residents in attendance. Almost three dozen of those in attendance vented their frustration and anger with the SSA over the unprecedented number of trip cancellations it has had this year, the SSA's lack of communication, and many other aspects of the SSA's operations, but they also offered constructive suggestions about how the SSA can improve.

SSA General Manager Robert B. Davis started out the meeting by apologizing to the island residents for the SSA's failures over the past few months that caused so much disruption to their lives. He also recognized that an independent review of the SSA's operations will help identify the best ways to improve the SSA's operations so that nothing even remotely similar to these past events ever occur again.

After the public comment period ended, the SSA's Board voted unanimously in favor of the staff's proposed motion which was made by Dukes County Member Marc N Hanover that the SSA prepare a request for proposals (an "RFP") to solicit proposals from consulting firms to conduct a comprehensive review of all aspects of its operations, including its Information Technology systems, public communications, management structure, vessel operations and fleet maintenance. The RFP is to be issued by Friday, May 18th, so that proposals will be received in time for the Board to consider them and award a consulting contract that is most advantageous to the SSA at their next meeting on June 19th.



# 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 12, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 3:30 p.m. on June 12, 2018, in the first floor meeting room of the SSA's administrative offices, located at 228 Palmer Avenue, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard); Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford) (who participated remotely by telephone conference).

1. Thomas Cahir, the Administrator of the Cape Cod Regional Transit Authority (CCRTA), presented the Board with a facsimile check in the amount of \$1,571,420, representing the SSA's 50% share of grant funds the CCRTA recently has received from the Federal Transit Administration (FTA) based upon a full year of traffic data the SSA submitted to the National Transit Database for its 2015 activities. Under the terms of the FTA grant, the SSA can now use those grant funds for its preventative maintenance programs.
2. SSA General Manager Robert B. Davis announced that Sean Driscoll has accepted the SSA's offer to become its new Communications Director, and that he will be joining the SSA on June 25th to begin working with the rest of the staff to integrate a communications program both internally and with respect to all of the SSA's communications with the media and the public. These communications will include getting the SSA on social media so that it can better share SSA news and service announcements, reviewing the process by which the SSA issues trip alerts and travel advisories, and increasing its community outreach. The SSA is also looking to developing a mobile app, establishing an Operations and Communications Center, and launching SKIDATA's application of its sweb.Wallet mobile ticketing app for smartphones for its fast ferry passengers and then for passengers on its traditional ferries as well. Finally, the SSA is evaluating its marketing efforts and is considering issuing a request for proposals for its advertising program to see how it can improve its advertising and image with the public.

3. Mr. Davis reported that, in order to reduce the long lines of customers buying tickets at the temporary Woods Hole terminal building, for the past two Saturdays the SSA has assigned ticket sellers in the morning at the Thomas B. Landers parking lot to sell tickets to customers while they waited to get onto the shuttle buses. This new service has been very well received by the SSA's customers and the SSA is planning to continue it on a regular basis through the summer.
4. Mr. Davis presented the staff's first monthly on-time trip performance report for the Martha's Vineyard route for the month of May 2018, which shows the reasons why trips leave late from each of the SSA's ferry terminals. (Going forward, the staff will be preparing these reports for both the Martha's Vineyard and the Nantucket routes.) Not surprisingly the reports showed that the principal reason that trips left late from Woods Hole during May 2018 was the construction that was going on at the Woods Hole terminal that month, which accounted for 54% of all of the delayed departures, especially for the freight boat trips. Nevertheless, 90% of the SSA's larger ferries arrived on time (within five minutes of their scheduled arrival times) at the Woods Hole terminal that month, and their on-time performance for arrivals at the Woods Hole terminal improved to 95% during the first seven days of June (and the on-time performance for freight boat arrivals at the Woods Hole terminal improved from 68% to 92%).
5. The Board approved the staff's proposed 2019 Winter and Spring Operating Schedules, which the SSA had advertised during March 2018 without receiving any public comments. The 2019 Winter Operating Schedules will run from January 3, 2019 through March 15, 2019; the 2019 Early Spring Operating Schedules will then run from March 16, 2019 through April 2, 2019; and the 2019 Spring Operating Schedules will then run from April 3, 2019 through May 14, 2019. The substantive changes from this year's Winter and Spring Operating Schedules are as follows:

Martha's Vineyard Route 2019 Winter Operating Schedule:

- The 6:30 AM trip from Woods Hole to Vineyard Haven and the 7:30 AM trip from Vineyard Haven to Woods Hole are scheduled to operate on Saturdays instead of being optional trips. In 2018, the optional 6:30 AM trip operated every Saturday in January and February except on January 6th, when it did not operate due to weather.
- The vessels assigned to this route are similar to 2018, with the exception that the *M/V Martha's Vineyard* will be back from its mid-life refurbishment and will operate the entire schedule (and the *M/V Woods Hole* would not operate during this schedule). The *M/V Martha's Vineyard* will also berth overnight in Vineyard Haven, with its first departure scheduled for 6:00 AM.
- The *M/V Island Home* will operate from January 3, 2019 to January 8, 2019 and from February 23, 2019 to March 15, 2019. The *M/V Nantucket* will operate this schedule from January 9, 2019 to February 22, 2019. In 2018, the *M/V Island Home* operated from January 5, 2018 to January 10, 2018 and the *M/V Woods Hole* operated from January 11, 2018 to March 14, 2018.

Martha's Vineyard Route 2019 Early Spring Operating Schedule:

- The only change to this schedule as compared to 2018 is that the freight vessel *M/V Woods Hole* will operate in place of the *M/V Katama*. It will continue to be berthed overnight in Vineyard Haven with the first departure at 5:30 AM.

Nantucket Route 2019 Winter Operating Schedule:

- The *M/V Gay Head* will be scheduled to operate two (2) round trips Monday through Saturday with optional service of two (2) round trips on Sunday. The *M/V Gay Head* will also have the option of operating three (3) round trips, 7 days a week if needed, although this would require the *M/V Gay Head* to be tripled crewed in 2019 compared to being double crewed in 2018.

Nantucket Route 2019 Spring Operating Schedule:

- The *M/V Sankaty* will have the ability to operate a third round trip Monday through Friday, if needed, which will require the *M/V Sankaty* to have two single crews in 2019 compared to one single crew in 2018.

6. SSA General Counsel Steven M. Sayers announced that the SSA received eight proposals in response to its Request for Proposals (RFP) from consulting firms to undertake a comprehensive review of the SSA's operations, including its vessel operations, fleet maintenance, management structure, public communications and information technologies. Mr. Sayers then reviewed with the Board the process that will be used to evaluate those proposals. Currently, the Board is scheduled to complete their evaluations of the consulting proposals at their June 19th meeting in public session, which will take place in Hyannis, and then open the firms' financial proposals so that they can determine which proposal is the most advantageous to the SSA.
7. Mr. Davis provided an update of the status of the completion of the remaining items on the punch list for the SSA's new administrative offices at 228 Palmer Avenue in Falmouth, which is much shorter and nearly completed. Specifically, Mr. Davis reported that:
  - While the HVAC contractor has addressed the air leaks in the ducts and has started up the chiller system for the air conditioner, upon the advice of the architect and general contractor, the staff has hired an engineering firm to perform a "commissioning" of the system pursuant to which they will test the system and verify its performance over an entire 12-month period.
  - The landscaping crew has been onsite for the past few weeks installing the landscaping around the building, and is in the process of planting hundreds of plants and reseeding the lawn.
  - The State Building Inspector has been onsite performing the final inspections before issuing the permanent occupancy permit.



8. Mr. Davis also provided an update on Phase 2 of the SSA's Woods Hole terminal reconstruction project, reporting that:
  - Jay Cashman Inc. has completed work on the passenger loading platforms between Slips 1 and 2.
  - Bus shelters have been placed on the plaza to offer people some protection from the elements while they are waiting for buses.
  - Tents have been erected between Slips 1 and 2 to similarly offer passengers waiting to board the ferries some protection from the elements.
  - Cashman has installed mooring bollards for Slip 3 so that the SSA's vessels will be able to berth there this summer, reattached the protective material on the center dolphin monopile between Slips 1 and 2, completed the restoration work on the corner fender on the south side of the wharf, and installed a temporary catwalk to allow dockworkers access to the north side of Slip 1.
  - Cashman also has continued work on the excavation of the wharf and, this past Monday, it began loading its equipment back onto its barge in preparation for leaving the site by the end of this week for the summer.
  - The site contractor is continuing to work on the pre-load area to compact the peat, and this week it will pave outside the work area for pedestrian and vehicle access over the summer.
  
