

**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

January 9, 2019

First-Floor Meeting Room (Room 103)  
The Authority's Administrative Offices  
228 Palmer Avenue, Falmouth, Massachusetts

Port Council Members present: Chairman George J. Balco (Tisbury); Vice Chairman Edward C. Anthes-Washburn (New Bedford); Secretary Robert V. Huss (Oak Bluffs); Eric W. Shufelt (Barnstable); Robert S. C. Munier (Falmouth); and Nathaniel E. Lowell (Nantucket).

Port Council Members absent: Frank J. Rezendes (Fairhaven)

Authority Management present: Robert B. Davis (General Manager); Terence G. Kenneally (General Counsel); Sean F. Driscoll (Communications Director); Mary T.H. Claffey (Director of Information Technologies); William J. Cloutier (Woods Hole Terminal Reconstruction Project Manager); Kimberlee J. McHugh (Director of Marketing); and Carl R. Walker (Director of Engineering and Maintenance).

1. Mr. Balco called the meeting to order at 10:08 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting. Nat Trumbull of Woods Hole announced he was making an audio recording of today's meeting. Later in the meeting, Mr. Trumbull clarified that he was making a video recording of the meeting as well.
3. The Port Council then **voted** unanimously to approve the minutes of their meeting in public session on November 7, 2018. (Mr. Shufelt abstained from voting on the motion.)

4. Mr. Balco recognized representatives from Hy-Line Cruises and Seastreak in the audience and thanked them for attending.
5. Mr. Davis then reviewed the draft of the Authority's Business Summary for the month of November 2018. Overall, November passenger traffic, automobile traffic and truck traffic were each down 1.2% compared to November 2017. Year-to-date, passenger traffic is down 0.3%, while automobile traffic is up 0.2% and truck traffic is up 0.4% through the first 11 months of 2019.
6. The Authority's net operating loss for the month of November was about \$2,691,000, or some \$647,000 more than assumed in the 2018 budget. Mr. Davis noted that some of the increases in expenses were offset by a decrease of \$156,000 for the dry-docking of the *M/V Sankaty*, which has been postponed until 2019, while fuel oil was up \$47,000 against budget. The actual cost of fuel oil was \$2.36 per gallon; the budgeted cost was \$2.06 per gallon, Mr. Davis said.

Through November, the Authority's net operating revenue for 2018 is about \$3,678,000, or \$6,337,000 lower than what was assumed in the budget. Operating revenues and other income through the first eleven (11) months of the year totaled about \$102,561,000, while expenses totaled nearly \$99,000,000, or about \$5,872,000 above budget. Mr. Davis said, with the budget calling for the Authority to lose \$2,800,000 in December, it will be close to breaking even for the year and have a net operating income of less than \$1,000,000.

Mr. Lowell asked Mr. Davis, in the future, to put the 2016 traffic figures for the *M/V Iyanough* on the Business Summary so as to give the members a more accurate comparison for traffic data.

7. Mr. Davis provided an update on the Woods Hole Terminal Reconstruction Project. Contractor Jay Cashman Inc. recently turned the corner on the new bulkhead construction at the new Slip #3. Cashman encountered some obstructions while it was installing the bulkhead underneath what will be the transfer bridge, which required them to jog the bulkhead about one (1) foot from its intended path. The process of laying out the "deadman" wall, to which the bulkhead will be tied, is more complicated in this area because it cannot create interference with the transfer bridge pilings, Mr. Davis said.

Cashman also continued to install falsework to support the driving of the 96-inch pipe piles, which began in late December. During the driving of the second pipe pile, the hammer broke when the pipe pile encountered an obstruction, requiring Cashman to source a replacement hammer, Mr. Davis said. Because the second pile is partially driven, it will need to be removed, inspected and repositioned.

Mr. Davis said Manchester Awning and PAQUON have completed the framework for the passenger tents in between current Slips #2 and #3, and the roof sections were scheduled

to be installed this week. In response to a question from Mr. Huss, Mr. Cloutier said the tents had initially been scheduled to go up before Christmas.

Thus far, the Authority has sent out forty-two (42) community emails concerning the terminal project, Mr. Davis said.

Regarding the monopiles, Mr. Davis said the Authority received reports from various neighbors and businesses reporting excessive vibrations. The Authority is working with environmental contractor GZA to monitor vibrations at different sites around the terminal.

Mr. Cloutier then shared a slideshow of recent photographs depicting the progress at the project.

In response to a question from Mr. Munier, Mr. Cloutier said the vertical tolerance of the pipe piles is two (2) inches. Mr. Munier subsequently asked about the construction schedule, to which Mr. Cloutier responded that the project was about six to eight (6-8) weeks behind schedule. But the nine (9) monopiles are the only piles that are being driven this season and they are not the most critical work currently being done, he said. The bulkhead and the monopiles for the transfer bridge, he said, are the most critical noting that the work is now getting more complicated because it has progressed to the transfer bridge's location. Mr. Munier asked how the risk associated with schedule delays is laid out in the contract, to which Mr. Cloutier replied that, if Cashman hits obstructions, the Authority assumes the risk because it has to give Cashman time to work around any obstructions. Mr. Davis noted a good deal of the delay is related to doing the pier work in between what will be Slips #2 and #3. The pier was not anticipated to be functional this year, so that work may be pushed back to this fall and focus the priority on creating an operational slip.

Mr. Munier said the Authority did not want to find itself with a nonfunctional facility in April, and Mr. Cloutier remarked that the risk was on the work planned for the pier, which he believes can be completed next year without further affecting the schedule. Mr. Davis also reminded the Members that the 80-foot pipe piles had to be extended to one hundred and twenty (120) feet and that Cashman had been testing a Spin Fin pile design to see if it is necessary to extend all the pipe piles.

Mr. Davis also noted that Authority staff had been reviewing the design for the proposed temporary terminal building with members of the Woods Hole Community Association and they hoped to be opening those discussions up to the community and Falmouth selectmen in the near future. The Authority continues to receive public comments on the terminal and will categorize those as the plans move forward.

8. Mr. Davis provided an update on the independent review of the Authority's operations by HMS Consulting and Technical, Glosten Associates and Rigor Analytics, the results of which were presented at a special Authority Board meeting on December 17, 2018. Mr. Davis reminded the members that the public communications portion of the study had been delayed and was expected by the end of this month. Mr. Davis noted that HMS was hired to deliver recommendations on what the Authority could be doing better, not what it was

already doing well, and that HMS' president, John Sainsbury, said in his presentation that his observations were that the Authority was one of the better-run ferry operators in the country.

Regarding the ten (10) specific recommendations contained in the report, Mr. Davis noted they were broken into four (4) categories and the ease of implementation was identified for each recommendation. The specific recommendations were:

Process-based management

- i. Adopt a Safety Management System
- ii. Adopt a Quality Management System
- iii. Adopt a Learning Management System

Vision

- iv. Mission Statement and Objectives
- v. Strategic Planning

Organizational Structure

- vi. Engineering Resources
- vii. Health, Safety, Quality and Environmental Management
- viii. Vessel Operations

Management Recruiting and Accountability

- ix. External Recruitment
- x. Performance Objectives/Accountability

Regarding the Safety Management System, Mr. Davis noted that such systems are required under international codes, but not by the U.S. Coast Guard. Regardless, it is something the Authority will be pursuing. Mr. Davis also said the Authority's mission statement is twenty (20) years old, but it is not reviewed on an annual basis, so it needs to be updated as part of the strategic planning process. Mr. Davis said, regarding the Authority's organizational structure, the report recognized that the Authority's attention has been to the bottom line given that it is one of the few public ferry systems in the country that does not receive any public subsidies. But there is a need to add to the organization, Mr. Davis said, noting that as the organization has grown, more responsibilities have been placed on the same number of staff members.

Regarding the vessel operations recommendations, Mr. Davis noted that, despite HMS' observation that the port captain position had been vacant for several months, HMS itself had asked the Authority to keep the position open until the report and its recommendations were issued. HMS also recommended retaining a director of marine operations and a director of health, safety, quality and engineering, as well as adding resources to the engineering and maintenance department, including an additional port engineer and assistant port engineer.

Mr. Davis noted that these recommendations were not mutually exclusive; for example, the recommendation to recruit externally for new hires will cover several other recommendations, although Mr. Davis noted that eighteen of the last thirty job openings at the staff level have been filled by individuals from outside of the organization. Mr. Davis said the recommendation for more specific performance objectives that the staff can be evaluated on should be used to rework the review process for nonunion staff as well as his own review by the Port Council and Authority Board.

Mr. Davis noted that many of the recommendations will take time and that, even if he got permission immediately to move forward, it could take eighteen months to twenty-four (18-24) months to implement them. The question remains if the Authority should hire personnel first before committing to new systems so the new hires would have a hand in selecting and implementing them.

Mr. Davis said the Authority Board was planning to hold a second meeting on Tuesday, January 22, 2019, following its regularly scheduled meeting, to discuss HMS' report in a workshop setting and review the recommendations and how to proceed. In response to a question from Mr. Huss, Mr. Davis said the Port Council was welcome to attend, as was the public. Additionally, the Authority will schedule meetings on both islands to review the report and get comments from the public. Mr. Balco asked that those meetings be set up in the relatively near future.

Mr. Huss said it would be good to have a facilitator at the January 22 meeting to ask questions neutrally and keep the discussion moving.

Mr. Davis noted that, since the events of the spring, the Authority has not been sitting back. Rather, as detailed in his Staff Summary for the December 17, 2018 meeting, efforts have been made to improve the Authority's operations regardless of the contents of HMS' report.

Mr. Munier said he believed there needs to be a plan on how to get the recommendations addressed in a strategic way and not to just cherry-pick certain recommendations. This is a golden opportunity to do more strategic planning, he said, something that he has been advocating for and would be well-served in this instance. To take a holistic approach takes analysis and good, thoughtful dialogue and has a chance to make for a much better outcome.

Mr. Davis said he has been working already to fill some budgeted positions and has reached out to a company with a marine background to fill the marine positions. He said there are organizations that help facilitate strategic planning and master planning and he is working to identify some that have experience with transportation issues.

Mr. Munier said the notion of internal versus external is not limited to hiring, but also applies to the Authority's way of thinking. For example, when reviewing the options for New Bedford freight service, the Authority did not initially look to an outside consultant to complete the review. To have outside eyes is a good thing, Mr. Munier said, and lends

credibility to the review process even if the results are the same as would have been achieved through an internal review.

9. Mr. Davis then reviewed the license modification requests from Hy-Line Cruises for its 2019 and 2020 seasons. Hy-Line is looking to extend its three (3) round-trip inter-island schedule through Columbus Day instead of the Sunday of Labor Day weekend, Mr. Davis said. Additionally, Hy-Line is asking to run a combined total of twenty-six (26) additional roundtrips over the special event and holiday weekends of Daffodil Festival, Memorial Day, Columbus Day, Thanksgiving and Christmas Stroll. In addition, it is seeking permission to extend the holiday or event weekend schedules should there be service disruptions at that time.

Mr. Lowell noted that Thanksgiving weekend has turned into the new Christmas Stroll on Nantucket and that people come over piecemeal before the holiday, but all want to leave on the same day, which has affected both the Authority and Hy-Line. Mr. Huss noted that Martha's Vineyard has also been much busier between Labor Day and Columbus Day and that the extra service would be a good thing.

Upon a motion from Mr. Huss and a second from Mr. Lowell, the Port Council then **voted** unanimously to recommend that the Authority Members authorize the General Manager to execute the modifications to the license agreement with Hy-Line Cruises as requested by management.

10. Mr. Davis then reviewed the license modification requests from Seastreak, LLC that modifies portions of its current schedule and adds new service around Thanksgiving and Christmas. Mr. Davis asked the members to defer voting on the holiday portions of the schedule as, according to the Authority's licensing policy, the new service would need to be advertised for comments before it could be voted on. The other changes relate to service that Seastreak already provides, with the exception that the company currently stops service around Columbus Day and it wishes to run through October 24, 2019.

Mr. Davis noted that the Authority's Board approved a request by Seastreak for additional service for the Christmas Stroll on Nantucket and the Christmas in Edgartown event in 2018. The Port Council did not get a chance to review that request due to the relatively short notice Seastreak provided to the Authority.

In response to a question from Mr. Anthes-Washburn, Mr. Davis said the Thanksgiving and Christmas services would be advertised in the local newspapers and public comment would be requested, then the matter would be reviewed at a future meeting.

John Silvia, General Manager of Seastreak New England, said he would like to include the Thanksgiving and Christmas service in Seastreak's 2019 brochure, which he intends to distribute in March at the AAA Expo.

Mr. Munier said that the material provided to the Port Council was not enough for him to make a decision, as it did not specify which trips were different.

Upon a motion from Mr. Anthes-Washburn and a second from Mr. Lowell, the Port Council then **voted** 5-1, with Mr. Munier voting no, to recommend that the Authority Members authorize the General Manager to execute the modifications to the license agreement with Seastreak LLC as detailed in the first five pages of their requested schedule, which collectively cover the dates of May 15, 2019 to October 24, 2019, as well as Memorial Day weekend (May 24, 2019 to May 27, 2019), for service to and from New Bedford, Oak Bluffs and Nantucket and the 2019 Proposed New Jersey/New York/Martha's Vineyard/Nantucket schedule.

11. In response to a call for public comment, Mr. Trumbull informed the Port Council that he had read at the December Authority Board meeting from a citizen's petition related to the proposed Woods Hole ferry terminal, which had grown to include 700 signatures. After confirming that the Port Council had received copies of it, he asked the members to read the comments to get an idea of how the project was being perceived.

Mr. Trumbull also referred to a January 2, 2019 meeting of the Dukes County Commissioners at which Authority Board Member Marc N. Hanover answered questions about the Authority's operations. At that meeting, the commissioners asked for as much information as possible about the Authority's operations, planning and thinking. Mr. Trumbull provided two (2) suggestions on that front. First, while the package for the monthly Authority Board meetings is now posted on the website, it is difficult to get it because it is taken down soon after the meeting. Mr. Trumbull asked if the packages could be left on the website, as the files have already been prepared and are ready to go.

Second, Mr. Trumbull asked if the Port Council meetings could be videotaped in the same manner as the Authority's Board meetings<sup>1</sup>. The challenge in following the proceedings is that half of the Port Council meetings are now in Hyannis. Mr. Trumbull referred to a new website the Authority would be creating and that posting the videos would be a great contribution to the website and a way for the public to understand the Authority's operations and the relevance of the Port Council and its proceedings. If there is a justification for not taping it, Mr. Trumbull said he would like to hear it.

12. Laurie Raymond from Falmouth, who represents the SMART Citizens Task Force, said the group submitted a list of questions to Mr. Davis on December 7, 2018 regarding the proposed terminal building in Woods Hole. She asked if the Port Council had received it, to which Mr. Davis said he did not recall. He apologized to Ms. Raymond for the delay and said Counsel Steven M. Sayers had recently responded to the group. Ms. Raymond then distributed copies of the letter to the Port Council.

Mr. Balco asked Ms. Raymond to further explain her organization, to which she responded that it was a citizens' taskforce concerned about regional transportation issues. It is not

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<sup>1</sup> Reporter's note: Authority Board meetings are recorded by Martha's Vineyard Community Television; the Authority purchases copies of the recordings for inclusion in its records.

associated with any governmental body or other organization and, Mr. Trumbull said, it is not officially organized under the auspices of the Massachusetts Attorney General’s Office.

Then, at approximately 11:05 a.m., upon a motion from Mr. Anthes-Washburn and a second from Mr. Huss, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary



Documents and Exhibits Used at the Port Council's January 9, 2019 Meeting

1. Agenda for the Port Council's January 9, 2019 Meeting (posted January 4, 2019).
2. Minutes of the Port Council's December 5, 2018 Meeting in Public Session (draft dated January 3, 2019.)
3. Business Summary for the Month of November 2018 (draft).
4. Power Point presentation – Woods Hole Terminal Reconstruction Project photos.
5. Staff Summary #GM-708, Comprehensive Review of the Steamship Authority's Operations, dated December 16, 2018.
6. Comprehensive Review of the Steamship Authority's Operations by HMS Consulting, Glosten and Rigor Analytics, dated December 13, 2018.
7. Power Point Presentation delivered by John Sainsbury, dated December 17, 2018.
8. Letter dated December 20, 2018 to General Manager Robert B. Davis from R. Murray Scudder Jr., Vice President Operations of Hy-Line Cruises, regarding proposed amendments to its license agreement.
9. Proposed 2019 schedules for Seastreak LLC.
10. Letter dated December 7, 2018 from Southeast Massachusetts Regional Transportation (SMART) Citizens Task Force members to Mr. Davis.

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**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

February 6, 2019

Second-Floor Meeting Room  
Hyannis Terminal  
141 School Street, Hyannis, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Vice Chairman Edward C. Anthes-Washburn of New Bedford; Eric W. Shufelt of Barnstable; Robert S. C. Munier of Falmouth; and Nathaniel E. Lowell of Nantucket.

Port Council Members absent: Secretary Robert V. Huss of Oak Bluffs; Frank J. Rezendes of Fairhaven.

Authority Board Members present: Robert J. Jones of Barnstable.

Authority Management present: General Manager Robert B Davis; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Woods Hole Terminal Reconstruction Project Manager William J. Cloutier; Director of Marketing Kimberlee J. McHugh; Operations Manager Mark K. Rozum; and Director of Engineering and Maintenance Carl R. Walker.

1. Mr. Balco called the meeting to order at 9:30 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.
3. The Port Council then **voted** unanimously upon a motion from Mr. Munier and a second by Mr. Shufelt to approve the minutes of their meeting in public session on January 9, 2019.

4. Mr. Davis apologized for not having a draft of the Authority's Business Summary for the month of December 2018, but stated that the accounting staff had not closed the month, although he anticipated doing so that afternoon. However, he provided highlights of the month, including a 3.3% increase in passenger traffic compared to December 2017, a 1.7% increase in automobile traffic and a 3.5% increase in truck traffic compared to December 2017. On a year-to-date basis, passenger traffic was down 0.1%, automobile traffic was up 0.3% and truck traffic was up 0.6%. Mr. Davis noted that, for all the trials and tribulations of 2018, the Authority ended up with flat traffic figures for the year.

Mr. Davis noted that, based on the estimates he has been working on, the Authority will end up with a surplus of less than \$250,000 versus a budgeted surplus of \$7,200,000. Revenues were down approximately \$1,000,000, while maintenance expenses were up approximately \$4,000,000 in addition to other expense increases.

In response to a question from Mr. Munier, Mr. Davis said the delay in closing the month stemmed both from Mr. Davis' dual roles [as General Manager & Interim Treasurer] and corrections that needed to be made to certain categories of the financial reports before the year-end data could be reported.

5. Mr. Davis provided an update on the Woods Hole Terminal Reconstruction Project. When contractor Jay Cashman Inc. was driving the monopile for the south head dolphin on Slip #3, crews realized the bulkhead for the slip had shifted during pile driving as a result of soil liquefaction due to the use of the vibratory hammer. Cashman stopped pile driving to evaluate whether or not the bulkhead and the associated deadman wall and whalers would continue to shift, Mr. Davis said. The determination was made to drive the north head dolphin and then evaluate the site for more shifting, after which time Cashman will address the bulkhead and deadman wall. A cost for the repairs and the associated effect on the schedule are still unknown, Mr. Davis said.

Additionally, while driving sheet piles, an obstruction was encountered that Mr. Cloutier said was an anti-scour pad left over from the old slip. After doing some research, Mr. Cloutier determined that, in 1987, granite boulders were positioned at the site between four (4) and nine (9) feet deep across the northern boundary. Mr. Cloutier said Cashman was investigating alternative methods to finish the wall, including a soldier pile wall.

In response to a question from Mr. Munier, Mr. Cloutier clarified that the anti-scour pad was located in the approximate location of the old transfer bridge extending about sixty (60) feet, with a thickness of between four (4) and nine (9) feet. The pad is located directly on top of the seabed in about eighteen (18) feet of water.

Mr. Cloutier then shared several photographs depicting the work at the construction site.

In response to a question from Mr. Anthes-Washburn, Mr. Cloutier said the construction schedule would be affected by this development. Regardless, Slip #3 will be finished in time for the summer, but it was unknown how much of the passenger platform will be completed this season. If the design for the northern wall changes, the design changes will

need to be submitted for review by the Falmouth Conservation Commission and the Massachusetts Department of Environmental Protection. Mr. Cloutier added that he hoped to have more information by the end of the week.

6. Regarding the design for the new terminal building, Mr. Davis noted that the Authority continues to work with BIA.studio and hosted additional meetings with the Woods Hole Community Association. Various ideas have been suggested, including a shorter, three-story building. The three-story building suggestion would provide the same amount of public space on the first floor, but a narrower second and third floor, which would trigger different regulations under the fire code. Mr. Davis said he expected the process with the community association to wrap up soon.

In addition, Mr. Davis said the Authority staff have also been meeting with the SMART Citizens Task Force, which submitted several questions and concerns that staff are reviewing and addressing. Mr. Davis said some of the SMART members object to the Authority working with the Woods Hole Community Association and have questioned that group's authority to represent the community. Several SMART members have also questioned the Authority's operational needs for the proposed terminal building. Mr. Davis highlighted some of the changes that had already been made to the terminal design, including eliminating a public concession area, moving the employees' locker rooms to the second floor and shortening the building's length by ten (10) feet while still meeting the program elements that are needed. Mr. Davis said, despite some questions from the community, staff feels strongly that the lobby area is still essential, especially on cold days with inclement weather when people will need shelter while waiting for a ferry.

In response to a question from Mr. Balco, Mr. Davis said the meetings with SMART members have not been public but were held at SMART's request. SMART member Nat Trumbull further requested that the meetings be video recorded; he then uploads the recording online. Mr. Balco said he does not like the idea of the Authority dealing with a "cabal" and said the individuals involved should come to an Authority meeting and speaking in public instead of engaging with the staff. Mr. Kenneally clarified that these meetings were not public meetings of the Authority and that the number of individuals attending each meeting varied. In the last meeting with the Woods Hole Community Association, for example, three (3) people met with Mr. Kenneally and Counsel Steven M. Sayers; at the most recent SMART meeting, about a dozen members attended a three and one-half (3½) hour meeting.

Mr. Balco said he thought many members of the community would be surprised to find out that they can set up a meeting with the Authority in such a manner, to which Mr. Davis replied it was a "unique" situation due to the Woods Hole terminal project and that the Authority wants to be good neighbors during this process. Mr. Kenneally said a myriad of items often get brought up in the meetings and recalled that, prior to the last SMART meeting, the group sent a list of ten (10) questions, each about a paragraph long with multiple questions in each main point, and requested answers in writing. Mr. Kenneally said such an endeavor would be laborious and not a good use of staff's time, so they endeavored to answer the questions during the course of the meeting. Mr. Kenneally said,

at the end of the day, the Authority and the SMART group do not agree on a lot of things and that there are certain elements of the terminal building that the Authority cannot compromise on. A lot of the discussion covered old ground and there were few new issues brought up at the meeting; regardless, Mr. Kenneally said staff are trying to work through several issues with the community. Mr. Shufelt said he hoped the process was productive and not just busywork for the staff.

Mr. Lowell said these types of processes take “forever” and that it would be an ongoing series of complaints. He referred to the terminal project as the Authority’s “Big Dig” and said that it cannot be tinkered with like a toy. He said he could not believe that a three-story building was in discussion and said there was plenty of view from other points at the site. Mr. Lowell said he knew the process would be difficult but that this reaction from the community has been more than he anticipated. Mr. Davis said the sessions have been an education to the community members about why certain elements of the project need to be where they are, to which Mr. Lowell replied that the Authority cannot negatively affect its operations in favor of a better view.

In response to a question from Mr. Anthes-Washburn, Mr. Davis said the Authority is approaching the time in which it would need to end the community outreach process. Even though the construction of the terminal is several years away, it will be an operationally problematic process and as much work as possible needs to be done ahead of time. In response to questions from Messrs. Munier and Balco, Mr. Davis said the goal is to get a final set of designs, meet with both groups and then present the designs to the Board at its next meeting. Following that, additional community open houses will be held to bring the public up to speed with the plans.

7. Mr. Davis informed the Council that Board Member Elizabeth H. Gladfelter resigned her position as of December 31, 2018. The Town of Falmouth was accepting applications for the position until January 30, 2019, and Mr. Davis said it was his understanding that Ms. Gladfelter and at least one other person applied for the seat. The Board of Selectmen is expected to meet on February 11, 2019, and the hope is that a Falmouth representative will be seated in time for the Board’s meeting on February 19, 2019.
8. Mr. Davis reviewed the license amendment requests from Seastreak LLC that adds new service around Thanksgiving and Christmas. Mr. Davis reminded the Council that, at its last meeting, it had voted to recommend approval of other changes to the Seastreak schedule but that, at management’s request, it had not done so for the holiday service so as to allow for a public comment period. Notices were posted and published on the Authority’s website, in local newspapers and mailed to local public officials. Mr. Davis said no public comments were received concerning the proposal.

Mr. Davis noted that Seastreak ran service between New Bedford and Nantucket for the 45th Annual Chamber Christmas Stroll and between New Bedford and Edgartown for the 37th Annual Christmas in Edgartown after receiving approval on a one-time basis from the

Board. Both of those services seemed to be well-received, with 477 passengers transported to Nantucket and 220 passengers transported to Edgartown.

John Silvia, General Manager of Seastreak New England, thanked the Port Council and the Board for their consideration and said the 2018 service received good feedback from passengers, who appreciated the additional options to travel to those events. After a period of scaling its service back, Seastreak is trying to increase its schedule and return the service to where it was several years before, Mr. Silvia said.

Murray Scudder III of Hy-Line Cruises said he anticipated no conflict with its service to the holiday events.

Mr. Lowell noted that the fair weather being enjoyed was not always typical of the area and that every few years there can be service disruptions over the Christmas Stroll weekend, especially when everyone is trying to leave at the same time. Mr. Lowell wished Mr. Silvia luck with Seastreak's new service.

Upon a motion from Mr. Anthes-Washburn and a second from Mr. Lowell, the Port Council then **voted** 5-0 to recommend that the Authority Members authorize the General Manager to execute the amendments to the license agreement with Seastreak LLC as requested.

9. Mr. Kenneally then discussed with the Council the proposed changes to its By-laws as set forth in the provided staff summary. Mr. Kenneally noted that the current By-laws had a provision within Article X that required fourteen (14) days' notice to amend the By-laws, which meant that any action would need to be delayed until the next Port Council meeting. Mr. Kenneally further noted that one of the suggested revisions was to remove that 14-day period, as it would be more consistent with the Authority Board's practices.

Mr. Kenneally said that, after Authority Board went through the process of amending its By-laws, he then reviewed the Port Council's By-laws, which somewhat mirror the Authority Board's By-laws. Some differences include the lack of a provision for remote voting, which has not been the practice of the Port Council, so Mr. Kenneally went through the document to clean up matters that contradicted either state law or the Port Council's practices. Mr. Kenneally asked the Port Council to review the draft as presented and send any further revisions to him within a week to ten (10) days so he could then resubmit the proposal to the Port Council no later than fourteen (14) days prior to their next meeting.

10. Mr. Balco recalled that, in March 2018, the Authority Board and Port council had a productive joint meeting and that he would like to suggest that the Authority Board be approached about having another joint meeting, perhaps in March as it would mark a year since the last once. Mr. Jones asked what Mr. Balco suggested would be included on the agenda, to which Mr. Balco replied that the Authority is in the midst of a vast reorganization and that it would be a good time to have a joint meeting.