9. Mr. Davis also provided an update on the *M/V Martha's Vineyard* midlife refurbishment project, reporting that there were just a few punch list items that Senesco still has to complete. The biggest remaining issue with the vessel is the fact that the side passenger doors leak and there was not enough time to replace the doors this spring. Accordingly, the doors will be replaced next fall when the vessel is back in repair and, meanwhile, Senesco has created troughs under the doors to catch that water where it is leaking. Mr. Davis also noted that Monday the *M/V Martha's Vineyard* was taken to Senesco to address an issue with one of its keel coolers leaking, which is a warranty item, but that the project took only one day and the vessel went back into service Tuesday afternoon.
  
10. The Board also approved the staff's proposed Budget Policy Statement, which sets forth the guidelines the staff will use when preparing the SSA's 2019 Operating Budget. SSA Treasurer/ Comptroller Gerard J. Murphy presented the Budget Policy Statement and noted that:
  - The operating budget's projected revenues will be based primarily on actual traffic statistics for what will then be the most recent 12 months (August 2017 through July 2018), although historical traffic statistics will also be taken into account.
  - The projected vessel operating expenses will be based on the approved 2019 Winter and Spring Operating Schedules and on the anticipated 2019 Summer and Fall Operating Schedules the staff will be proposing over the next few months.
  - The staff will identify significant terminal repairs and maintenance that will be needed.

- There are four vessels currently scheduled to be dry-docked during 2019 (the *M/V Martha's Vineyard*, the *M/V Nantucket*, the *M/V Woods Hole* and the *M/V Gay Head*).
  - For the most part, levels of employment will remain the same, but the budget will reflect a full year's cost of the two new custodial positions, the two new landscaper positions, the new Communications Director, and staffing for the new Operations and Communications Center, and there may be other position changes as a result of the anticipated management consultant's review of the SSA's operations.
  - The SSA's expected training expenses will take into account the continuation of a number of different training programs.
  - The SSA will continue to use information technology systems to improve customer service and reduce operating costs where possible. Specifically, the SSA will work to increase its presence on social media platforms and implement a dedicated mobile app, as well as the sweb.Wallet mobile ticketing app for smartphones and whatever other initiatives are undertaken as a result of the management consultant's review of the SSA's operations.
  - The budget's fuel costs will continue to be based on either the then-current forecasts for oil prices during 2019 (plus the premium cost of the hedging program) or next year's cap prices, whichever is lower. Currently the barrel price of crude oil is trading in the \$60-\$70 range, while a year ago it was trading in the \$45-\$50 range. Although the SSA is a little behind in its hedging program, the staff anticipates that the SSA's vessel fuel prices will be fully hedged for the entire 2019 calendar year by the time the Operating Budget is presented for approval in October 2018.
  - The budget will include a full year of depreciation for the new administrative office building and the cost of the *M/V Martha's Vineyard* mid-life refurbishment.
  - Sufficient fund balances will be maintained to meet the SSA's scheduled debt service requirements and to adequately fund cash transfers to the Replacement Fund in an amount not less than this year's anticipated transfers of \$9,417,000 but not to exceed the SSA's projected depreciation expenses for 2018, which is currently estimated at \$10,079,000.
  - The staff will make all efforts to minimize the need for any additional rate increases.
11. Mr. Murphy also reviewed with the Board 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 2017. With respect to the *Martha's Vineyard* route, Gerard noted that:
- (a) In 2017, the cost of service increased by 7.9%, principally due to increases in the dry-dock expenses, the addition of the *M/V Woods Hole*, and higher terminal costs at the Woods Hole, Vineyard Haven and Oak Bluffs terminals.
  - (b) The total number of trips operated increased by 279 in 2017, with resulted in an increase in total capacity and a decrease in the occupancy rate, although it remained just above 81%.
  - (c) The estimated cost of a car-equivalent unit space was \$55.09 in 2017, an 11.0% increase from 2016. On average, automobiles covered 87.0% of their allocated cost

of service, with excursion fare automobiles covering 35.9%. By comparison, on average, trucks covered 103.4% of their allocated cost of service, with excursion fare trucks covering 51.4%.

With respect to the Nantucket Route, Mr. Murphy noted that:

- (a) In 2017, the cost of service was virtually the same as in 2016, with vessel operating expenses increasing by 3.4% (mainly due to the increased usage of the M/V Woods Hole on this route) and non-vessel operating expenses decreasing by 4.0%.
- (b) The total number of trips operated increased by 110 in 2017, which resulted in an increase in total capacity and a decrease in the occupancy rate, although it remained around 86%.
- (c) The estimated cost of a car-equivalent unit space was \$129.10 in 2017, a 1.5% decrease from 2016. On average, automobiles covered 116.9% of their allocated cost of service, with excursion fare automobiles covering 41.7%. By comparison, on average, trucks covered 89.8% of their allocated cost of service, with excursion fare trucks covering 51.4%.

At the conclusion of the meeting, the SSA's 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 meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, June 19, 2018, in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. The time, date and place of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website later this week. 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 19, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on June 19, 2018, 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 Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard); Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

1. The Board started the meeting by taking care of a housekeeping matter and adopting an updated Bond Resolution authorizing SSA Treasurer/Comptroller Gerard Murphy to issue and sell on behalf of the SSA up to \$18,000,000 of Steamship Bonds on a competitive basis no later than December 31, 2018 pursuant to an Official Notice of Sale, at a price not less than par and accrued interest. At their March 20, 2018, the Board had approved an earlier version of the Bond Resolution, and the version adopted by the Board today simply updates information in the Resolution now that the date of the sale of the bonds is approaching. The SSA expects to sell the bonds in late July, and the proceeds from the sale, along with any bond premium received, will be used towards the reconstruction of the waterside facilities at the Woods Hole ferry terminal and to pay for the costs of issuing the bonds.
2. The Board then evaluated the eight proposals the SSA received last week in response to its request for proposals from consulting firms to undertake a comprehensive review of the SSA's operations, including its vessel operations, fleet maintenance, management structure, public communications and Information Technology systems. Ultimately, the Board selected two finalists for the contract. HMS Consulting and Technical, LLC, who proposed providing the consulting services for \$217,976, is the first-ranked finalist and, accordingly, will be awarded the contract if the SSA is able to negotiate certain revisions to its proposed contract. If those negotiations are not successful, the second-ranked finalist is KPFF Consulting Engineers, who proposed providing the consulting services for \$556,000.

HMS, which is comprised of a small group of professional mariners with extensive project management, operational and engineering backgrounds, has assembled a team for the project which includes Glosten Associates, Inc., a full-service consulting firm of naval architects, marine engineers and ocean engineers, and Rigor Analytics, LLC, which has expertise in integrated multi-channel global marketing strategy and systems, advanced analytics and segmentation, and application development to help businesses maximize their public relations, marketing, website, call center and operational systems. HMS anticipates that it will take around three months for their team to complete its analysis of the SSA's operations and issue a final report.

The next meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, July 17, 2018, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. The time, date and place of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website later 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 17, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on July 17, 2018, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. Four Board Members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford). Marc N. Hanover (Martha's Vineyard) was absent.

1. SSA General Manager Robert B. Davis provided an update on the status of Phase 2 of the SSA's Woods Hole terminal reconstruction project. Specifically, he reported that:
  - Jay Cashman, Inc. left the site last month after completing work for the season and it will not resume construction work until after Labor Day.
  - Cashman is meeting periodically over the summer with SSA Project Manager Bill Cloutier and the SSA's architects and engineers to plan for this fall's work.
  - The staff has revisited the design of what will be the new permanent Woods Hole terminal building and has requested some design element alternatives from the architects. Mr. Davis stated that he hopes to present those alternatives to the Port Council, the SSA's Board and the community in the near future.
  - The staff also has investigated whether the temporary terminal building can be used for one or more additional years, which would allow the SSA to postpone the construction of the new permanent terminal building, thereby relieving some pressure on its capital budget and providing it with the opportunity to review the new traffic patterns at the terminal that result from the three new ferry slips' positions. But Mr. Davis reported that delaying the construction of the terminal building would create some additional complications for the project, and that the SSA also would need to discuss this with the State Building Inspector, who has stated that he will not support an application to extend the variances the SSA received in order to build the temporary terminal building.

- The SSA’s architects are also working on a more permanent structure to replace the tents that the SSA erected by the ferry slips a few months ago, because the SSA erected the tents as “temporary” structures under the State Building Code and, as a result, they cannot be used for more than 180 days.
2. Mr. Davis also provided an update on the *M/V Martha’s Vineyard* midlife refurbishment project, reporting that:
- While there are still five or six items on the punch list, the biggest remaining issue is the fact that the vessel’s side passenger doors are not watertight. Because the doors cannot be replaced until next fall when the vessel is back in repair, Senesco Shipyard created troughs under the doors this spring as a temporary measure in order to catch water where it is leaking.
  - The SSA also has been addressing the HVAC situation onboard the vessel. After the units nearest the lunch counter section of the 02 deck failed, the SSA ordered a replacement circuit board but that failed as well. This past week a manufacturer’s technician was onboard diagnosing the problems and making repairs, and temperatures in that area have become more acceptable (although portable units are still being used as well). Meanwhile, the SSA continues to clear the drains for the HVAC units so that condensation can be collected and drained without overflowing onto the deck.
  - The staff also is continuing to work with Senesco on the project’s status and the items that still remain open, and is now scheduled to meet again with them later this month.
3. As previously reported, in May 2018, the Board voted to have a consulting firm undertake a comprehensive review of the SSA’s operations, including its vessel operations, fleet maintenance, public communications and information technology systems. In June, they awarded the consulting contract to HMS Consulting and Technical (HMS). Today the Board approved HMS’s proposed Project Plan and, pursuant to the Plan, HMS will be conducting their first site visit next week to observe the SSA’s operations and converse with Board and Port Council members, the staff, employees and other stakeholders. Both the Board and Mr. Davis feel strongly that HMS needs to talk directly with the SSA’s vessel, terminal, and maintenance employees to get a better sense of where its problems lie and how they might be able to be fixed. Therefore, the SSA is making arrangements for HMS to talk with employees from those areas of its operations. HMS’s current schedule of their planned activities include:
- On Tuesday, July 24, the SSA hopes that HMS can talk with the Senior Captains and Senior Chief Engineers of the *M/V Martha’s Vineyard* and the *M/V Governor* in Woods Hole before riding on the *M/V Island Home* to Vineyard Haven, and then with officers and crew members of the *M/V Island Home* in transit as well as officers and crew members of the *M/V Martha’s Vineyard* on their return trip from Oak Bluffs.
  - While at the Woods Hole, Vineyard Haven and Oak Bluffs terminals on Tuesday and Wednesday, July 24 and 25, the SSA hopes that HMS can talk with terminal employees while they observe vessels’ arrivals, discharges, loading and departures at those terminals.

- While at the SSA’s Fairhaven Vessel Maintenance Facility on Wednesday, July 25, the SSA hopes that HMS can talk with representative Maintenance Department employees.
- While at the Hyannis and Nantucket terminals on Thursday, July 26, the SSA hopes that HMS can talk with terminal employees while they observe vessels’ arrivals, discharges, loading and departures at those terminals. Also on that day, the SSA hopes that HMS can talk with officers and crew members of the *M/V Iyanough* as they are in transit from Hyannis to Nantucket, and the officers and crew members of the *M/V Woods Hole* on their return trip from Nantucket to Hyannis.

HMS will talk with all of these employees without any supervisors or management staff members present. The SSA also has assured its employees that they can say anything they want to HMS without fear of any retaliation. Further, HMS has assured the SSA that, in their report, no names will be used and no individual will be directly quoted.

4. Mr. Davis also presented the preliminary version of the staff’s proposed 2019 Summer and Fall Operating Schedules for discussion purposes only. By and large the staff is not proposing any significant changes next year from what the SSA is operating this year, except for which vessels will be assigned to provide service during these time periods. The starting and ending dates of the proposed schedules for both the Martha’s Vineyard route and the Nantucket route differed from this year, as follows:

<u>Operating Schedule</u>	<u>Current 2018</u>	<u>Proposed 2019</u>
Early Summer	May 11 – June 18	May 15 – June 19
Summer	June 19 – Sept. 7	June 20 – Sept. 8
Late Summer	Sept. 8 – Oct. 22	Sept. 9 – Oct. 23
Fall	Oct. 23 – Jan. 2, 2019	Oct. 24 – Jan. 3, 2020

Because the “spruce-up” period for the SSA’s vessels, which falls during the Early Summer Operating Schedules, tends to be more dynamic than other repair boat periods, the staff is proposing to wait until the spring to make any decisions about how many days each vessel is going to need to be in the SSA’s Fairhaven Vessel Maintenance Facility for its “spruce up.” Accordingly, the staff is proposing that the Early Summer Operating Schedules for both routes not specify which days each vessel will be assigned to provide service, but instead simply note that the dates when each vessel is in service will be determined based upon the repair schedule.

The other proposed changes from this year’s Summer and Fall Operating Schedules are as follows:

Proposed Martha’s Vineyard Route Early Summer Operating Schedule:

- During the 2018 Early Summer Operating Schedule, the last daily round trip of each of the two freight boats (Trips 224, 225, 226 and 227) was scheduled to operate Fridays, Saturdays, Sundays and holidays, which required the SSA to operate those trips even when they were not needed. During the proposed 2019 Early Summer Operating



Schedule, those trips are designated as unscheduled freight trips which are available to operate if needed.

Proposed Martha's Vineyard Route Summer Operating Schedule:

- The staff is proposing to provide the same number of trips with the same vessels that are being operated during the 2018 Summer Operating Schedule. However, because the SSA is still gaining experience with the five-boat schedule during this period, there may be some proposed changes to the scheduled departure and arrival times of some of those trips.

Proposed Martha's Vineyard Route Late Summer Operating Schedule:

- The staff is proposing to again designate that last daily round trip of each of the two freight boats (Trips 224, 225, 226 and 227) as unscheduled freight trips which are available to operate if needed.
- The *M/V Sankaty* is scheduled to provide service on this route during the 2018 Late Summer Operating Schedule and then it was going to be dry-docked when its bow thrusters were going to be replaced. However, the staff since has realized that all of the necessary work would not be able to be completed, and the plans would not be able to be approved by the United States Coast Guard, within the time allotted for the project this year. Accordingly, the staff is proposing to defer the *M/V Sankaty's* dry-dock and replacement of its bow thrusters until September 2019, which will mean that during the Late Summer Operating Schedule next year the *M/V Katama* will provide service on this route instead of the *M/V Sankaty*.

The staff is also proposing that the SSA continue operating the 5:30 a.m. freight trip from Woods Hole during the 2019 Early Summer, Summer, and Late Summer Operating Schedules with smaller trucks on that trip, but that again there would be no 5:30 a.m. freight trip from Woods Hole during the 2019 Fall Operating Schedule. During the Fall schedule, the freight boat would be berthed at Vineyard Haven and its first trip would leave from there at 5:30 a.m.

Proposed Nantucket Route Early Summer Operating Schedule:

- The staff is proposing to schedule a third round trip with the *M/V Sankaty* on Mondays through Fridays instead of having that trip be an unscheduled freight trip which is available to operate as needed, as this past year the third round trip ended up being needed more often than not.
- Although the proposed Early Summer Operating Schedule has all three vessels on this route triple-crewed for six days from Friday, May 24, 2019, through Wednesday, May 29, 2019, due to manning schedules, it probably will not be necessary to provide all of the trips shown during that time period after Tuesday, May 28, 2019.

Proposed Nantucket Route Late Summer Operating Schedule:

- The staff is proposing that the SSA defer deciding whether to assign one single crew or two single crews to the *M/V Gay Head* during the Late Summer Operating Schedule, but rather basing that decision on the number of freight reservation requests the SSA receives for this time period.

Proposed High-Speed Ferry Schedule:

- Other than starting on day later and ending one day later than this year, no changes are being proposed to the high-speed ferry schedule compared to this year's schedule.

The SSA will be advertising the proposed schedules in local newspapers and on its website seeking public comment, and the staff plans to present final versions of the schedules for approval at the September 2018 meetings of the Port Council and the Board.

5. Over the years, the SSA has had a very good relationship with Peter Pan Bus Lines in arranging for passengers on their last daily bus trip from Boston to Woods Hole to be able to catch the SSA's last ferry trip from Woods Hole to Martha's Vineyard. However, a month ago there was an occasion when the SSA had not received any notifications from Peter Pan about the location of its last bus from Boston and, at 9:45 p.m., the terminal employees let the last boat depart for the island. The bus then arrived in Woods Hole five minutes later and, although the bus driver had tried calling the SSA, he did not have the correct telephone number. In this instance there were some college students returning to the island and, due to their age, they had some difficulty securing overnight lodging.