11. Mr. Munier then asked Mr. Davis about the Authority’s plans for implementing the advice and recommendations of HMS Consulting following its comprehensive review of the Authority’s operations. Mr. Davis said he has a search firm conducting the headhunting for the vacant Treasurer/Comptroller and Human Resources Director positions and has engaged a second firm to search for candidates for the port captain and director of marine operations. A meeting of the Authority’s Board has been scheduled for 9:00 a.m. on Saturday, February 9, 2019, in Hyannis to further discuss the recommendations and, hopefully to receive the public communications portion of the study. HMS Consulting President, John Sainsbury, has committed to presenting via a video conference from Seattle at that meeting.

Mr. Davis said the Authority has already been at work developing elements of the process-based management solutions identified in the report, including a formal updating of vessel manuals. Additionally, Mr. Davis and other staff members recently received a demonstration of a Learning Management System (LMS) that is used by leading ferry operators; the software was well-received, and Mr. Davis said he would be pursuing it for use at the Authority. Mr. Sainsbury also indicated that HMS Consulting will submit a proposal to the Authority to help guide it through the process of implementing its recommendations and determining the ideal organizational structure for the Authority.

Mr. Munier said he was eager to determine what role the Board and Port Council would play and how they could assist in the process. He said he realized the implementation would require a lot of work from the Authority and that the members of both boards want to do their job, however that is defined. Mr. Jones said he hoped as many Port Council members as possible could come to the Saturday meeting and that was one way everyone could be a part of the process.

Mr. Lowell said his suggestion has been to take the process slowly, noting that it is not easy to hire quality people to work in Falmouth, let alone Nantucket or Martha’s Vineyard.

Then, at approximately 10:44 a.m., upon a motion from Mr. Anthes-Washburn and a second from Mr. Shufelt, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council's February 6, 2019 Meeting

1. Agenda for the Port Council's February 6, 2019 meeting (posted February 1, 2019).
2. Minutes of the Port Council's January 9, 2018 Meeting in Public Session (draft dated February 1, 2019.)
3. Power Point presentation – Woods Hole Terminal Reconstruction Project photos.
4. Staff Summary dated February 4, 2019, Proposed License Amendment with Seastreak LLC concerning its Thanksgiving and Christmas holiday services.
5. Proposed 2019 schedules for Seastreak LLC.
6. Staff Summary dated February 4, 2019, Proposed Amendments to the By-Laws of the Port Council of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority.



**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

March 6, 2019

First-Floor Meeting Room (Room 103)  
The Authority's Administrative Offices  
228 Palmer Avenue, Falmouth, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Vice Chairman Edward C. Anthes-Washburn of New Bedford; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; Mark H. Rees of Fairhaven; Robert S. C. Munier of Falmouth; and Nathaniel E. Lowell of Nantucket.

Authority Board Members present: Kathryn Wilson of Falmouth.

Authority Management present: General Manager Robert B Davis; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Woods Hole Terminal Reconstruction Project Manager William J. Cloutier; Director of Marketing Kimberlee J. McHugh; Operations Manager Mark K. Rozum; and Director of Engineering and Maintenance Carl R. Walker.

1. Mr. Balco called the meeting to order at 10:47 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.
3. Mr. Balco introduced Mark H. Rees, the Council's new Fairhaven representative. Mr. Balco thanked Frank Rezendes for his long service to the Port Council and asked Mr. Davis if something could be done to thank him for his time on the Council, to which Mr. Davis answered in the affirmative.

4. The Port Council then **voted** unanimously upon a motion from Mr. Munier and a second by Mr. Shufelt to approve the minutes of their meeting in public session on February 6, 2019. (Mr. Huss abstained from the vote.)
5. Mr. Davis apologized for not having a complete draft of the Authority's Business Summary for the month of January 2019, stating that the accounting staff had not closed the month, but he was hopeful it would wrap up in the next day or two. Regarding the 2018 year-end financial results, Mr. Davis said after catching up on depreciation expenses, the Authority's net operating margin now stood at less than \$25,000.

Mr. Davis provided updates on traffic for January 2019. Passengers were up 1.5% compared to January 2018, with the Vineyard route up 4.0% and the Nantucket route down 14.3%, which Mr. Davis said was reflective of the weather conditions in January 2018 when the Authority was absorbing many of Hy-Line's passengers during icy conditions. Automobiles were up 5.4% overall compared to January 2018, with the Vineyard route up 4.6% and the Nantucket route up 12.1%, which Mr. Davis said was again reflective of the icing in both Hyannis and Nantucket harbors in 2018. Truck traffic was up 8.6% overall, with the Vineyard route up 6.5% and the Nantucket route up 14.2%.

Regarding the Authority's cash balances, Mr. Davis noted that transfers to special funds were behind approximately \$2,300,000, but some were related to projects being funded through the operations fund that need to reflect their funding through the special purpose funds. Otherwise, the fund balances were in decent shape at the beginning of the year.

6. Mr. Davis then provided an update on the Woods Hole Terminal Reconstruction Project. Contractor Jay Cashman Inc. has, by and large, completed driving all the monopiles for Slip No. 3 and was cutting them to height the day prior to the meeting. An issue still exists with monopile No. 8, which will be the south head dolphin and the driving of which caused shifting of the bulkhead and deadman wall. Cashman is performing load tests and looking at a number of scenarios to secure it, Mr. Davis said.

Repairs to the bulkhead have been completed, Mr. Davis said, and Cashman is starting to drive 18-inch monopiles that will support the transfer bridge for Slip No. 3. The transfer bridges are shipped and should arrive in mid-March. Mr. Davis said the Authority is receiving four (4) bridges to provide a spare bridge that can cycle in and out of use to allow for rehabilitation of the current bridges, which will now be the same size across all of the Authority's terminals.

Cashman also continues to work toward a solution regarding the sheet pile to the north of the slip, where crews encountered an anti-scour pad underwater that was difficult to either remove or drive through, Mr. Davis said. The slip is still expected to be operational by May 29, 2019 as the Authority will need it for berthing vessels during the summer months.

Mr. Cloutier said that the project was, in general, moving forward better than it was one month ago. A recovery plan has been developed to help overcome the setbacks experienced during the construction season, and the large crane will be leaving the site soon, which will make for an overall easier work environment.

Mr. Cloutier then shared slides with recent photographs from the project. In response to questions from Mr. Anthes-Washburn, Mr. Cloutier noted that the transfer bridges were fifty feet long, compared to the thirty-foot bridge now used in Woods Hole, and that the landside infrastructure for the transfer bridges would support the bulk of the load as trucks load the vessel.

7. Regarding the design for the new terminal building, Mr. Davis noted that the Authority continues to work with BIA.studio and the Woods Hole Community Association on design alternatives. Mr. Davis said he anticipates presenting those designs to the Board at its March 19, 2019 meeting in Falmouth. Following that, the Authority will schedule public forums and presentations and appear before the Falmouth Historical Commission.
8. Mr. Davis informed the Council of the results of two (2) recent public forums on the results of the independent review of the Authority's operations performed by HMS Consulting, Glosten Associates and Rigor Analytics. Mr. Davis said the Authority held public presentations on Nantucket on Monday, March 4, 2019, at which approximately six (6) members of the public were present; and on Martha's Vineyard on Tuesday, March 5, 2019, at which approximately forty (40) people were present. At both presentations, HMS Consulting President John Sainsbury and Matt Lankowski of Glosten presented the results of the report and answered questions. In general, the feedback was along the same lines as what had already been received, Mr. Davis said.

The Authority is still trying to coordinate a time for the next phase of the implementation of the HMS report's recommendations, which will be a three-day workshop conducted by HMS Consulting and Glosten Associates. Mr. Davis informed the Port Council that the Board, at its February 9, 2019 meeting, had awarded a contract to those organizations for their services to help design an implementation plan for the recommendations in the report. The workshop would start with a full day with both the Board and management, to be followed by a full day with management and a half-day with both the Board and management.

Meanwhile, Mr. Davis said Flagship Management is working to identify candidates for the vacant port captain position as well as two (2) new positions, the director of marine operations and the health, safety, quality and environmental protection (HSQE) manager. A second firm, KLR Executive Search, has identified three (3) candidates for each of the vacant director of human resources and treasurer/comptroller positions. Mr. Davis said the hope is to have the hiring for those posts finished by the end of the month.

In response to a question from Mr. Balco, Mr. Davis confirmed that the formal public meetings regarding the HMS report are finished. Mr. Lowell noted that the meeting on Nantucket was "very quiet."

Mr. Munier asked Mr. Davis what criteria was being used to determine the implementation of the HMS report's recommendations. Mr. Davis noted that management had already gone to the Board for two (2) positions and had selected a company that will provide a learning management system (LMS) solution for the Authority. Other pieces, including a safety management system (SMS) and quality management system (QMS), are included in a request for proposals that has been issued seeking firms to aid in the procurement and implementation of said systems. Mr. Davis noted that several firms have taken out the RFP package. He further noted that HMS decided that it would not submit a proposal in order to more fully assist the Authority in developing its implementation plans.

Mr. Munier asked what the cost of these decisions would be, noting that the Port Council and Board would need that information before it could properly advise management. Mr. Davis said he wanted to have more conversations with Messrs. Sainsbury and Lankowski and that some aspects of the rollout were yet to be developed with the Board. Mr. Davis noted that the immediate focus was on the marine operations side, after which the focus will be on the Authority's engineering resources. Mr. Davis said the report had identified about \$1,000,000 for initial investments and an additional \$1,000,000 in ongoing costs. Mr. Munier said he believed that the potential figure may be twice that amount.

9. Mr. Davis also discussed the Authority's investment policy, which needs to be reauthorized every two (2) years. Mr. Davis said management was proposing no changes to the policy, which documents existing investment options. Mr. Davis noted that the Authority was likely to keep using the Massachusetts Depository Trust investment portfolio, as it provided slightly better returns than other options.

Upon a motion from Mr. Huss and a second from Mr. Lowell, the Port Council then **voted** unanimously to recommend reauthorization of the Authority's investment policy as suggested by management in the provided draft staff summary.

10. Mr. Kenneally then discussed with the Council the proposed changes to its By-laws as set forth in the provided staff summary. Mr. Kenneally noted that suggested changes were the same as were provided to the Council at its February 6, 2019 meeting. At that time, Mr. Kenneally noted that the provision within Article X of the By-laws required fourteen (14) days' notice before they could be amended, which delayed any action that could be taken. Mr. Kenneally further noted that one of the suggested revisions was to remove that 14-day period, as it would be more consistent with the Authority Board's practices. He also said he had not received any suggested changes from the Port Council members.

Upon a motion from Mr. Huss and a second from Mr. Lowell, the Port Council then **voted** unanimously to adopt changes to its By-laws as set forth by management in Staff Summary #L-490, dated March 4, 2019.

11. Mr. Davis then presented the proposed draft of the 2019 Capital Budget. Mr. Davis said about \$14,000,000 was available in the Special Purpose Fund for capital projects as of the end of 2018, and that the Authority anticipated putting about \$8,900,000 into the

Replacement Fund this year and does not anticipate putting any money into the Bond Redemption Account. The Authority has approximately \$25,000,000 in outstanding projects with the largest being the Woods Hole terminal project. The Board had recently voted to approve certain upgrades to the Authority's security system; to replace the bow thruster on board the *M/V Sankaty*; to upgrade the Authority's accounting system; and to purchase new four (4) new shuttle buses.

Following those projects, the Authority was left with little available capital funding, Mr. Davis said. The 2019 proposed budget includes computer software and hardware for the operations and communications center; replacement of luggage carts and baggage trailers; an iron worker machine; a mini-excavator; a boom man lift; pickup trucks; reservation software hardware; a website upgrade and redesign study; and miscellaneous projects. Mr. Davis noted that various grant funds were also available that, if received, would be used to build a new maintenance shop building at the Falmouth maintenance facility site.

The 10-year capital plan, Mr. Davis notes, includes vessel replacement every five (5) years and the Authority's continuing obligations for the Woods Hole terminal project. Regarding the Authority's vessels, Mr. Davis noted that many of the Authority's vessels were close in age so there would have to be further review of when the vessels could be replaced and in what order.

In response to a question from Mr. Balco, Mr. Davis said the buses that management recommended to the Board were more expensive than those purchased in previous years because they were low-floor models. Mr. Davis noted that, due to recent changes in federal regulations, the buses with luggage compartments underneath now required seatbelts and could not be in perimeter seating configurations. The Authority previously purchased buses with side-by-side seating and, following feedback from its customers on the ease of getting in and out of the buses and the width of the aisles, borrowed a low-floor bus from the Vineyard Transit Authority as a test. The feedback from customers was uniformly positive, Mr. Davis said, adding that the buses could handle about the same amount of passengers and allowed standees.

Mr. Davis noted that the Authority also borrowed an electric bus from the VTA for a test during the winter months to see what impact the conditions would have on battery life. The Authority is submitting a grant proposal to the VW Settlement Program to see if it can receive funding for an electric bus, but noted that the program included set-asides for the VTA and Pioneer Valley Transit Authority to purchase electric buses, so the state may want to disperse the money to other regions.

Mr. Huss noted that he heard positive feedback from the low-floor bus test and that everyone he had talked to really liked them.

In response to a question from Mr. Lowell, Mr. Davis noted that Marine Safety Consultants, Inc. had performed a survey on the Authority's vessel in 2012 and another one in 2018 to compare the condition of the vessels over six (6) years to evaluate how the Authority's preservation efforts had fared. Mr. Lowell noted that he did not feel it was

realistic to replace a boat every five (5) years without “free money” and that the Authority had done a great job in preserving its vessels. Mr. Davis noted that part of the discussion would be part of its long-range strategic planning recommended by HMS Consulting. Mr. Lowell replied that it would be the Authority writing the check for the activities that stem from the planning process, not HMS.

Mr. Munier noted that he read an article in a recent trade publication that stated the world’s major ferry companies are all talking about sustainable, long-range planning initiatives. Mr. Munier said he has long been a proponent of long-range planning for the Authority and the Authority needed to engage in those efforts as well. Mr. Lowell said he agreed with Mr. Munier that the Authority needed to look at sustainable efforts but that it should take its time and let the technology be refined.