To prevent these situations from happening in the future, the Woods Hole terminal agents now have Peter Pan's GPS app so that they can see where the bus is at any given time. In addition, if the bus does not arrive at the Woods Hole terminal by 9:40 p.m., the agents now have the telephone number for Peter Pan's dispatch office so that they can call and find out the status of the bus.

The *M/V Martha's Vineyard* is usually the boat that operates the SSA's last daily trip from Woods Hole at 9:45 p.m., and it is the same boat which is scheduled to leave the island at 6:00 a.m. the following morning. The schedule is designed to allow the vessel to take 45 minutes to sail to the island (arriving there at 10:30 p.m.), to then allow the crew one-half hour to shut down the vessel (finishing at 11:00 p.m.) and get their required six hours of rest (through 5:00 a.m.) before beginning the one-hour scheduled vessel start-up procedures so that the boat can depart at 6:00 a.m. Although the vessel can make up some time during the trip if it were to leave late from Woods Hole, and potentially some of the vessel's shut-down and startup times could be reduced, a late departure for the vessel's last trip at night generally will result in a delay of its first trip the following morning, which then has a domino effect through the rest of the morning, particularly because of its short 15-minute turnaround time in Woods Hole after it is scheduled to arrive there at 6:45 a.m. and then leave once again for the island at 7:00 a.m. Thus even though the SSA is taking a more proactive approach with Peter Pan and checking on the status of its last bus from Boston, there still may be occasions when the estimated time of arrival for that bus in

Woods Hole is beyond the time when the last boat to Martha's Vineyard has to leave. Therefore, the SSA is continuing to work with Peter Pan to try to improve their travel connections and also has had some discussions with local hotels and guest houses who might be able to provide lodging for customers if they still miss the last boat home.

6. During the *M/V Martha's Vineyard's* mid-life refurbishment, when its pilot house and most (if not all) of the associated gear and equipment were replaced, some of the equipment was retained in the event the SSA needed to use them as replacements on one of its vessels. Included in those retained items was the vessel's "Steering Stand." The SSA since has determined that the *M/V Martha's Vineyard's* Steering Stand is obsolete for any of its vessels' needs, and today the Board agreed with the staff's request to declare the Steering Stand surplus property and donate it to SUNY Maritime College, which has the same steering stand aboard the *TS Empire State VI* and has a use for the Steering Stand as a spare.
7. The Board authorized SSA Treasurer/Comptroller Gerard Murphy to transfer \$14,000,000 from the SSA's Bond Redemption Account to the Replacement Fund. In accordance with the SSA's 2018 Capital Budget, the staff originally had anticipated transferring \$12,000,000 from the Bond Redemption Account to the Replacement Fund to fund the SSA's various capital projects, but the SSA increased the amount of the transfer to \$14,000,000 as a result of updated capital project cost estimates. (Pursuant to the SSA's Enabling Act, funds in the Bond Redemption Account can be used to purchase or redeem Steamship Bonds or can be transferred to the Replacement Fund to be used for any purposes for which bonds may be issued.)
8. The Board also authorized Mr. Davis to purchase the firewall components for an upgrade to the SSA's web environment, which supports all of its online functions relative to website access, online reservations, monthly e-News, and various other in-house applications. The cost of the components is \$69,842 (and an additional \$86,729 for associated support for five years), and they are being purchased from IntraSystems, Inc., of Braintree, Massachusetts through a state vendor contract. Additional purchases for the upgrade project will be forthcoming after the firewall portion is configured.
9. The Board also extended their sincere best wishes to Captain Bruce Malenfant on his recent retirement. Captain Malenfant retired with over forty years of dedicated service to the SSA, including most recently as Senior Captain of the *M/V Iyanough*.
10. The Board also acknowledged that, after 26 years, this was Steven Sayers's last Board meeting as the SSA's General Counsel. At the end of the month, Terence Kenneally will assume that role, although Mr. Sayers will continue to serve the SSA after July 31st in a part-time capacity.

At the conclusion of the meeting, the SSA's 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 meeting of the SSA's Board is currently scheduled for 10:00 a.m. on Tuesday, August 28, 2018, in the Harbor View Gallery Room of the New Bedford Whaling Museum, located at 18 Johnny Cake Hill, New Bedford, Massachusetts. The time, date and place of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website later this week. 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 28, 2018

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The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting Tuesday, August 28, 2018, in the Harbor View Gallery of the New Bedford Whaling Museum. Five Board Members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard), Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

1. Mr. Davis provided an update on the status of the Woods Hole terminal building design. Specifically, Mr. Davis reported that:
  - The Authority has investigated whether the temporary terminal building can be used for one or more additional years, which would allow for the postponement of construction of the new permanent terminal building, thereby relieving some pressure the capital budget and providing the Authority with the opportunity to review the new traffic patterns at the terminal that result from the three new ferry slips' positions. But Mr. Davis reported that delaying the construction of the new terminal building would create some additional complications for the project, and that the Authority also would need to discuss this with the State Building Inspector, who has stated that he will not support an application to extend the variances received in order to build the temporary terminal building.
  - The Authority's architects, BIA.studio, have designed a more permanent structure to replace the tents that were erected by the ferry slips a few months ago because those tents are deemed "temporary" structures under the State Building Code and, as a result, they cannot be used for more than 180 days. The permanent tent design will cover roughly the same footprint as the two temporary structures now in place, which each measure 20 feet by 40 feet, although instead of two tents it would be one structure. The proposed tent is in an "L" shape with a pitched roof, covered in waterproof fabric and framed with galvanized steel to withstand the elements.
  - Chris Iwerks and Lian Davis of BIA.studio provided an update on the terminal building design, including the expansion of the pergola to cover three of the building's four sides, covering the pergola with glass to provide more shelter and

designing four 16-foot-by-16-foot umbrellas that can be placed in the plaza to provide more shelter during warm weather.

- As construction will be resuming after Labor Day weekend, the weekly community emails with updates on the project will resume August 31. The Authority has sent 23 such emails to date to members of the community and other interested parties.

2. In May 2018, the Board voted to have a consulting firm undertake a comprehensive review of the Authority's operations, including vessel operations, fleet maintenance, public communications and information technology systems. In June, the Board awarded the consulting contract to HMS Consulting and Technical (HMS). HMS Consulting, Rigor Analytics and Glostten Associates were on site at the Authority during the week of July 23rd and, earlier this month, Mr. Davis traveled to Seattle to meet with HMS Consulting. Rigor Analytics returned to the Authority this past Friday, August 17th, to continue their questioning relative to the communications and information technology pieces of the review.

Currently, the consultants are working on their draft of a "root cause analysis." HMS has requested that certain members of the staff and other SSA employees who have the most knowledge of these incidents to be available early next month for a video conference to have an opportunity to correct or clarify any findings that may have been arrived at through inaccurate information. The conversations are expected to be mostly technical in nature and input from the staff will be limited to correcting any material inaccuracies. From there HMS will assemble their findings and recommendations, although a secondary conference call maybe required for the Rigor Analytics "root cause analysis" as well.

3. Mr. Davis presented the staff's proposal to reinstate the 10-ride Ferry Pass cards. At the February 20, 2018 meeting, the Board supported the Staff's request to limit the usage of the coupons from each RFID card to one individual per trip for the 10-ride Ferry Pass Cards. This change was requested following discussions with the Massachusetts Department of Revenue regarding the Passenger Embarkation Fee Statute that requires the Authority to collect and embarkation fee of \$.50 for each passenger.

When the original Passenger Embarkation Fee Statute was passed in 2003, commuter excursion fares – which are fare paid for through the purchase of a book of multiple tickets or through the Authority's Islands Preferred Excursion Program – were exempt from the embarkation fee. In 2003, the Legislature did not restrict the number of tickets that exempt passengers could use at one time because none of the ferry operators, including the Authority, were then allowing customers to use more than one ticket from a ticket book per trip. In 2007, changes were made to the Authority's 10-ride coupon book policy that allowed customers to use multiple coupons per trip from the same ticket book for travel on the Authority's traditional ferries.

Then at the March 20th meeting, the Members approved changes to the sale of the multiride ticket books or RFID cards for travel on the Authority's traditional ferries. The

changes included reducing the minimum number of tickets sold in books/RFID cards, now called Lifeline Cards, to 5.

To address concerns from our customers, Staff recommended reinstating the original 10-ride Ferry Pass Cards that allowed customers to use multiple coupons per trip from the same card for travel on the Authority's traditional ferries at their previous prices plus the corresponding \$5.00 embarkation fee (\$0.50 per ticket). Staff also recommended only selling the 10-ride RFID cards at the Nantucket, Oak Bluffs and Vineyard Haven terminals to reduce the incidences of the books being purchased by one-off travelers instead of more frequent travelers to the Vineyard or Nantucket. Once purchased, the 10-ride cards would be able to be reloaded in person at any of the ticket offices or online.

Following discussion, the Board voted to table the matter for one month to allow staff to bring more information to them, including the ticket prices at various discounted rates, and to consider if the tickets should be sold at all of the Authority's terminals.

4. Mr. Davis presented the Members a report on the vehicle occupancy percentage rate for both routes on a monthly basis. The report was in response to a request from Ms. Gladfelter at the June 12, 2018 Board meeting, at which staff presented the 2017 Analysis of Rates versus Cost of Service study. During the discussion portion of that presentation, Ms. Gladfelter asked if the staff could provide the Members with more detail than a year-round average.

The revised report was prepared using monthly data by route as opposed to the earlier version, which was prepared using data by vessel. On the Martha's Vineyard route, vehicle deck occupancy for both directions combined in 2017 averaged 81.2% overall, with a low of 72.6% occupancy in January and a high of 88.5% in July. On the Nantucket route, vehicle deck occupancy for both directions combined in 2017 averaged 85.6% overall, with a low of 81.3% occupancy in April and a high of 90.5% in August.

5. As the Authority previously reported back in the spring, the staff had a meeting with State Senator deMacedo and members of the Southeastern Massachusetts Regional Transportation (SMART) group, at which staff discussed some of the challenges of starting a freight ferry service between New Bedford and Martha's Vineyard. Staff also reviewed the recent report issued by the New Bedford Port Authority that indicates that it would prefer to have any freight ferry facility located at the city's North Terminal, which is north of the New Bedford-Fairhaven Bridge that has been deemed to be functionally obsolete and needs to be repaired at an estimated cost of \$40,000,000 or replaced at an estimated cost of \$100,000,000. Nevertheless, staff assured Senator deMacedo that the Steamship Authority is willing to continue to explore the feasibility of such a freight service that makes sense for both New Bedford and the islands and will listen to all interested parties on this matter.

The Authority also understands that the City of New Bedford would like the State Pier to be used for other purposes, and the development of the North Terminal could be years

away. The staff also had met with a representative from MassDevelopment, which has taken over management of the New Bedford State Pier and is still evaluating its current and potential uses. Staff believes that MassDevelopment understands that the Steamship Authority is interested in exploring options for a freight ferry service by a private carrier from the State Pier, but MassDevelopment first has to determine the pier's best uses.

Earlier this month, Governor Baker signed State Senator Mark C. Montigny's State Pier language into law as part of the most recent economic development bill. The amendment, filed by Sen. Montigny (who represents New Bedford), authorizes the Commonwealth to lease State Pier to MassDevelopment for up to 35 years for public purposes that include mixed-use development permitting an array of projects, including cargo, commercial fishing, marine educational facilities, fresh produce and fish markets, and capital improvements related to tourism and public recreation.

Senator Montigny and Mayor Mitchell have been tireless advocates of restoring and redeveloping State Pier into a multiuse facility for cargo, fishing, and marine transportation. These improvements within the port of New Bedford will further tourism, public recreation and other economic development, and the Steamship Authority wants to be respectful of these efforts.

6. Treasurer/Comptroller Gerard J. Murphy presented an update on the Authority's price hedging program. Following the volatility in the energy markets in 2008, the Authority instituted a Commodity Price Hedging Program intended to manage the risk of a significant segment of the Authority's operational costs. The hedging program does not attempt to eliminate all risk; rather, it attempts to transform unacceptable risk into an acceptable form, much like an insurance policy.
7. The Board also authorized Mr. Davis to execute several contracts, specifically:
  - Contract 07-2018 for Dry-Dock and Overhaul Services for the M/V Eagle to Thames Shipyard and Repair Company of New London, Connecticut, for \$1,637,917. The M/V Eagle is scheduled to enter shipyard availability from October 23, 2018, to December 6, 2018, to undergo a required U.S. Coast Guard hull exam; rudder, propeller and shaft maintenance; sewage tank rehabilitation; steer gear upgrade; installation of a new rescue boat davit; hull and freight deck steel replacement; and blasting and painting of the ship's exterior surfaces.
  - Contract 08-2018 for Sewage Pump-Out Modifications – Woods Hole and Vineyard Haven to Robert B. Our Co. Inc. of Harwich, Massachusetts, for \$1,263,000. The existing pump-out system in Vineyard Haven was flooded in the early March storms and all the mechanical and electrical equipment was damaged beyond repair. The modifications leave the sewage holding tanks in below-ground concrete chambers but all the mechanical and electrical equipment will be replaced and installed in an above-ground pump house that is less likely to get flooded. In Woods Hole, existing sewage tanks will be moved and equipment in the concrete chambers will be moved to new chambers above the flood plain elevation in the employee parking lot. The



sewage discharge pipe will also be rerouted from a gravity sewage manhole at the bottom of Railroad Avenue to the town's forced main sewage line that runs across our property.

- Contract 09-2018 for the Woods Hole Terminal Temporary/Permanent Canopy Structure to PAQCON of Sagamore Beach, Massachusetts, for \$186,000. As Mr. Davis previously discussed, this will provide protection for our passengers during the winter months and in inclement weather with a permanent canopy structure with a permanent foundation that will meet the state building code requirements. The canopy will be used until the new Slip 2 (middle slip) is completed.

The board also authorized Mr. Davis to execute a change order to Contract #13-2017R, Vineyard Haven Seawall Repairs, for additional quantities of unit-priced items in the amount of \$142,602. While performing repairs to the seawall and expansion joints at the Vineyard Haven Terminal, additional quantities of unit-priced items were found to be required outside the original contract. Extensive subsurface spalling was found while cutting and excavating for the expansion joint system that was unforeseen during the engineering phase of the project. Additionally, cracking had occurred to the existing seawall between the design phase and project mobilization.

At the conclusion of the meeting, the SSA's 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 meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, September 25, 2018, in the Discovery Room of the Nantucket Whaling Museum, 15 Broad Street, Nantucket, Massachusetts. The time, date and place of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website. 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 25, 2018

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The members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA" Board held their monthly meeting Tuesday, September 25, 2018 in the Discovery Room of the Nantucket Whaling Museum. Five members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard), Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford) (who participated telephonically).

1. General Manager Robert B. Davis provided an update on the Authority's traffic figures through August 2018. Through that time period, the Vineyard route had the third-highest historical amount of passenger traffic for the summer, just slightly below the three-year average but above the five-, ten-, twenty- and twenty-five-year averages. On the Nantucket route, passenger traffic was the fifth-highest historical amount year-to-date through the end of August, below the three- and five-year averages but above the ten-, twenty- and twenty-five-year averages.

While the Authority had operational issues in March and April, overall since then on the Vineyard route, individual monthly totals for May, June, July and August were the second, second, third and third-highest, respectively, over the last twenty-six (26) years. On the Nantucket route, the same months were second, third, fourth and fifth-highest, respectively. Mr. Davis thanked the Authority's ridership for making the Steamship Authority their way to go to the islands.

2. Mr. Davis provided an update on the status of the Woods Hole terminal reconstruction project. Specifically, he reported that:
  - The contractor, Jay Cashman Inc. has mobilized at the site in recent weeks and Lawrence Lynch Corp. has removed the debris pile and concrete blocks used to compress the peat. The arrival of barges at the site had been delayed due to weather,

but Jay Cashman soon will start excavating and removing the remaining soils to the depth of the new Slip No. 3 while, at the same time, a crane on land will start the new sheet piling for the pier. Jay Cashman will be driving fifty-one 16- or 18-inch diameter pipe piles to depths of up to approximately 110-130 feet and nine 8-foot diameter mono-piles 120 feet in length. The current construction schedule calls for the piles to be driven by year-end, making this an aggressively scheduled season but we remain confident Jay Cashman can accomplish the planned work within that timeframe.

- So far, the Authority has sent 27 community emails to interested parties on what to expect in coming weeks with the project.
3. Mr. Davis provided an update on the work of HMS Consulting, Rigor Analytics and Glostn Associates, specifically their ongoing questioning relative to all aspects of the comprehensive review of the Authority's operations, including its vessel operations, fleet maintenance, public communications and information technology systems. Earlier this month, a video conference call was held to discuss some technical aspects of the consultants' study and for the staff, including vessel personnel, to make sure the consultants had accurate information. The consultants are still going through their "root cause analysis" and have made additional data requests on what they feel may be "causal factors". A second video conference call is planned for communications and information technology issues, although no timeline has been set for that call.