Upon a motion from Mr. Anthes-Washburn and a second from Mr. Lowell, the Port Council then **voted** unanimously to recommended passage of the 2019 Capital Budget as presented.

12. Mr. Driscoll then reminded the Port Council that, prior to the meeting, he had passed out folders with the members’ new email addresses in the steamshipauthority.com domain, as well as instructions on how to access the email through a web browser. Mr. Driscoll also said the members could access their emails through their smartphones and that the Authority’s IT department could help in getting that set up. Messrs. Driscoll and Kenneally told the Port Council that they should use their steamshipauthority.com email addresses for official business from now on to comply with both the letter and the spirit of the Pubic Records Law. After the Board Members received their addresses and everyone was confirmed to be able to access them, Mr. Driscoll said he would publish the addresses on the Authority’s website.
13. Mr. Rees said he was looking forward to serving on the Port Council. He told the Council members that he was the town administrator in Fairhaven and had previously worked as the city manager in Portland, Maine, where he often dealt with Casco Bay Lines. He said he had big shoes to step into following Mr. Rezendes’ service to the Council and he was looking forward to learning about the Authority.
14. Mr. Huss then asked for public comment; one member of the audience stated that she supported Mr. Munier’s statement about the need to go green with its future ferry purchases.

Then, at approximately 11:52 a.m., upon a motion from Mr. Huss and a second from Mr. Anthes-Washburn, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council’s March 6, 2019 Meeting

1. Agenda for the Port Council’s March 6, 2019 meeting (posted March 4, 2019).
2. Minutes of the Port Council’s February 6, 2019 Meeting in Public Session (draft dated March 1, 2019.)
3. Business Summary for the month of January 2019 (draft).
4. Undated Draft Staff Summary, Reauthorization of the Steamship Authority’s Investment Policy.
5. Staff Summary #L-490, Proposed Amendments to the By-Laws of the Port Council of the Woods Hole, Martha’s Vineyard and Nantucket Steamship Authority, dated March 4, 2019.
6. Woods Hole, Martha’s Vineyard and Nantucket Steamship Authority 2019 Capital Budget (proposed draft), dated March 4, 2019.



**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

April 3, 2019

Second-Floor Meeting Room  
Hyannis Terminal  
141 School Street, Hyannis, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; Mark H. Rees of Fairhaven; and Robert S. C. Munier of Falmouth

Port Council Members absent: Vice Chairman Edward C. Anthes-Washburn of New Bedford; and Nathaniel E. Lowell of Nantucket.

Authority Management present: General Manager Robert B. Davis; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Woods Hole Terminal Reconstruction Project Manager William J. Cloutier; Operations Manager Mark K. Rozum; and Director of Engineering and Maintenance Carl R. Walker.

1. Mr. Balco called the meeting to order at 9:32 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.
3. The Port Council then **voted** unanimously upon a motion from Mr. Huss and a second by Mr. Shufelt to approve the minutes of their meeting in public session on March 6, 2019.

4. Mr. Davis reviewed the February 2019 business summary. Passenger traffic for the month was down 0.2% compared to February 2018, while automobile traffic was up 1.5% and truck traffic was up 0.3% compared to the same month of last year.

The Authority's operating loss for the month was approximately \$4,573,000, or \$581,000 higher than what was assumed in the 2019 operating budget. Operating revenue was approximately \$4,008,000, or approximately \$111,000 lower than what was forecast in the budget. The year-to-date net operating loss stood at approximately \$9,884,000, or about \$660,000 higher than was forecast in the budget.

In response to a question from Mr. Balco, Mr. Davis said management made a call to hold off on continuing its fuel hedging in 2020, after which time prices rose significantly. Now, he said, management is waiting the market out a bit before continuing its hedge program.

Mr. Munier noted the loss in February and the cumulative losses so far for the year, noting that the revenue projections were close but the expense projections were over mark, and asked Mr. Davis if he had any comment on the overages. Mr. Munier further noted that the Authority had passed a rate increase for 2019. Mr. Davis noted that he was concerned about automobile revenue being down as much as it was, but said it may be a result of the mix of standard-fare cars versus excursion-fare cars travelling at this time of year. Mr. Davis added that the timing issues of several vessel dry-docks were also affecting the actual expenses versus the projections and, once the Authority gets through March and the bulk of that work, the total effect of those expenses should be more clear. Mr. Davis said that management was trying to work with the shipyards to make sure they are submitting bills and change orders in a timely fashion.

Mr. Munier asked if the overage on expenses was a trend, to which Mr. Davis replied that he believed a lot of it was a timing issue, but he also needed to go back and look at how pension and health contributions were calculated to see if an adjustment is in order.

In response to a question from Mr. Balco, Ms. Barboza said advance reservations for summer 2019 were not up but the Authority was "holding its own." Mr. Davis added that truck demand was up for the summer season so far. Mr. Balco said he was hearing comments that the building boom was peaking and the Authority may be seeing the early signs of the end of an economic expansion cycle.

Regarding the Authority's cash balances, Mr. Davis noted that transfers to special funds were behind approximately \$2,300,000, but some were related to projects being funded through the operations fund that need to reflect their funding through the special purpose funds. Otherwise, the fund balances were in decent shape at the beginning of the year.

5. Mr. Davis then provided an update on the Woods Hole Terminal Reconstruction Project. Contractor Jay Cashman Inc. has continued to make progress and had completed nearly all of the pile driving and was working on capping those piles. Cashman still needs to drive two 42-inch monopiles adjacent to one of the 96-inch monopiles at Slip No. 3 to secure the

larger pile, which hit an obstruction and could not be driven to design depth. Mr. Cloutier noted that the engineers had hoped to drive that larger pile to at least seventy-five (75) feet, but met resistance at sixty (60) feet.

Mr. Davis said the Authority's four (4) transfer bridges had arrived in Boston and had cleared customs, but the customs paperwork was pulled the following day. Mr. Davis noted three of the bridges would ultimately be installed in Woods Hole, with the fourth serving as a spare to allow repairs to be made away from the dock. Mr. Davis said the transfer bridge in the south slip (Slip No. 1) in Woods Hole was recently swapped with the bridge that used to sit in Slip No. 3 so that bridge could be repaired. Mr. Davis said Mr. Cloutier has assured him that, by the end of May 2019, Slip No. 3 will be in such a condition as to allow a vessel to dock there, which will be necessary once the Authority moves to its five-boat schedule on the Vineyard run.

Mr. Davis also reviewed progress on the sewer pump-out project in Woods Hole, noting that contractor Robert B. Our continues to work in the employee parking lot to install pump-out tanks. The sewer pump-outs in Vineyard Haven need to be up and running before the next phases of the project can be completed in Woods Hole, Mr. Davis said.

Mr. Cloutier then shared slides with recent photographs from the project. In response to a question from Mr. Shufelt, Mr. Cloutier said that the parking spots in the employee lot will still be able to be used, although there will be an occasional need to block some off for maintenance purposes.

6. Regarding the design for the new terminal building, Mr. Davis noted that the Authority held a meeting last Thursday, March 28, 2019, at Falmouth High School to share the three (3) design alternatives with the community. About sixty (60) people attended the presentation, which included the history of the process the Authority has gone through thus far, starting with the 2013 feasibility study. The presentation included the three (3) original concepts for the terminal site and the twenty-six (26) siting options discussed with representatives from the Woods Hole Community Association and Woods Hole Business Association.

The presentation then covered the three (3) design alternatives: the reduced-height saltbox, the two-story gable and the three-story crossing gable roof, Mr. Davis said. He added that a December 2018 demonstration at the site showed that even a one-story flat-roof building at the site would block the view of the water from the Crane Street bridge. Mr. Davis said the variance on the temporary terminal and the planned variance for the new building were explained, as was the flood proofing required at the site.

Following the meeting, staff met with representatives from the Woods Hole Community Association, Mr. Davis said. At that meeting, the representatives agreed to drop the three-story crossing gable roof option, which was designed at their suggestion, but asked the Authority for more information on the possibility of a smaller, one-story building that could house only essential customer functions and then a second building for staff functions. They posited that the split would change the flood-proofing requirements and that the

savings from that would offset the cost of another building, Mr. Davis said. However, architects from BIA.studio responded that the flood proofing requirements would not change and that a rough estimate of the additional construction costs was \$2,500,000, plus nearly another \$1,000,000 in labor costs per year. Overall, the cost to the project would only decrease by \$500,000 in this scheme, so Mr. Davis said he did not feel it was a good use of the Authority's resources.

On April 2, 2019, Mr. Davis said staff attended the Falmouth Historical Commission meeting to share the designs with them. An unofficial vote of the members showed a preference for the two-story gable roof (which received four votes) over the reduced saltbox (which received one vote), although members said they liked design elements from each building. There was no support at all for the three-story crossing gable. Mr. Davis said the meeting was, overall, a positive one and staff received good ideas from the members. The Commission was pleased to hear from architect Lian Davis that the concept being explored was for the building's windows and venting system to have wood frames. Furthermore, the comment was made that, since the Authority is using the Candle House as inspiration for the stone, it should continue to do so for the whole building. Mr. Davis noted that the architects were also exploring the possibility of solar panels over the bus lanes.

The Authority has another presentation scheduled for April 8 at Katharine Cornell Theater in Tisbury and has set a deadline for comments of April 12, 2019, Mr. Davis said.

Mr. Balco said he does not think the public expects much from the building other than a place to go to the bathroom and a roof that does not leak. Mr. Huss concurred, saying it's a place to sit, look out the window and see a boat coming in.

Mr. Munier asked what the sequence of events would be going forward with the Falmouth Historical Commission, to which Mr. Davis replied that, once a design alternative is chosen, the Authority plans to hold workshops to discuss some of the design elements that are yet to be determined, such as window style and placement.

7. Mr. Davis provided the Council with an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glostun Associates and Rigor Analytics. Mr. Davis said the Authority was vetting candidates for the new positions of director of marine operations and manager of health, safety, quality and environmental protection, as well as for the vacant port captain's position and had considerably narrowed the field for all three (3) positions. Mr. Davis said the Authority had received a significant amount of interest for all three (3) positions and he found the quality of the candidates to be quite high. Mr. Davis said his goal was to have the positions filled as quickly as possible, possibly as soon as mid-April in some cases. The Authority has a request for proposals (RFP) issued for the Safety Management System (SMS) and Quality Management System (QMS); that RFP is open until mid-May and Mr. Davis said he wanted to have the marine positions in place so those individuals would be involved in selecting that vendor. The Authority has identified

a Learning Management System (LMS) and is in discussion with that company on a subscription to their program.

HMS is scheduled for on-site workshops May 16-18, 2019, with the Board and Authority staff, and Mr. Davis said the Port Council members were more than welcome to attend. The first day would be a full-day Board/staff workshop, to be followed by a day-long staff workshop and then a half-day Board and Port Council session.

8. Mr. Davis reviewed the unaudited operating results for the year ended December 31, 2018. He noted that the Authority's auditors, RSM U.S. LLP, were wrapping up their work and that he had shared these results with the Board at their March 19, 2019 meeting.

The Authority's net operating loss for 2018 was \$69,993, or some \$8,066,000 lower than 2017 and approximately \$7,000,000 than what was forecasted in the operating budget. Operating revenues for the year totaled approximately \$104,807,000, while operating expenses were \$104,371,000, more than \$9,000,000 higher than 2017 and \$6,500,000 higher than the 2018 operating budget, Mr. Davis said.

Mr. Munier noted that the expense overages seemed to stem from two categories, maintenance and general expenses. He asked if dry docks contributed to that, to which Mr. Davis noted that the *M/V Martha's Vineyard* dry dock spilled into 2018. Additionally, about half of the general expense overages were in pension and health benefits, along with increase in payroll and unemployment insurance costs.

Mr. Munier noted that, in the five (5) years he had been on the Port Council, the Authority had always been spot on or under its budget, and he would like to think this year's results were a collection of extraordinary things and not attributable to one item. Mr. Davis further noted that some of the overage stems from noncash items, such as assets that were written off and depreciation stemming from the work on the *M/V Martha's Vineyard*. Historically, Mr. Davis said, those costs have either been able to be anticipated or there has been enough cushion in the budget to absorb it. This was the first year since 1996 the Authority experienced a loss and, he noted, with the addition of the new positions recommended in the HMS report the Authority would hopefully become more efficient in its spending.

9. Mr. Davis presented the draft of the 2020 winter and spring operating schedules for discussion purposes only. By and large, the schedules are the same as what the Authority will be running in 2019, with the exception of a few vessel assignments due to their repair schedules. On the winter schedule, the Authority will be running two (2) large boats and a freight boat on the Vineyard run and one large boat and a freight boat on the Nantucket schedule. There will be a time where the *M/V Woods Hole* will be needed as a large boat on the Vineyard run, which will be problematic as the vessel cannot be used with side loading. Mr. Davis said the Authority would also need to take a closer look at its Woods Hole marine construction schedule, as work will proceed into the middle slip and present a greater effect on operations.

Mr. Davis noted that the draft schedule keeps the 5:30 a.m. trip from the Vineyard off the schedule until March 16, 2020, but Mr. Rozum was considering moving it up to February 24, 2020, which ties into the Vineyard's school vacation week. Additionally, staff was looking at Trip No. 7 from Woods Hole, which departs at 7:00 a.m. The trip's arrival time may be switched from 7:45 a.m. to 7:50 a.m. to more accurately reflect the slight delays experienced during the short turnaround time in Woods Hole, Mr. Davis said. The Vineyard Transit Authority would need to be consulted, but the change may make it more clear to travelers when the boat will actually arrive in port.

On the Nantucket route, Mr. Davis said the Authority was, more often than not, running the third round trip on the freight boat, so it had been moved to a triple-crewed vessel starting in January.

Mr. Davis noted that there was no 5:30 a.m. freight trip from Woods Hole on any of these proposed schedules.