The incidents that the consultants are focusing on are:

- 1) The soft grounding of the *M/V Woods Hole* in March
- 2) The failed generator issue on the *M/V Martha's Vineyard* in March,
- 3) The May 5th incident with the *M/V Martha's Vineyard* in which the vessel lost power leaving the dock and
- 4) The delay in the *M/V Island Home* coming back into service from its repair period.

Following that, HMS will be preparing their report for what is now expected to be a late October or early November release.

4. The Board approved the 2019 Summer and Fall Operating Schedules, which run from May 15, 2019, to January 3, 2020, starting four (4) days later and ending one (1) day later than 2018 on both routes. Generally, the Authority is not making any significant changes next year from this year's schedules, except for which vessels will be assigned to provide service during these time periods. The starting and ending dates of the schedules for both the Martha's Vineyard route and the Nantucket route are as follows:

<u>Operating Schedule</u>	<u>Current 2018</u>	<u>Proposed 2019</u>
Early Summer	May 11 – June 18	May 15 – June 19
Summer	June 19 – Sept. 7	June 20 – Sept. 8
Late Summer	Sept. 8 – Oct. 22	Sept. 9 – Oct. 23
Fall	Oct. 23 – Jan. 2, 2019	Oct. 24 – Jan. 3, 2020

On the proposed Martha’s Vineyard early summer schedules, the *M/V Governor*, *M/V Island Home*, *M/V Martha’s Vineyard*, and *M/V Woods Hole* will be triple-crewed, with some substitutions by the *M/V Nantucket* during “spruce up” periods for some vessels. On the Nantucket route, the *M/V Eagle*, *M/V Gay Head* and *M/V Sankaty* will operate on the early summer schedule, again with the *M/V Nantucket* substituting during “spruce up” periods.

On the summer schedules, the Vineyard route will include the *M/V Island Home*, *M/V Martha’s Vineyard*, *M/V Governor* and *M/V Nantucket*, all triple-crewed, and the *M/V Sankaty* will be single-crewed. On the Nantucket route, the *M/V Eagle* and *M/V Woods Hole* will be triple-crewed, as will the *M/V Gay Head*, although the *M/V Katama* will substitute for the *M/V Gay Head* when it is in repair.

On the proposed late summer schedules, which start one day later and end one day later than in 2018, the Vineyard route will see no changes in operating schedules or vessel assignments, while on the Nantucket route the only change is the optional third trip for the *M/V Gay Head*.

The fall schedules, which start one day later and end one day later than in 2018, would see no changes to the trip times, quantity or crewing on both routes. On the Martha’s Vineyard route, the *M/V Martha’s Vineyard*, *M/V Island Home* and *M/V Woods Hole* would be triple-crewed, with the *M/V Nantucket* operating in place of the *M/V Martha’s Vineyard* during its repair period and the *M/V Katama* operating in place of the *M/V Woods Hole* when that vessel switches to the Nantucket run. Then on the Nantucket route, the *M/V Eagle* would be triple crewed and the *M/V Nantucket* will operate in place of the *M/V Eagle* when it is in repair. The *M/V Gay Head* would be triple crewed, running three round trips Monday through Friday and two round trips Saturday and Sunday. The *M/V Woods Hole* will operate in place of the *M/V Gay Head* from December 5th to January 3rd.

The high-speed schedule will start one day later and end one day later but, otherwise, it will have no changes in trip times, quantity of available trips or vessel crewing.

5. The Board approved staff’s proposal to reinstate the 10-ride Ferry Pass cards. To address concerns from customers, Authority staff recommended reinstating the original 10-ride Ferry Pass Cards that allowed customers to use multiple coupons per trip from the same card for travel on the Authority’s traditional ferries at their previous prices plus the corresponding \$5.00 embarkation fee (\$.50 per ticket). The Ferry Pass will be

available for purchase at any of the Authority's terminals and can also be reloaded in person at any of the ticket offices or online.

The Lifeline Card, which requires a minimum purchase and reload of five (5) rides, will continue to be sold and remains exempt from the \$0.50 embarkation fee per ticket as only one use per trip will be allowed.

6. The Board approved a change to the Authority's travel policy for medical appointments. Currently, the threshold for the reduced rate (which is a 50% discount off the excursion rate) had been ten (10) medical appointments within a three-month period. Following discussions with an organization on the Vineyard, staff recommended lowering the threshold to five (5) appointments within a three-month period, and also added that any follow-up appointments within a 12-month period window would also qualify. The Authority also will track other inquiries that do not initially qualify for the reduced standard to determine if further revisions to the policy may be in order down the road.
7. The Board approved staff's request to create a new position, that of Operations and Communications Center Manager, at a Job Grade 11.

Authority staff have recommended and continued to pursue the creation of an Operations and Communication Center to be located in the Administration Building. The function of the Operations and Communication Center would be:

- Assume the current functions of the Fleet Personnel Office;
- Monitor vessel activity and ensure that delays, diversions and cancellations are posted in a timely manner for the public as well as Steamship staff;
- Monitor vehicular traffic around the terminals, as well as traffic delays and road closures and update public and staff as appropriate;
- Monitor the Peter Pan bus service; and
- Ensure current parking information is accurate online and assist in the dispatch of buses.

Future responsibilities will include:

- Monitoring and responding to social media channels;
- Dispatch of maintenance personnel;
- Logging vessel on-time performance; and
- Other duties to be determined.

As the Authority refines the roles and responsibilities of the Operations and Communication Center, it has become clear that an individual will need to be assigned to manage the other staff, coordinate with other departments and work with improvements for the customer's experience. As currently envisioned, the Operations and Communication Center would be staffed seven (7) days a week, and will be open during the hours the Authority's vessels will be operating and will take on several tasks now

assigned to ticket sellers and other front-line personnel, such as issuing notifications on delays and cancellations, which should speed that process.

8. Treasurer/Comptroller Gerard J. Murphy presented our preliminary draft of the Proposed 2019 Operating Budget. The budget projects total operating expenses of \$105,367,000, a 4.5% increase versus the estimate for 2018. The most significant changes in projected costs are primarily attributable to vessel fuel oil (up 31.5%, or about \$2,000,000), payroll (up 3.2%, or about \$1,100,000), vessel maintenance (up 4.7%, or about \$418,000) and terminal maintenance (up 33.1%, or about \$411,896).

Total operating revenues are expected to be \$105,870,000, an increase of 1.4% over the estimate for 2018. Based on our estimate of revenues and expense for 2018, our net operating income next year is expected to be \$141,000.

The budget was presented for the Board's review and comments and will be subject to a vote at the October meeting.

9. Mr. Murphy also presented the proposed Preliminary 2019 Rate Adjustments, which would be effective January 3, 2019. The adjustments are anticipated to generate an additional \$7,000,000 in operating revenue in 2019, which is not included in the budget presentation noted above. Staff are proposing approximately \$4,500,000 in additional revenue be raised from adjustments to certain Martha's Vineyard rates and \$2,500,000 be raised from adjustments to certain Nantucket rates. No passenger rate adjustments are being proposed.

Rate adjustments are proposed in the following areas:

Martha's Vineyard route

On-season regular rate automobiles	Up \$11.50 one-way
On-season excursion rate automobiles	Up \$6.00 round trip
Commercial freight	Up 12.5%
On-season parking rates	Up \$5.00 Saturdays and Sundays

Nantucket route

On-season regular rate automobiles	Up \$25.00 one-way
On-season excursion rate automobiles	Up \$25.00 round trip
Commercial freight	Up 12.5%

The rate adjustments were presented for the Board's review and comments and will be subject to a vote at the October meeting.

10. The Board authorized Mr. Davis to execute two change orders:
- Change order #18 to Contract No. 16-2017, Woods Hole Reconstruction – Waterside, for a total cost of \$135,918.88, for additional pipe pile lengths for the 16- and 18-inch pipe piles so they will meet the design load capacity. The pile lengths were purchased based on soil boring data, but once the dynamic testing data became available, the engineers determined a longer pipe pile length was required. This required the contractor to cut the bottom tip off the pile and splice the additional pipe length to each pile, 51 in total, and then weld the tip back on.
  - Change order #45 for Contract No. 09B-2012, Woods Hole Terminal Reconstruction – Design and Engineering, for a total cost of \$237,275. The change order covered additional work required of the design team for the following changes in the design contract: extended schematic design phase services to study plaza covering options; delay of the schedule for Phase 5-6 by 2.3 years; and inclusion of an enabling Phase 5A a year prior to terminal construction to facilitate the terminal completion in one construction season.