10. Mr. Balco then asked for public comment, but none was offered.

Then, at approximately 10:36 a.m., upon a motion from Mr. Huss and a second from Mr. Shufelt, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council’s April 3, 2019 Meeting

1. Agenda for the Port Council’s April 3, 2019 meeting (posted March 29, 2019).
2. Minutes of the Port Council’s March 6, 2019 Meeting in Public Session (draft dated April 1, 2019.)
3. Business Summary for the month of February 2019 (draft).
4. Power Point Presentation on Woods Hole Terminal Reconstruction Project update.
5. Memorandum from General Manager Robert B. Davis, Operating Results for the Year ended December 31, 2018 (unaudited), dated March 12, 2019.
6. Unnumbered staff summary, proposed 2020 Winter and Spring Operating Scheduled. Woods Hole, Martha’s Vineyard and Nantucket Steamship Authority 2019 Capital Budget (draft), undated.

**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

May 1, 2019

First-Floor Meeting Room (Room 103)  
The Authority's Administrative Offices  
228 Palmer Avenue, Falmouth, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; Robert S. C. Munier of Falmouth; and Nathaniel E. Lowell of Nantucket.

Port Council Members absent: Vice Chairman Edward C. Anthes-Washburn of New Bedford; and Mark H. Rees of Fairhaven.

Authority Board Members present: Kathryn Wilson of Falmouth.

Authority Management present: General Manager Robert B. Davis; Communications Director Sean F. Driscoll; Director of Marine Operations Mark Amundsen; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Woods Hole Terminal Reconstruction Project Manager William J. Cloutier; Director of Security Larry Ferreira; Director of Marketing Kimberlee J. McHugh; Operations Manager Mark K. Rozum; and Director of Engineering and Maintenance Carl R. Walker.

1. Mr. Balco called the meeting to order at 10:01 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.



3. The Port Council then **voted** unanimously upon a motion from Mr. Huss and a second by Mr. Shufelt to approve the minutes of their meeting in public session on April 3, 2019.
4. Mr. Davis reviewed the March 2019 business summary. Passenger traffic for the month was up 20.1% compared to March 2018, while automobile traffic was up 26.4% and truck traffic was up 28.3% compared to the same month of last year. Mr. Davis said, while these are very large increases, they reflect in large part the challenges the Authority faced in 2018 and that traffic numbers were comparable to the years prior to 2018.

The Authority's operating loss for the month was approximately \$2,679,000, or \$1,388,000 lower than what was assumed in the 2019 operating budget. Operating revenue was approximately \$4,946,000, or approximately \$504,000 higher than what was forecast in the budget. Mr. Davis said a good portion of the variances were due to timing issues in terms of when items were budgeted versus when the costs were incurred and that, following the end of the first quarter, a clearer picture should emerge of the Authority's financial situation. In March, the Authority ran 1,540 trips, of which zero were cancelled for mechanical reasons on the Vineyard route and one (1) was cancelled for mechanical reasons on the Nantucket route.

The year-to-date net operating loss stood at approximately \$12,563,000, or about \$727,000 lower than was forecast in the budget, Mr. Davis said. He further noted that the fund balances remain in relatively good shape, although some cleanup work remains for capital projects that have, thus far, been funded through the operations account.

Mr. Munier said that, compared to last month's business summary in which the trends were looking to head in a negative direction, this month's results have swung to the positive. He said he wanted to point out that to make sure, on balance, people were recognizing the Authority was seeing positive results, even though the month-to-month swings are wider than what are typically seen. Mr. Davis noted that, due to the work on the new accounting system and the year-end closing duties, he has not had sufficient time to totally extract the necessary details to ensure that the business summaries precisely depict the present status of all accounts, although March has been reviewed more.

Mr. Huss inquired about the status of the Authority's search for a new treasurer/comptroller, to which Mr. Davis replied there are several candidates whom he has not had a chance to vet yet, so he would be arranging to do so next week.

5. Mr. Davis then provided an update on the Woods Hole Terminal Reconstruction Project. Contractor Jay Cashman Inc. continues to work on monopiles, standoffs, pad eyes and concrete tops at new Slip No. 3, including the transfer bridge gallows cap forms and other work related to the transfer bridge. The 24-inch drainage pipes have been laid and the work has begun for the utility piping as well as the electrical conduits for communications lines. Mr. Davis said Cashman is preparing to drive the 42-inch monopiles to shore up the No. 8 monopile; Mr. Davis said that, because the barge is in the slip, that work will not happen until the first week of June.

Mr. Davis said Robert B. Our Co. continues its work on the sewer pump-out project and has begun to operate the new system in Vineyard Haven in preparation for shutting down the pump-out in Woods Hole to be able to relocate that equipment.

Thus far, the Authority has sent out fifty-six (56) community emails advising neighbors what to expect in upcoming weeks of the project.

Mr. Cloutier then shared slides with recent photographs from the project. In response to a question from Mr. Munier, Mr. Cloutier said the schedule for the remaining weeks of the construction season is “tight” and that he is hopeful to get one of the Authority’s ferries into Slip No. 3 on May 9, 2019 to check the positioning of the transfer bridge.

6. Regarding the design for the new terminal building, Mr. Davis noted that the Authority held a meeting on April 8, 2019, at Katharine Cornell Theater in Tisbury to review with island residents the three (3) design concepts now under consideration. The Authority received feedback both at that presentation and via email and U.S. mail and is still in the process of reviewing that information. Mr. Davis said the Authority has hired the Woods Hole Group to perform a flood velocity study of the terminal’s proposed new location and that those results are due later this month.

Mr. Munier noted that, if changing the building’s location is not under consideration, would the study would say anything new, to which Mr. Davis replied that it will help the Authority get greater understanding of what would happen at the site as sea level rises. Mr. Davis noted that the edge of the velocity zone was at the edge of the old building, so the study might shed some light on where the velocity zone boundary could move with the changes to the terminal site and help the Authority make an informed decision on what, if any, impacts the change of the velocity zone boundary may have on the terminal.

7. Mr. Davis provided the Council with an update on the implementation of the Authority’s new accounting system. For the past 15 or 16 months, the Authority’s staff, including personnel from accounting, information technology and maintenance, have been working with consultants from CBIZ, RSM and former General Manager Wayne C. Lamson on integrating and implementing the NAV system. The aggressive goal was to go live on January 1, 2019, but Mr. Davis said certain aspects of the project’s scope changed, most notably integrating the system with the Authority’s Maximo maintenance program, Mr. Davis said. Additionally, more testing has been needed on the new time and attendance program, which initially was planned to launch first but has been delayed. However, so as to not delay the rest of the deployment, Mr. Davis said the rest of the system went live this past Friday, April 26, 2019.

In response to a question from Mr. Balco, Mr. Davis said the new system has the additional capability of being able to do ad hoc reporting, which will help the Authority get more detailed overviews of financial data. To date, staff have been focused on getting the system to produce the reports that it needs and are accustomed to before adding new features, although vendors do now have the ability to email invoices to one address, from which

they can be routed to individual departments. Mr. Davis further noted that the legacy accounting system remains active for the time being.

8. Mr. Davis provided an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glosten Associates and Rigor Analytics. Mr. Davis said the Authority had successfully vetted candidates for the new positions of director of marine operations and manager of health, safety, quality and environmental protection, as well as for the vacant port captain's position. Separately, Mr. Davis and Mr. Kenneally have been interviewing candidates for the human resources director position. He said he was pleased to announce the following hires:

**Angela Sampson** has been hired as the Authority's first health, safety, quality and environmental manager position, Mr. Davis said. Ms. Sampson has spent more than a decade in the environmental, health and safety field, both at sea as an environmental officer with Celebrity Cruises Inc. and shoreside with Hasbro, where she most recently worked as an environmental health and safety engineer. Mr. Davis said Ms. Sampson's expertise lies in developing and implementing environmental, health, safety and sustainability programs to ensure compliance to environmental laws and industry standards. At Hasbro, she supported global and corporate sustainability initiatives and served as the hazardous waste coordinator, a position that resulted in cost and waste reduction measures, Mr. Davis said. She is a graduate of the Massachusetts Maritime Academy, where she received a bachelor's degree in marine safety and environmental protection; she also received her master's degree in environmental sustainability at The University of Edinburgh.

**Capt. Jordan Baptiste** has been hired as the Authority's new port captain, Mr. Davis stated. Capt. Baptiste is a born and raised fifth-generation islander hailing from Vineyard Haven (Tisbury). He is 2000 graduate of Martha's Vineyard Regional High School and a U.S. Coast Guard veteran, serving from 2002-2009. He has more than fifteen (15) years of professional maritime experience, including both shoreside and afloat management-level positions, and holds a Master of Unlimited Tonnage Upon Oceans. For the past six years, Capt. Baptiste has served as captain of multipurpose support vessels in the offshore oil and gas industry. Mr. Davis said operating in one of the most heavily regulated sectors of the maritime industry has given Capt. Baptiste extensive knowledge and experience in the application of process-based management, including International Safety Management (ISM) code, safety management systems, learning management systems, and quality management systems. Capt. Baptiste has a bachelor's degree in transportation and logistics management from American Public University, where he is also currently enrolled in graduate school completing his master's degree in management and organizational leadership.

**Mark Amundsen** has been hired as the Authority's first-ever director of marine operations, Mr. Davis said. Mr. Amundsen has more than thirty (30) years of experience in operations, strategic planning, technical management, and engineering in the international shipping industry to his role. Mr. Davis said Mr. Amundsen's expertise includes strategic transportation business development, oversight of safety compliance,

structuring and negotiating long-term contracts, cost control and purchasing elements, and presiding over dry dockings all over the world. He was most recently operations manager for Singapore Technologies Marine, operating ferry services in Europe. Previously, he was managing director for Nova Star Cruises Ltd., a ferry service operating between the US and Canada; and director, ship repair, at Irving Ship-building Inc. (ISI) in Halifax, Nova Scotia. He received his bachelor's degree in Marine Engineering at Maine Maritime Academy, Castine, Maine, and is a licensed chief engineer of steam and motor vessels. Mr. Davis noted that Mr. Amundsen was in attendance at the meeting.

The director of human resources position has been filled by **Janice Kennefick**, Mr. Davis said. Ms. Kennefick has more than twenty (20) years of experience in the human resources field, most recently as the HR director at Tribe Mediterranean Foods in Taunton. She has also served as a human resources manager at Ocean Spray Cranberries in Lakeville, where she also was a senior human resources generalist, and also worked in similar roles at Computershare and Fluor Daniel GTI. Mr. Davis said Ms. Kennefick has led talent review and talent calibration sessions, implemented business unit succession planning and talent management plans, created employee training and organizational development programs, and driven the achievement of company goals through objective and development plan setting, performance calibration, and talent development. She studied business management at Lesley University.

Mr. Davis said the Authority currently has a request for proposals issued for a Safety Management System (SMS) and a Quality Management System (QMS). The RFP is open until early May, Mr. Davis said, as staff wanted to have the marine positions filled so those individuals could be part of the evaluation process for proposals.

In response to a question from Mr. Munier, Mr. Davis noted that the HMS Consulting workshops with the Board, Port Council and staff scheduled for May 16-18, 2019 had been rescheduled due to a conflict. Mr. Davis said June 5-8, 2019 had previously been identified as backup dates, but that he was going to speak to HMS Consulting President John Sainsbury to confirm that within a day or two.

9. Mr. Davis reviewed the draft 2020 Budget Policy Statement with the Port Council. He noted that, for the estimated revenue projection, the Authority would be using actual traffic statistics for the most recent twelve (12) month period, or August 1, 2018 through July 31, 2019. The projected operating expenses will be based on the proposed 2020 operating schedules, anticipated maintenance and repair schedules and roughly the same number of employees as in 2019.

Other highlights of the draft policy included:

- The Authority will continue to provide training for its employees at levels that ensure safe and efficient operations.
- The Authority will use information technology systems to improve customer services and reduce operating costs, where possible.

- Mr. Davis noted that staff have already been working on incorporating its training materials into its Learning Management System in advance of a company-wide launch of the MarineLS product, which will be a centralized hub for training and assessment programs. In addition, once the proposals for the SMS and QMS are vetted, staff should have a clearer assessment of what those costs will be for 2020.
- The cost for vessel fuel oil will reflect the then-current forecast for oil prices or the Authority's hedge program cost cap, including the hedging premium, whichever is lower.
- The proposed 2020 Operating Budget will include a full year of depreciation for the *M/V Sankaty* bow thruster replacement and a partial year for a portion of the Woods Hole marine reconstruction project.
- The Authority will maintain sufficient fund balances to meet the currently scheduled debt services requirements plus the additional balance required by the upcoming issuance of bonds during 2019, currently estimated at \$1,000,000.

Additionally, Mr. Davis said the Authority will look to avoid rate increases as it takes into account staffing changes as a result of the implementation of the HMS report's recommendations.

Mr. Davis said he expects to have a draft budget ready for the September 2019 meetings of the Port Council and Board and will be asking for recommendations and a vote at the October 2019 meetings.

In response to a question from Mr. Balco, Mr. Davis said the Authority currently has no fuel hedges in place for 2020. Despite the higher oil prices now being seen, Mr. Davis said that the first-quarter hedges need to be done and cannot wait any longer.

In response to a question from Mr. Lowell, Mr. Davis said most of the grant funding the Authority receives is for capital projects and are not reflected in the operating budget, with the exception of the National Transit Database funding received through the partnership with the Cape Cod Regional Transit Authority. Mr. Davis said he intends to use those funds toward maintenance costs.

Mr. Lowell then noted that it seems that approximately every other year there is a "blip" that throws off the budget projections, to which Mr. Davis replied that he has made adjustments to the last few years to account for such events and would continue to do so moving forward.

Mr. Davis noted that a draft of the budget calendar had been included in the council members' packets, as well as a draft schedule of what vessels would be assigned to various schedules.