At the conclusion of the meeting, the SSA’s 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 meeting of the SSA’s Board is currently scheduled for 9:30 a.m. on Tuesday, October 16, at the Oak Bluffs Public Library, 56R School Street, Oak Bluffs, Massachusetts. The time, date and place of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website. 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 16, 2018

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The members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA" Board held their monthly meeting Tuesday, October 16, 2018 in the Performing Arts Center of Martha's Vineyard Regional High School. Five members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard), Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

1. General Manager Robert B. Davis provided an update on the status of the Woods Hole terminal reconstruction project. Specifically, he reported that:
  - The contractor, Jay Cashman Inc. has begun demolition of the old wharf bulkhead, using a hoe ram and crane to demolish the concrete that is sandwiched in between the sheet piles and has trenched the area to clear out an old granite wall where the new sheet piles will be located forcing crews to dig 25 feet deep to drive piles up to 40 feet deep. The electrical contractor disabled power to the Slip #3 transfer bridge so that Cashman could remove the bridge gallows. Cashman has also removed the fenders from Slip #3. The sheet pile bulkhead will be tied back to a wall called a "deadman" that is approximately fifty (50) feet behind the bulkhead and will be buried underground. Lawrence Lynch Corp. will support Cashman with crushed stone as needed. Five (5) truckloads of sheet piles and tie backs were delivered and Cashman began driving the new bulkhead sheet piles. Jay Cashman Inc. continued with the wharf bulkhead demolition by removing the first layer of sheet piles on the north face. Cashman has set up a turbidity curtain inside the excavation area to contain debris.
  - In the coming weeks, Cashman will continue demolition of the old bulkhead, including clearing out the west face of the old wharf, and will continue driving the new sheet pile bulkhead.



- So far, the Authority has send out 30 “Community Emails” on what to expect in the coming weeks.

Mr. Davis also provided an update on the community presentations held on the design development of the terminal building for the Woods Hole terminal. While the physical construction of this building is a number of years away, the design team needs to be preparing for the site work as well as the final design. Staff heard various comments about the design concept, both favorable and unfavorable, and continues to receive some written feedback. Staff plans on reviewing the comments and seeing what can be done to minimize those concerns.

2. Mr. Davis provided an update on the progress of the comprehensive review of the Authority’s operations by HMS Consulting, Rigor Analytics and Glostten Associates, which continue their questioning relative to all aspects of the review. As Mr. Davis reported at the September meeting, a conference call was held to discuss some technical aspects of the consultants’ study and for the staff, including vessel personnel, to make sure the consultants had accurate information. At the time, there was additional data that was requested and supplied to address any open items. Staff’s understanding is that the HMS team has been discussing this at length and weighing the benefits of performing more interactive reviews against the impact on the schedule for final delivery of the report. Mr. Davis has informed the consultants the speed by which the report is issued is far less critical than ensuring the accuracy of the study for overall acceptance.

The incidents they are focusing on are:

- 1) The soft grounding of the M/V Woods Hole in March;
- 2) The failed generator issue on the M/V Martha’s Vineyard in March;
- 3) The May 5th incident with the M/V Martha’s Vineyard in which the vessel lost power leaving the dock; and
- 4) The delay in the M/V Island Home coming back into service from its repair period.

Staff has yet to have an interactive review of the Public Communications and information technologies portion of the study.

HMS reports that they are heavily into crafting the final report for what is now expected to be an early November release.

3. Mr. Davis provided an update on the Proposed 2019 Reservation Opening Dates, which are as follows:

Headstart/mail & internet only	January 8, 2019-January 14, 2019
General Opening – internet – Nantucket	January 15, 2019-January 21, 2019
General Opening – internet – Martha’s Vineyard	January 22, 2019-January 28, 2019
Telephone opening	January 29, 2019
Headstart transfer deadline date	May 15, 2019 (or 30 days prior)
Fall schedule opening (phone, mail, internet)	June 17, 2019

To avoid the issues experienced in January 2018 when the Authority’s systems failed and brought the reservation process to a virtual standstill, several actions are being taken. First, the Authority’s MIS Department will have onsite vendor support. The staff is also making changes to how the internet opening is processed; namely, there will be two general openings, one for the Vineyard and one for Nantucket. Additionally, during the internet-only general openings, reservation office hours will be extended to provide support to its customers who may have issues accessing their profile, remembering their PIN, etc. Office hours during that time period will be from 5 a.m. to 6 p.m.

4. Communications Director Sean F. Driscoll provided an update on the Authority’s social media efforts and the use of Facebook and Twitter as additional methods of communicating with customers and the public. This will allow the Authority to listen to and inform our customers in order to increase engagement and provide accurate information. The Authority’s Facebook page (<http://www.facebook.com/SteamshipAuthorityMA>) was established in 2016 and has around 3,400 “likes.” It will be used to share preplanned informational updates and, as needed, operational and travel updates. The Steamship Authority’s official Twitter account (@SteamshipMA or <https://www.twitter.com/SteamshipMA>) primarily will be used to share trip alerts, diversions, delays and cancellations. The Authority’s MIS Department is working to link the current systems used for issuing advisories and email alerts to allow for automated posting to the Twitter account.

5. The Board authorized Mr. Davis to execute two contracts:

- Drydock and overall services for the *M/V Woods Hole* to Thames Shipyard and Repair Company of New London, Connecticut, for a total contract price of \$788,853.
- The supply and delivery of two (2) MTU 12V4000 Short Block Assemblies and Associated “O” Rings, Bearings and Other Miscellaneous Parts to Stewart & Stevenson Power Products LLC of Marlborough Massachusetts, for a total contract price of \$979,646.02.

The board also authorized a change order to the Woods Hole Construction – Waterside contract with Jay Cashman Inc. for \$241,500.

- 6. The Board approved the 2019 operating budget, as presented by Treasurer/Comptroller Gerard J. Murphy. The budget projects total operating expenses of \$105,232,000, a 4.4% increase versus the estimate for 2018. The most significant changes in projected costs are primarily attributable to vessel fuel oil (up 31.5%, or about \$2,000,000), payroll (up 3.6%, or about \$1,300,000), terminal maintenance (up 33.1%, or about \$412,000) and vessel maintenance (up 1.4%, or about \$123,000).

Total operating revenues are expected to be \$105,870,000, an increase of 1.4% over the estimate for 2018. Based on the estimate of revenues and expense for 2018, the Authority's net operating income next year is expected to be \$276,000.

- 7. The Board also approved the 2019 rate adjustments, also presented by Mr. Murphy. The adjustments will be effective January 3, 2019. The adjustments are anticipated to generate an additional \$7,000,000 in operating revenue in 2019, which is not included in the budget presentation noted above. The Authority proposed approximately \$4,600,000 in additional revenue be raised from adjustments to certain Martha's Vineyard rates and \$2,400,000 be raised from adjustments to certain Nantucket rates. No passenger rate adjustments were proposed.

Rate adjustments were made in the following areas:

Martha's Vineyard route

On-season regular rate automobiles	Up \$12.50 one-way
Commercial freight	Up 12.5%
On-season parking rates	Up \$5.00 Saturdays and Sundays

Nantucket route

On-season regular rate automobiles	Up \$25.00 one-way
Commercial freight	Up 12.5%



# 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 28, 2018

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The members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA" Board held their monthly meeting Wednesday, November 28, 2018 in the First-Floor Conference Room (Room 103) of its administration building in Falmouth. Five members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard), Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford) (who participated via telephone).

1. General Manager Robert B. Davis provided an update on the status of the Woods Hole terminal reconstruction project. Specifically, he reported that:
  - Jay Cashman Inc. has continued excavating the wharf area and cleared buried debris for the next leg of the new sheet pile bulkhead. Lawrence Lynch Corp. continues to remove the excavated materials from the site. The monopiles and the associated falsework did not arrive as anticipated because of the weather conditions and they are being redirected to New Bedford Harbor for the time being.
  - Additionally, the debris being excavated from the site last week caused an odor that was extremely unpleasant. The odor emanated from rotting organic materials and the creosote-treated piles that were being excavated from the site. Green Environmental, our site Licensed Site Professional (LSP), evaluated the odors for a health hazard and reported that the evaluation showed there are no health concerns from the site.
  - Thus far, the Authority has sent out 36 Community Emails on what to expect in the coming weeks.
  