Mr. Munier noted that it would be interesting to see the recommendations from the HMS report broken out on the budget to understand the "bang for the buck" that was being received from the report and its effect on future rate adjustments. Mr. Davis concurred and also stated that, following the last Board meeting, he had begun working on updating the

Authority's financial position for 2019 to better show how those costs were affecting the current year's finances, as well as updating final costs for various maintenance projects.

Then, upon a motion from Mr. Munier and a second from Mr. Lowell, the Port Council unanimously **voted** to recommend the 2020 Budget Policy Statement as presented.

10. Mr. Davis then reviewed the results of the preseason sale for high-speed ferry ticket books, stating that sales were up 3.2% compared to a year ago, although 2018 was down from 2017. Mr. Davis noted that, in 2018, a number of companies bought substantial numbers of books; this year, the holder of one profile bought fifty-two (52) books, which was the high point of sales this year for a single profile. Mr. Davis noted that 50% of the high-speed ticket books sold each year are done so during this promotional period, which Mr. Lowell attributed to the use of electronic ticketing.
11. Mr. Davis then reviewed the request for authorization and a letter of intent to participate in Phase V dredging project in New Bedford Harbor at the Authority's Fairhaven Vessel Maintenance Facility. Mr. Davis said the Authority was looking at a conceptual plan that would add a line of dolphins to the south of its maintenance dock to be able to dock five (5) vessels there. The project would be funded by federal sustainability grants, Mr. Davis said. The project would allow for storage of more vessels in the off-season as well as provide shelter for the Authority's vessels during hurricanes.

The dredging program's costs are estimated at \$100 per cubic yard and the Authority estimates dredging 7,000 cubic yards; its 20% share of the costs comes to \$140,000, Mr. Davis said.

Mr. Huss asked if the Authority could raft a fourth vessel at the dock, to which Mr. Walker replied that the vessels are not well-designed for rafting for a lot of reasons, including different freeboard heights. Mr. Davis further noted that, since the facility is behind the New Bedford hurricane barrier, there is not often much notice that it will close, so there would likely not be time to get more than five vessels docked in Fairhaven.

Mr. Munier asked about the 17-foot dredging depth below mean low water that is planned, and Mr. Walker said the figure is a bit arbitrary but that it represented a "sweet spot" that would provide the right depth for the boats docking to the south. The area is within the Authority's underwater rights and noted that the Town of Fairhaven is on board with the project. Mr. Walker further noted that, regardless of whether or not the grant funding for additional monopiles was received, the dredging would help vessels dock in Fairhaven regardless. Mr. Walker said the storm hardening project may be done in phases, with the monopiles first and then shore power upgrades in a subsequent year. In response to a question from Mr. Shufelt, Mr. Walker said the land further south of the proposed dredge area does not need to be dredged to see an improvement for docking.

Mr. Walker said the dredging would potentially take place in late 2019, with the storm hardening project taking place in 2020 or 2021.

Then, upon a motion from Mr. Shufelt and a second from Mr. Lowell, the Port Council unanimously **voted** to recommend the authorization and letter of intent to participate in the Phase V dredging project in New Bedford Harbor as proposed.

12. Mr. Lowell asked about the scheduling for the *M/V Eagle* in relation to the Nantucket Christmas Stroll and how the Authority could “reset” the schedule to have that vessel on the run at that time. Mr. Davis said the boat would have to be switched out for that weekend only and that, this year, he believes that the *M/V Woods Hole* is on the run to compensate for the absence of the *M/V Eagle*.
13. Mr. Davis noted that the agenda had included the form for the general manager’s annual review, but given that the Authority now has a new director of human resources, he removed it for the time being. He also stated that the form may be rewritten in light of the HMS report’s recommendations.
14. Mr. Balco then asked for public comment, but none was offered.

Then, at approximately 11:09 a.m., upon a motion from Mr. Lowell and a second from Mr. Huss, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council’s May 1, 2019 Meeting

1. Agenda for the Port Council’s May 1, 2019 meeting (revised posting April 29, 2019).
2. Minutes of the Port Council’s April 3, 2019 Meeting in Public Session (draft dated April 29, 2019.)
3. Business Summary for the month of March 2019 (draft).
4. Power Point Presentation on Woods Hole Terminal Reconstruction Project update.
5. Draft 2020 Budget Policy Statement and associated materials.
6. Multi-ride Passenger Book Sales, 2014-2019.
7. Staff Summary #E 2019-4, “Authorization and ‘Letter of Intent’ to participate in the Phase V dredging project in New Bedford Harbor,” dated April 29, 2019 (draft).



**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

June 18, 2019

Second-Floor Meeting Room  
Hyannis Terminal  
141 South Street, Hyannis, Massachusetts

Port Council Members present: Vice Chairman Edward C. Anthes-Washburn of New Bedford; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; and Nathaniel E. Lowell of Nantucket.

Port Council Members absent: Chairman George J. Balco of Tisbury; Mark H. Rees of Fairhaven; and Robert S. C. Munier of Falmouth.

Authority Board Members present: Chairman Robert J. Jones of Barnstable.

Authority Management present: General Manager Robert B. Davis; Communications Director Sean F. Driscoll; General Counsel Terence G. Kenneally; Director of Marine Operations Mark Amundsen; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Woods Hole Terminal Reconstruction Project Manager William J. Cloutier; Human Resources Director Janice L. Kennefick; Director of Marketing Kimberlee J. McHugh; Operations Manager Mark K. Rozum; and Health, Safety, Quality and Environment Manager Angela M. Sampson.

1. Mr. Anthes-Washburn called the meeting to order at 9:33 a.m.
2. Mr. Anthes-Washburn announced that Mr. Driscoll was making an audio recording of today's meeting. Additionally, Rich Saltzberg of the *Martha's Vineyard Times* also indicated he was making a recording of the meeting.

3. The Port Council then **voted** upon a motion from Mr. Lowell and a second by Mr. Shufelt to approve the minutes of their meeting in public session on May 1, 2019; however, Messrs. Anthes-Washburn and Huss abstained from the vote, so the motion **failed**.
4. Mr. Davis reviewed the April 2019 business summary. Passenger traffic for the month was up 3.2% compared to April 2018, while automobile traffic was up 2.2% and truck traffic was up 6.2% compared to the same month of last year.

The Authority's operating loss for the month was approximately \$774,000, or approximately \$317,000 lower than what was assumed in the 2019 operating budget. Operating revenue was approximately \$7,868,000, or approximately \$240,000 higher than what was forecast in the budget, while operating expenses were \$8,330,000, or approximately \$75,000 lower than what was forecast in the budget.

The year-to-date net operating loss was \$13,337,000, or approximately \$1,045,000 lower than what was anticipated, while operating revenues and other income are up \$695,000 compared to the budgeted amount. Mr. Davis further noted that the fund balances remain in relatively good shape.

5. Mr. Davis then provided an update on the Woods Hole Terminal Reconstruction Project. Jay Cashman Inc. completed remediation work on monopile No. 8, including installing its fender as well as some concrete work. They also installed barriers and security fencing around the public perimeter of Slip No. 3; continued work on a trestle over the water that will be used for next year's passenger platform work; and worked on the installation of the catwalks to the mooring bollards. They will also set the ticket booth while the utility contractors finish their work to support the slip operations.

Mr. Davis further stated that Lawrence Lynch Corp. worked on paving and installing drainage structures and bollard structures at the slip. The electrical contractor powered the transfer bridge, continued work on electric and communication wiring, and installed the shore power connection on the utility platform. The transfer bridge contractor worked on operational details of the bridge and the masonry contractor installed the granite cap on the bulkhead perimeter. The plumber completed the potable water piping on the utility platform.

Mr. Davis stated that, at the end of the day on Thursday, May 23, 2019, the new slip was available for public use. Cashman had completed demobilizing for the season. The barges left the site for the summer, and divers will install anodes on the piles and the steel sheet piling.

Mr. Davis thanked Jay Cashman Inc., all their subcontractors, as well as Mr. Cloutier and his team for pulling together and working tirelessly to make the slip operational for Memorial Day weekend.

Meanwhile, Robert B. Our Co. continues to be on site setting conduits and installing the concrete risers for the equipment vaults as part of the sewer pump-out project. They now expect to have all work completed by June 30, 2019.

Mr. Davis noted that the Authority has sent out sixty-three (63) Community Emails on what to expect in the coming weeks. The weekly emails will soon cease for the summer.

Mr. Cloutier then shared slides of recent photographs from the project.

6. The Port Council then **voted** 3-0, upon a motion from Mr. Lowell and a second by Mr. Huss, who reconsidered his previous abstention, to approve the minutes of their meeting in public session on May 1, 2019. Mr. Anthes-Washburn again abstained from the vote.
  
7. Mr. Davis provided an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glosten Associates and Rigor Analytics. Following the workshop held at the Authority's administrative offices in Falmouth on Wednesday, June 5, 2019, the Authority's management team, in collaboration with representatives from HMS Consulting and Glosten Associates, reviewed the feedback and direction provided by Members and developed seven (7) project implementation plans covering eight (8) of the recommendations contained in the comprehensive review.

Mr. Davis referred the Port Council members to the project plans included in their packets, each of which identifies five (5) components for the project: the initiative, the project manager, the scope/strategy, the timeline, and the estimated cost. Mr. Davis said the plans are intended to be an outline for the work that is to be carried out under each initiative and to provide a sense of the scope and time table for each project. A timeline has also been included to show the approximate start dates and duration for each of the seven projects to be undertaken and a table summarizing the seven plans.

Mr. Davis then summarized the project plans thusly:

- **Initiative:** Implementation of a Safety Management System (SMS) and a Quality Management System (QMS) in support of a move toward a process-based culture.  
**Project Manager:** Angela Sampson  
**Strategy:** Outsourced to external provider  
**Timeline:** 15-22 months  
**Cost range:** \$500,000-\$700,000
  
- **Initiative:** Implementation of a Learning Management System (LMS) in support of a move toward a process-based culture.  
**Project Manager:** Janice Kennefick  
**Strategy:** Outsourced to external consultant/provider  
**Timeline:** Pilot – summer 2019  
**Cost range:** \$1,800/month plus TBD infrastructure costs.

- **Initiative:** Developing a mission statement and promote it throughout the Steamship Authority and its constituent communities.  
**Project Manager:** Sean F. Driscoll  
**Strategy:** Internal development, using 1994 statement as baseline  
**Timeline:** Summer 2019  
**Cost range:** Internal resources only
  
- **Initiative:** Developing and maintaining a strategic plan to provide the SSA with medium- and long-term decision-making guidance and a basis for measuring organizational performance.  
**Project Manager:** Robert Davis  
**Strategy:** Outsourced to external provider  
**Timeline:** 18-24 months after development of the mission statement  
**Cost range:** \$200,000-\$300,000
  
- **Initiative:** Developing and maintaining metrics that are tied to the strategic plan for measuring the performance of SSA supervisory staff.  
**Project Manager:** Janice Kennefick  
**Strategy:** Internal development  
**Timeline:** Year following strategic plan  
**Cost range:** Internal resources only
  
- **Initiative:** Satisfying the critical resource needs in the engineering department and further evaluate additional needs.  
**Project Manager:** Mark Amundsen  
**Strategy:** Immediately fill five (5) positions; further evaluate need for addition tradespeople  
**Timeline:** 3-4 months  
**Cost range:** Recruiting \$75,000-\$100,000; annual \$600,000-\$700,000
  
- **Initiative:** Realigning of operational departments and potential addition of an operations department head.  
**Project Manager:** Janice Kennefick  
**Strategy:** Internal development  
**Timeline:** 3-6 months  
**Cost range:** Internal resources only

In response to a question from Mr. Huss regarding the Engineering Resources project, Mr. Davis said the new project engineers may travel to repair facilities to oversee work on vessels from time to time. Mr. Davis also noted that an assistant vessel maintenance manager will be added to the Authority's Fairhaven facility to provide much-needed assistance to the vessel maintenance manager there, who was overtasked this winter with four (4) vessels in repair at one time.

Regarding the Vessel Operations project, Mr. Davis also noted that the Authority needed to review the resources in its Operations Department to make sure it had adequate coverage for all functions.

Mr. Davis said HMS Consulting and Glosten Associates intend to report quarterly to the Board on the progress of the project teams.

Mr. Huss asked if implementation of these projects would drastically affect the Authority's bottom line, to which Mr. Davis responded in the affirmative. Mr. Huss said it was likely time for the Authority to review whether a rate adjustment would be necessary. Mr. Davis said he believed that there would not be a need for a supplemental adjustment this year as some projects came in well under budget, but that it was a distinct possibility for 2020. However, Mr. Davis noted some of the additional staff likely would result in operational efficiencies and even better maintenance of the fleet. Mr. Huss said it was a sign that the Authority was working to become proactive rather than reactive.

In response to a question from Mr. Anthes-Washburn, Mr. Davis said the staff members are generally enthusiastic about the changes being planned and that they are approaching the improvement plans with open eyes. Mr. Davis said he believed that, in several years, employees would wonder how the Authority did without some of the initiatives, particularly the Safety Management System and Quality Management System.

8. Mr. Davis then presented a proposed revision to the Guidelines Regarding Advertising on the Steamship Authority's Facilities that would clarify that advertising marijuana or marijuana-related products remain prohibited despite recent changes to the laws of the Commonwealth of Massachusetts concerning their sale and use. Mr. Davis reminded the members that, despite the change in state law, marijuana still cannot be used in public spaces or on federal land. As a ferry operator licensed and certified by the United States Coast Guard, Mr. Davis said the Authority must comply with all applicable federal regulations, which necessitates the additional language.

Mr. Huss asked if the policy also prohibited advertising "vaping" or e-cigarettes, to which Messrs. Kenneally and Driscoll stated it did not specifically as those devices are nicotine-delivery products and the Authority's advertising policy specifies "tobacco and tobacco-related products." Mr. Huss said he would like the policy to be further updated to prohibit advertisement of such products.

Mr. Lowell noted that these matters continue to be a moving target and that it was incredible how complicated matters had become. He likened it to the end of Prohibition without any functioning liquor stores. Mr. Lowell said vaping was just as annoying as smoking and that it was important that the Authority be able to regulate advertising on both of those matters.

The Port Council then unanimously **voted** upon a motion from Mr. Huss and a second from Mr. Lowell to recommend approval of the revised Guidelines Regulating Advertising on

the Steamship Authority's Facilities with the addition of adding vaping and e-cigarettes to the list of items that are prohibited from being advertised.

9. Mr. Davis reviewed the proposed policy for the County of Dukes County and Town of Nantucket food programs. After working with both bodies, the Authority has decided to sponsor a program that would allow the town and county to administer a travel program for their respective islands that would provide the same 50% reduction in travel costs now available to the town and county for official business. To accomplish this, Mr. Davis said a new Authority account would be set up for each island to be used by the County of Dukes County Food Program and the Town of Nantucket Food Program. The county and town would then submit a list of organizations and vendors to the Authority that were allowed to travel under those accounts.

Mr. Lowell said this was a good policy and noted that he thought the Authority already was doing something along those lines. He said, while the Authority should not be giving away the space, the discount was a good one. He asked if the discount was on the full rate, to which Mr. Davis replied in the affirmative, adding that it would cover passenger tickets as well.

In response to a question from Mr. Shufelt, Mr. Rozum said that, based on past travel, it was estimated the policy would be used about twenty-six (26) times a year, which would cost roughly \$15,000 assuming one driver per vehicle. Mr. Rozum also noted that the staff would be regularly reporting to the Port Council and Board on the policy's use so as to allow for future review of its financial effects.

The Port Council then unanimously **voted** upon a motion from Mr. Lowell and a second from Mr. Huss to recommend approval of the proposed policy for the County of Dukes County and the Town of Nantucket food programs.

10. Mr. Davis then presented the proposed 2020 Winter and Spring operating schedules to the Port Council, which he said were essentially the same as the schedules for 2019 with the exception of some vessel assignments, including the use of the *M/V Woods Hole* in place of the *M/V Island Home* from February 24, 2020 through March 30, 2020. Between January 4, 2020 and March 15, 2020, the *M/V Gay Head* will be triple-crewed so as to allow for three round-trips Monday through Friday and two round trips on Saturday, with optional service of three round trips on Sundays. In response to a question from Mr. Lowell, Mr. Rozum said the trips will all be marked as hazardous, but the designation could be removed if it is not needed.

Mr. Davis noted that the schedules were advertised in the *Cape Cod Times*, the *Nantucket Inquirer and Mirror*, the *Martha's Vineyard Times*, the *Vineyard Gazette* and the *New Bedford Standard-Times*. Management received comments from only one individual, who questioned additional trips being added at peak periods such as school vacation weeks and who had operational concerns regarding trucks arriving at the Woods Hole terminal prior to 5:30 a.m. and arrival times of trucks in Woods Hole for the 6:30 a.m. and 7 a.m.

departures. The individual also submitted a copy of a letter from the Falmouth town manager and Board of Selectmen dated June 19, 2017, which was provided to the Port Council. Mr. Rozum noted that the additional trips would be in the vein of those added in 2018 on the Friday before Christmas in response to some weather-related cancellations to help alleviate the backlog of trucks and vehicles trying to get on and off the islands.

The Port Council then unanimously **voted** upon a motion from Mr. Lowell and a second from Mr. Huss to recommend approval of the proposed 2020 Winter and Spring operating schedules as presented.

11. Mr. Anthes-Washburn then asked for public comment, but none was offered.
12. Mr. Lowell then said, with all of the new initiatives the Authority was implementing, he hoped that it did not lose the personal touch it long had enjoyed with its customers. He also said, in regards to planning, that everyone is supposed to know what is going to happen in the next fifty (50) years but that is impossible, as was the case with the Hyannis terminal, which was built in 1994 without a slip for a fast ferry. Mr. Lowell said he welcomed the Authority's new employees, but he hoped they would understand the institutional knowledge that comes with their employment and that, sometimes, customers would call just to talk with them and he hoped that would not get lost.

Mr. Huss said he had received quite a few comments from the public that the Authority's employees have been very personable and helpful recently. Mr. Davis also stated that the Authority had recently restarted its customer service training for its employees.

Then, at approximately 10:42 a.m., upon a motion from Mr. Lowell and a second from Mr. Shufelt, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council’s June 18, 2019 Meeting

1. Agenda for the Port Council’s June 18, 2019 meeting (revised postings June 10, 2019 and June 11, 2019).
2. Minutes of the Port Council’s May 1, 2019 Meeting in Public Session (draft dated June 12, 2019.)
3. Business Summary for the month of April 2019 (draft).
4. Power Point Presentation on Woods Hole Terminal Reconstruction Project update.
5. Copy of Power Point Presentation, “The Steamship Authority Implementation Process,” delivered June 5, 2019 by HMS Consulting and Glosten Associates.
6. Undated staff summary regarding revised Guidelines Regulating Advertising on the Steamship Authority’s Facilities.
7. Undated staff summary regarding the proposed policy for the County of Dukes County and Town of Nantucket food programs.
8. Undated staff summary regarding the staff’s proposed 2020 Winter and Spring Operating Schedules.



**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

July 10, 2019

First-Floor Meeting Room (Room 103)  
The Authority's Administrative Offices  
228 Palmer Avenue, Falmouth, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Vice Chairman Edward C. Anthes-Washburn of New Bedford; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; Mark H. Rees of Fairhaven; Robert S. C. Munier of Falmouth; and Nathaniel E. Lowell of Nantucket.

Authority Board Members present: Kathryn Wilson of Falmouth.

Authority Management present: General Manager Robert B. Davis; Treasurer/Comptroller Mark K. Rozum; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Director of Marine Operations Mark Amundsen; Reservations and Customer Relations Manager Gina L. Barboza; Human Resources Director Janice L. Kennefick; Director of Marketing Kimberlee J. McHugh; Health, Safety, Quality and Environment Manager Angela M. Sampson; and Director of Engineering and Maintenance Carl R. Walker.

1. Mr. Balco called the meeting to order at 10:01 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.
3. The Port Council then **voted** upon a motion from Mr. Huss and a second by Mr. Lowell to approve the minutes of their meeting in public session on June 18, 2019; Messrs. Balco, Munier and Rees abstained.

4. Mr. Davis reviewed the draft May 2019 business summary, which he noted was missing cost allocation data and management’s budgetary discussion and analysis. Passenger traffic for the month was down 0.4% compared to May 2018, automobile traffic was down 1.3% compared to May 2018, but truck traffic was up 1.1% compared to the same month of last year. Year-to-date figures show increases in passenger traffic (up 3.5%), automobile traffic (up 5.2%) and truck traffic (up 7.9%), although Mr. Davis cautioned those figures are reflective of the challenges the Authority experienced in March and April 2018, as well as icing issues in Hyannis and Nantucket harbors.

The Authority’s operating income for the month was approximately \$1,163,000, or approximately \$1,051,000 lower than what was assumed in the 2019 operating budget. Operating revenue was approximately \$11,190,000, or approximately \$102,000 lower than what was forecast in the budget, while operating expenses were \$10,027,000, or approximately \$949,000 higher than what was forecast in the budget. Mr. Davis noted, when the rate adjustments were approved by the Board in 2018, the resulting changes are allocated in the budget by taking the net number and applying it against a percentage of each month’s revenue, which could be a factor in the variances against the budgeted revenue figures.

The year-to-date net operating loss was \$12,174,000, or approximately \$6,000 lower than what was anticipated, Mr. Davis said, adding that some timing issues need to be squared away in the Authority’s new accounting system. In response to a question from Mr. Munier, Mr. Davis said, while he was pleased to be only \$6,000 short of projections for the loss year-to-date, he remained concerned about the swings from month to month. Part of the issue is due to staff learning the new accounting system and invoices being entered for payment, but never being approved for issuance. Mr. Davis said he anticipated a smoother process moving forward as staff becomes more accustomed to the new system.

Mr. Davis noted the cash balances remained in good shape, although some cleanup needed to be done on capital projects that were paid from the operations account.

In response to a question from Mr. Balco, Mr. Davis said he believed the Authority’s “break even” date would occur around August 15, 2019.

Mr. Lowell said Nantucket has been very busy and said as long as the weather is good, the boats are running, and people do not get discouraged, the finances will work themselves out. Mr. Davis said he was hopeful that, in July and August, the Authority would make around \$20,000,000 in each of those months. He further noted that this is the time of year where passenger traffic can make or break the Authority because vehicle traffic does not see much fluctuation.

Mr. Lowell said he felt the \$50 roundtrip fare aboard the *M/V Iyanough* should be adjusted and is too low. Mr. Davis replied that on weekdays, the Authority is likely losing passengers to Hy-Line Cruises, so it makes sense to keep the discounted roundtrip fares on weekdays, although the situation can be examined further.

5. Mr. Davis provided an update on the Woods Hole Terminal Reconstruction Project, noting that the construction season wrapped up prior to the start of the summer schedule on June 19, 2019. Slip No. 3 is operational and has been used for the *M/V Sankaty*, although some equipment needs adjustment, including the chains on the fendering system being too tight. Additionally, one of the platforms with a bollard on the southern monopiles is on the wrong side for the freight boats, so in the fall a platform will be put on top of the monopile itself. In general, the slip has been well-received by vessel crews, Mr. Davis said.

Mr. Davis said Woods Hole Terminal Reconstruction Project Manager William J. Cloutier was working with Jay Cashman Inc. on a construction schedule for the fall, which will include work on the passenger platform to the south of the southern slip. At some point this fall, the passenger gangway and tent in between the two southern slips will have to be removed because of the scheduled work, Mr. Davis said. However, since the *M/V Woods Hole* will be on the schedule for a portion of the time instead of the *M/V Island Home*, it will not be as big an effect because the *M/V Woods Hole* does not have side loading.

In response to a question from Mr. Shufelt, Mr. Davis said construction would resume immediately after Labor Day and continue through mid-May. Cashman will also be developing a rough plan to address the bulkhead on the north side of Slip No. 3, and those plans need to be forwarded to the Massachusetts Department of Environmental Protection for review.

Regarding the terminal building, Mr. Davis reminded the members that the Authority held a public meeting on the evening of June 18, 2019 to discuss what was supposed to be a an opportunity for the architects to have another public meeting/workshop regarding the terminal's design. However, a number of objections were made by the 60 to 80 people in attendance about the building's placement, size, and design, as well as general objections about the Authority's operations in Woods Hole. Mr. Huss noted that he heard plenty of objections but no suggestions from the crowd that evening.

Mr. Davis noted that, since the June 18th meeting, he and Falmouth Board Member Kathryn Wilson met with State Rep. Dylan Fernandes, who, in turn, has met with the SMART Citizens Task Force. The group that Rep. Fernandes met with acknowledged why the building was designed to be made of stone, but they wanted the building turned ninety degrees (90°) and moved as close to Railroad Avenue as possible, Mr. Davis said. The group also wanted the building to be one story, with the program elements planned for the second story to be moved to the proposed freight shed. Mr. Davis said he told Rep. Fernandes that turning and moving the building presented problems with storm water, passenger safety and the size of the utility building/freight shed, which Mr. Davis said could be a minimum of three (3) stories after additional elements were added.

Mr. Davis said staff was looking at how far north on the plaza the building could be moved without disrupting the storm water plans for the site. Additionally, staff was examining if the building was flipped or turned one hundred and eighty degrees (180°) and the roof line over the lobby lowered, how much the view to the south would be opened. Preliminarily, flipping the building does not look like it would change the view significantly and the

flipped building's entrance would present issues with passenger ingress and egress, Mr. Davis said. He said he anticipated staff coming to the Port Council and Board as soon as next month with a building design recommendation.

In response to a question from Mr. Munier, Mr. Davis said as long as the building stays within the plaza's designed area, moving it should not affect the Authority's Chapter 91 license. If the building were turned ninety degrees (90°), Mr. Davis said it was his understanding that a period of public comment would be required. Mr. Davis also recounted how, in June 2019, a customer in Vineyard Haven was behind the wheel of a pickup truck, lost control of the vehicle and sped across the terminal before hitting a tractor-trailer, totaling its flatbed trailer. Had the pickup truck driven through the area ten (10) seconds earlier, it would have been in the path of passengers walking to board a vessel; the incident underscored the need for safe passage for passengers to and from the terminal.

Mr. Munier asked about the design of the building, to which Mr. Davis replied that the Authority was going to recommend at the Board's June 18, 2019 meeting to have the architects conduct an additional public hearing with the community. As it stands, the velocity zone study by the Woods Hole Group confirms the architects' original depiction of the building's elevation and the materials needed for its construction, Mr. Davis said. Additionally, the study shows that flooding of the site would derive from Little Harbor at the site's southeastern corner. Mr. Davis said the raising of the bulkhead will mitigate some of the flood risks at the terminal.

Mr. Anthes-Washburn asked Mr. Munier about the public input at the Woods Hole Oceanographic Institution, where Mr. Munier is employed, in regards to its design process for a new pier. Mr. Munier said WHOI is roughly four (4) years behind the Authority's timeline, but it has established a community advisory group comprised of representatives from several community organizations.

Mr. Munier asked Mr. Davis about the Woods Hole Terminal Reconstruction Project's costs versus budget, to which Mr. Davis replied that about \$2,400,000 of the \$4,500,000 contingency has been spent, mostly on the remediation work on Slip No. 3. Mr. Davis noted that it was expected that the area would present the biggest unknowns, so hopefully the change orders will slow down. Mr. Davis also noted that the Authority plans to issue bonds later this year to help with anticipated cash flow needs stemming from the project.

6. Mr. Davis provided an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glosten Associates and Rigor Analytics. He reminded the Council that project managers had been named for the seven (7) project implementation plans covering eight (8) of the recommendations contained in the comprehensive review and provided the following updates:
  - Regarding the Safety Management System and Quality Management System, Ms. Sampson and her team have been working to select a vendor and should be presenting a contract to the Board this month for consideration. Mr. Davis

recounted how, at a meeting of captains and chief engineers going into the summer season, the staff were provided positive feedback about the implementation of the systems and that they see a value in making the change.