2. Mr. Davis also provided an update on the community presentations held on the design development of the terminal building for the Woods Hole terminal. The Authority has received additional public comments following our community presentations in Falmouth and on Martha's Vineyard last month. Counsel Steven Sayers reported that the Authority has been reviewing the comments to see what can be done to minimize those concerns. Staff have been working with architects from BIA.studio and with members of the Woods Hole Business Association and Woods Hole Community Association to identify

possible alternatives. A workshop is scheduled for Thursday, November 29, 2018, and more workshops are expected to be held in December and early 2019 to explore various aspects of the project.

3. Mr. Davis provided an update on the progress of the comprehensive review of the Authority's operations by HMS Consulting, Rigor Analytics and Glostten Associates, which continue their questioning relative to all aspects of the review. Late last week, the Authority was informed by HMS that they anticipated a further delay as the public communications portion of the report has not yet been vetted. Following discussions with John Sainsbury, the company president, it was determined to excise that part of the study to allow the remaining pieces to be finalized and presented. HMS reports that they are heavily into creating the final report for what is now expected to be a December release. A special board meeting has been scheduled for 4:00 p.m. on Monday, December 17, 2018 at the Falmouth Public Library for the report to be presented to the Board.
4. The Board authorized Mr. Davis to approve the license agreement with Island Commuter Corporation (which runs the *M/V Island Queen*), which allows the *M/V Island Queen* to run one additional round trip between Falmouth and Oak Bluffs on Mondays through Thursdays during its 2019 spring (May 24 through June 13, 2019) and fall (September 9 through October 14, 2019) schedules, and to begin its 2019 summer schedule one week earlier (June 14 through June 20, 2019) than it otherwise would be allowed under the Authority's Enabling Act. This has been approved in each of the last five years, and staff felt it was appropriate because, otherwise, the *M/V Island Queen* would have no afternoon trips from Falmouth or morning departures from Oak Bluffs.
5. The Board also voted to renew the Authority's transportation agreement with the Martha's Vineyard Regional High School District for school-related approved transportation; the agreement covers the period from July 1, 2019 through June 30, 2020. Every year, the Authority 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 1). That fixed price is intended to reflect approximately a 50% discount over applicable tariff rates, which is the discount normally given to island schools, including the Nantucket public schools. Next year, the fixed price under the new agreement will remain at \$55,000, as the amount of school-approved travel has averaged approximately \$110,000 the past few years.

6. The Board authorized Mr. Davis to award two contracts:
- Supply and Deliver Two (2) Complete Sets of Fuel Injectors, Wiring Harnesses and Gaskets for MTU Diesel Engines to Steward & Stevenson Power Products LLC of Marlborough, Massachusetts, for a total contract price of \$141,099.15. The items in the contract will be installed on the *M/V Woods Hole's* #1 and #2 main engines.
  - Supply and Deliver Spare Parts for Two (2) EMD 710 Diesel Propulsion Engines to Marine Systems Inc. of Chesapeake, Virginia, for a total contract price of \$396,819.26. The parts and spares will be suitable for service in the engines of the *M/V Island Home*.

A special meeting of the SSA's Board is currently scheduled for 4:00 p.m. Monday, December 17, 2018 at the Falmouth Public Library, located at 300 Main Street, Falmouth, Massachusetts. The next regularly scheduled monthly board meeting is currently scheduled for 9:30 a.m. on Tuesday, December 18, 2018, at the SSA's Hyannis Terminal, 69 South Street, Hyannis. However, the location, time and date of these meetings 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 18, 2018

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The members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA" Board held their monthly meeting Tuesday, December 18, 2018 in the second-floor meeting room of its terminal building in Hyannis. Five members were in attendance: Chairman Robert F. Ranney (Nantucket); Vice Chairman Robert R. Jones (Barnstable); Secretary Marc N. Hanover (Martha's Vineyard), Elizabeth H. Gladfelter (Falmouth); and Moira E. Tierney (New Bedford).

1. General Manager Robert B. Davis provided an update on the status of the Woods Hole terminal reconstruction project. Jay Cashman Inc. has continued work on the new bulkhead over the past few weeks and, as of the end of last week, finally made the corner at the north side of the wharf. They also dredged the remaining wharf area for the new slip. The larger crane completed the installation of the falsework for the 96-inch monopiles but Cashman was unable to start the monopile driving this past week. Lawrence Lynch Corp. supported Cashman with the removal of excavated materials from the site.

Cashman is planning to continue work on the new bulkhead and the corresponding deadman wall. They expect to start driving the first three monopiles on today until the end of the week. Manchester Awning also will be installing the canopy frame and roof sections for the new passenger tents at the vessel loading area.

Thus far, the Authority has sent out 39 Community Emails on what to expect in the coming weeks.

2. The board authorized Mr. Davis to approve the three-year license amendment with Freedom Cruise Line with the same terms and conditions as Freedom's current license agreement. The amendment allows Freedom to increase its maximum per-trip passenger capacity from eighty (80) passengers to ninety-nine (99) passengers aboard its vessel, the *M/V Freedom*, in connection with its passenger-only ferry service between Harwichport

and Nantucket. An amendment to the license agreement was also necessary to reflect Freedom's new ownership by John "Jack" Sheeran III.

3. The Board authorized Mr. Davis to award two contracts:
  - Dry-dock and overhaul services for the *M/V Sankaty* to the lowest responsible and eligible bidder, Thames Shipyard of New London, Connecticut, for a total contract price of \$2,463,663.
  - Ultra-low sulfur dyed diesel fuel suitable for marine service to the lowest responsible and eligible bidder, Diesel Direct Inc. of Stoughton, Massachusetts, for a \$0.05 markup per gallon over the Providence, Rhode Island average rack price for gross ultra-low sulfur red dye diesel as reported by the Oil Price Information Service.
4. The Board authorized Mr. Davis to purchase four (4) 40-foot, low-floor shuttle buses from the lowest responsive HGACBuy contractor for a total price not to exceed \$450,000, or a total price of \$1,800,000. These buses will be significantly easier to get into because there is only one step, there are two doors for entrance and egress and they are equipped with a wheelchair ramp. The buses will have perimeter seating and an interior luggage rack for storing bulky items. The buses are expected to be ordered by the end of the year and have a 12-18 month lead time.
5. The Board elected new officers for the 2019 year. They are:
  - Robert Jones (Barnstable), chairman;
  - Marc Hanover (Martha's Vineyard), vice chairman; and
  - Elizabeth Gladfelter (Falmouth), secretary.

The Board also approved its schedule for their 2019 meetings. The Board typically meets on the third Tuesday of the month; the Members elected to change proposed meeting dates in January and October. Therefore, the 2019 meeting schedule is as follows:

- Tuesday, January 22, 2019: the Authority's administration offices, Falmouth
  - Tuesday, February 19, 2019: the Authority's administration offices, Falmouth
  - Tuesday, March 19, 2019: the Authority's administration offices, Falmouth
  - Tuesday, April 16, 2019: New Bedford (location TBD)
  - Tuesday, May 21, 2019: Nantucket Whaling Museum
  - Tuesday, June 18, 2019: the Authority's Hyannis terminal
  - Tuesday, July 16, 2019: Tisbury EMS Building, Martha's Vineyard
  - Tuesday, August 20: the Authority's Hyannis terminal
  - Tuesday, September 24, 2019: Nantucket Whaling Museum
  - Tuesday, October 15, 2019: Oak Bluffs Public Library, Martha's Vineyard
  - Tuesday, November 19, 2019: the Authority's administration offices, Falmouth
  - Tuesday, December 17, 2019: the Authority's administration offices, Falmouth
6. The Board discussed the result of the comprehensive review of our operations by HMS Associates, Glosten Associates and Rigor Analytics, which were presented at a special Board Meeting on Monday, December 17, 2017. The Members decided they would hold



several workshops in the early months of 2019 to begin to discuss the report and how the Board, and the Authority, should go about implementing its recommendations.

7. Following executive session, the Board reconvened in public session and announced a settlement with Senseco Marine in which the Authority will pay \$950,000 to settle the claim regarding the mid-life refurbishment of the *M/V Martha's Vineyard*. The settlement represents a \$367,000 savings over what would have been due to Senseco under the terms of the contract.
8. The Board also reluctantly accepted the resignation of Treasurer/Comptroller Gerard J. Murphy. Mr. Murphy's last day with the Authority will be December 31, 2018, and the Members and Authority staff wish him well.

The next regularly scheduled monthly board meeting is currently scheduled for 10:00 a.m. on Tuesday, January 22, 2018, at the SSA's administration office, 228 Palmer Avenue, Falmouth. However, the location, time and date of these meetings 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.