- Regarding the Learning Management System, Ms. Kennefick and her team are meeting weekly with Marine Learning Systems and continuing to populate the system with as much data as possible. The goal is to get a pilot of the system live this summer.
- Regarding the mission statement project, Mr. Driscoll and his team are preparing a series of public outreach sessions and have created a page on the Authority's website for individuals to provide their comments. The strategic planning and performance metric projects will follow the completion of the mission statement.
- Regarding the engineering resources project, Ms. Kennefick and Mr. Amundsen have been identifying and interviewing candidates for the project engineer, assistant vessel maintenance manager, port engineer and assistant port engineer positions.

Mr. Lowell asked, with the hiring of the new engineering positions, if that would change the traditional manner in which the Authority assigned repair crews to vessels. Mr. Davis replied that, under normal circumstances, a senior captain, senior chief engineer and an oiler would be assigned and, when the vessel is in Fairhaven, they would be accompanied by a repair crew. The new positions will allow for better planning and management of the process, Mr. Davis noted. Mr. Lowell said he was hoping there would be more attention to detail when the vessels were at external shipyards as well. Mr. Walker said the additional resources will give the department the ability to more fully monitor the vessels through the repair process, but the exact details of how that will work will depend on who is hired for the new positions.

- Regarding the vessel operations project, Ms. Kennefick has been leading interviews to fill the port captain position. Between that position and the new engineering positions, Mr. Davis said the first round of interviews should wrap up in the next week or two before a potential second round of interviews is launched. Mr. Amundsen noted that the Authority received a good response for the posted positions.

Mr. Davis said Authority staff were still meeting with HMS on a periodic basis to report their progress, and then HMS will report to the Board on a quarterly basis as to the overall progress of the implementation plans.

Mr. Munier asked if staff had broached the subject of how linked the implementation of the SMS and QMS would be. He reiterated his desire to see the SMS implementation take precedence over the QMS implementation due to the former system's importance to the Authority's marine operations.

Mr. Munier also asked what the process would be for the strategic planning process, to which Mr. Davis said he was made aware at this year's Passenger Vessel Association convention that a number of firms that are familiar with marine operations are capable of guiding that process. Mr. Davis said he expects a Request for Proposals to be issued that

would lead to the hiring of an external consultant for that purpose. Mr. Lowell said the capital budget plan, which has long existed for the Authority, would need to be part of the strategic planning process.

Mr. Lowell said he urged caution in the implementation of these projects and that the Authority should get back to what it has always done but add new layers to the operation. Mr. Anthes-Washburn said there should be some expectation that the strategic plan should have some flexibility built into it and that it is a document that will always be updated and improved by the Authority.

7. Mr. Davis then presented the proposed 2020 summer and fall operating schedules to the Port Council and noted that, other than some slight modifications to the schedule, it was essentially the same as this year's schedules.

Mr. Lowell asked, during the period in the winter schedule when the *M/V Woods Hole* would run in place of the *M/V Gay Head*, if there would be no hazardous material trips during the weekend, to which Mr. Rozum replied that there will be hazardous material trips, except on certain high-traffic weekends.

Mr. Davis said staff was not asking for a vote from Port Council at this time. The proposed schedules will be presented to the Board at its July meeting, then advertised with a 30-day comment period before being presented for a vote in September.

Mr. Davis noted the schedules also included a draft of the *M/V Iyanough* schedule, which will start Friday, April 3, 2020. He noted that two engines in the port hull will be redone over the wintertime, so when that vessel comes back the crews will need time to examine the vessel before it returns to service. Mr. Amundsen noted that he has identified a facility in Rhode Island that can perform bridge resource management training targeted at crews of high-speed vessels, so he will be identifying the licensed deck officers who would be assigned to that vessel and sending them for training over the winter.

Mr. Munier asked if the Authority still finds the 5:30 a.m. trip from Woods Hole during the summer to be a necessity, to which Mr. Davis replied in the affirmative. Additionally, the Authority will continue to run only smaller trucks on that trip as it did in 2018 and 2019. Mr. Davis said there has been discussion of late on documenting the importance of that early-morning trip to the Vineyard, as it helps move traffic off-island early in the day.

Mr. Munier then asked about the 5:30 a.m. trip's performance this year, to which Mr. Rozum said there have been a few over-the-road trucks that have shown up earlier than they are permitted, but in general the regular customers have shown up at the terminal when they are scheduled. There were questions from neighbors about why trucks booked on the 6:00 a.m. trip were allowed to arrive before the 5:30 a.m. trip's departure; Mr. Rozum said it was to allow those later-scheduled trucks the ability to utilize available space on the 5:30 a.m. trip in case there were freight customers who did not show up for the 5:30 a.m. trip.

Mr. Davis said the Authority is also reviewing traffic patterns at the terminals on standby days to determine if larger blocks of days when trips are reservation-only are necessary. Mr. Huss noted that vehicles in standby tend not to be owned by island residents or individuals who consistently travel to Martha's Vineyard and are more than likely driven by visitors who are told by rental car agents that space on a vessel is always available to those waiting in a standby line. Mr. Rozum said the Authority may also modify the Blue Line and add a day-of preferred space option for reservations; Mr. Huss noted that islanders who frequently say they cannot get off the island are not realizing that it is because they want to get off at the same time as everyone else.

8. Mr. Rozum then reviewed the 2018 Analysis of Rates versus Cost of Service report, which had been provided to the Port Council prior to the meeting. Mr. Rozum noted the highlights are on Tab 5. On the Martha's Vineyard route, between 2017 and 2018:

- The cost of service increased \$7,500,000.
- The cost per trip increased \$299.
- The number of trips increased by 724.
- The number of automobiles carried increased by 2,178.
- The number of trucks carried increased by 929.

On the Nantucket route, between 2017 and 2018:

- The cost of service increased by \$381,000.
- The cost per trip decreased by \$14.
- The number of trips increased by 70.
- The number of automobiles carried decreased by 556.
- The number of trucks carried increased by 240.

Mr. Davis noted that there were a lot of expenses that hit the Vineyard side of the ledger in 2018, including service disruptions and repairs and one-time write-offs.

Mr. Lowell praised the report, saying that if the Authority did not have it then it would be unable to provide evidence of how its costs were distributed between the routes.

Mr. Balco said he recommended looking at building permit trends to try and forecast traffic, as he suspected there may be a slowdown happening in the near future.

9. Mr. Kenneally reviewed the evaluation process for the general manager, which he said was mostly the same process as in 2018. Typically, the process starts in June, but it was delayed due to other factors. The public evaluation process is now planned for the August 7, 2019 Port Council meeting and the August 20, 2019 Board meeting. He asked each Port Council member to complete the Performance Evaluation Form on his own, without communicating with any other Authority Member or Port Council member, and reminded the Council that the forms, when completed are subject to public disclosure as public records. At the August 7, 2019 meeting, the Port Council members will be asked to provide at least a verbal summary of his performance evaluation of the general manager and then

decide if a composite evaluation should be created to forward to the Board. In response to a request from the members, Mr. Kenneally said he would email the evaluation form out to allow for its completion electronically.

In response to a question from Mr. Munier, Mr. Davis said he would prepare an update on the progress of his ten (10) goals for 2018-2019 to aid the Port Council members in their evaluation process.

10. Mr. Munier then provided an article from the *New York Times* about how “ransomware” has been used to target small government agencies and asked that it be brought to the attention of the Authority’s information technology department. Mr. Davis noted that the Authority is subject to periodic vulnerability tests by an outside party and would have the article distributed to staff.

Then, at approximately 11:38 a.m., upon a motion from Mr. Huss and a second from Mr. Anthes-Washburn, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary



Documents and Exhibits Used at the Port Council’s July 10, 2019 Meeting

1. Agenda for the Port Council’s July 10, 2019 meeting (posted July 5, 2019).
2. Minutes of the Port Council’s June 18, 2019 Meeting in Public Session (draft dated July 3, 2019.)
3. Business Summary for the month of May 2019 (draft).
4. Staff Summary #OPER-2019-5, Preliminary Version of Proposed 2020 Summer and Fall Operating Schedules (draft), undated.
5. Unnumbered staff summary, 2018 Analysis of Rates versus Cost of Service, undated.
6. Memorandum from Human Resources Director Janice L. Kennefick and General Counsel Terence G. Kenneally regarding Performance Evaluations of the General Manager, dated July 5, 2019.

**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

August 7, 2019

Second-Floor Meeting Room  
Hyannis Terminal  
141 South Street, Hyannis, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; and Nathaniel E. Lowell of Nantucket.

Port Council Members absent: Vice Chairman Edward C. Anthes-Washburn of New Bedford; Robert S.C. Munier of Falmouth; and Mark H. Rees of Fairhaven.

Authority Board Members present: Robert R. Jones of Barnstable.

Authority Management present: General Manager Robert B. Davis; Treasurer/Comptroller Mark K. Rozum; General Counsel Terence G. Kenneally; Woods Hole Terminal Reconstruction Project Manager William Cloutier; Communications Director Sean F. Driscoll; Director of Marine Operations Mark Amundsen; Human Resources Director Janice L. Kennefick; and Director of Engineering and Maintenance Carl R. Walker.

1. Mr. Balco called the meeting to order at 9:30 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.
3. The Port Council then **voted** upon a motion from Mr. Huss and a second by Mr. Shufelt to approve the minutes of their meeting in public session on July 10, 2019.

4. Mr. Rozum reviewed the draft June 2019 business summary. For the month, passenger traffic (down 1.6%), automobile traffic (down 0.9%) and truck traffic (down 0.2%) were down compared to June 2018. Year-to-date figures show increases in all three categories: passenger traffic (up 2.0%), automobile traffic (up 3.5%) and truck traffic (up 6.3%).

The Authority's operating income for the month was approximately \$4,118,000, or approximately \$412,000 lower than what was assumed in the 2019 operating budget. Operating revenue was approximately \$13,417,000, or approximately \$180,000 lower than what was forecast in the budget, while operating expenses were \$9,299,000, or approximately \$232,000 higher than what was forecast in the budget, Mr. Rozum said. The year-to-date net operating loss was \$8,055,000, or approximately \$418,000 higher than what was anticipated in the budget, Mr. Rozum said.

In response to a question from Mr. Lowell, Mr. Rozum said the passenger figures were inclusive of those carried by Seastreak during the first two weeks of the Authority's high-speed season. Mr. Lowell said there may have been even more people riding the *M/V Iyanough* if not for the service issue this spring. Mr. Rozum noted that traffic on the high-speed ferry has been trending down all year. Mr. Lowell said he believed a same-day slow/fast boat combination ticket in both directions on the route would be one way to increase fast ferry traffic.

In response to a question from Mr. Balco, Mr. Davis said he still believed the Authority's "break even" date would occur around August 15, 2019. Mr. Balco noted that the ferries do not seem as crowded as in years past, to which Mr. Davis replied that the Authority had a good Independence Day week but he, too, has heard reports that some people do not feel it has been as busy this year. The Authority's data showing fewer passengers and cars parked bear that out, but he said the Authority should be "turning the corner" in a week or two. Mr. Balco said he has heard that there has been softness in the rental market on the Vineyard, noting that premium listings are still available for the third week in August. Mr. Rozum said further examination of the data was warranted to determine if the decreases were across the board or more specifically happening on certain days or times. He also noted that there had been an increase in excursion-rate vehicles that were crowding out the standard-fare automobiles.

Mr. Davis noted that the Authority's cash balances are in good shape and that the required transfers to the special-purpose funds have been made on schedule.

5. Mr. Davis provided an update on the Woods Hole Terminal Reconstruction Project, noting that Jay Cashman Inc. has been on site to build a platform on the southern side of the southernmost slip for passenger embarkation, which will be necessary when the current Slip No. 1 is shut down this fall. Mr. Davis said that, after Columbus Day, the temporary passenger tents will need to be taken down; at that time, the Authority will reposition the passenger loading ramp from that side of the slip to the southernmost side. Additionally, the Authority is examining the feasibility of using its oil storage shed for passenger shelter, as well as installing a glass bus shelter, as the tents will not be able to be replaced. Mr. Davis said Ms. Sampson was sourcing a new building for the oil shed, as it will be in place

for several years, and purchasing one may be more economical than renting. Mr. Davis said staff was also considering if it should add passenger shelter near Slip No. 3 and was possibly considering using part of the passenger tents over the plaza in front of the temporary terminal building.

Mr. Davis said the sewer pump-out project is completed and the units are operational, except for a few items remaining to be completed. Among them is adding fans to take away the heat from the pumps, Mr. Cloutier said.

Cashman will mobilize at the site September 9, 2019, to work on the northernmost pier and then start work on what will be Slip No. 1 (the middle slip). Mr. Davis noted the plan is to drive monopiles before doing the sheet pile bulkhead so as to avoid a reoccurrence of the soil liquefaction that occurred last year.

6. Mr. Davis provided an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glosten Associates and Rigor Analytics. He reminded the Council that project managers had been named for the seven (7) project implementation plans covering eight (8) of the recommendations contained in the comprehensive review and provided the following updates:

- Regarding the Safety Management System and Quality Management System, the Board approved staff's recommendation to engage with SMS LLC for the implementation of the SMS and QMS. The Authority received four (4) bids and, although SMS LLC was the highest bid, the evaluation team felt their bid had a better understanding as to what it would take to implement the systems. Mr. Davis said work should begin after Labor Day with the vendor.
- Regarding the Learning Management System, Ms. Kennefick and her team have arranged for laptops to be ordered to allow personnel at all Authority facilities the ability to access the web-based system. In response to a question from Mr. Huss, Ms. Kennefick said the system will warn employees if their training certifications are about to lapse. Mr. Amundsen added that procedures will be in place to ensure that employees without the proper training will not be able to work a vessel. Mr. Lowell noted that many employees may not be computer savvy enough to complete the online-based trainings, and Ms. Kennefick said the project team would be working to help them on site.
- Regarding the mission statement project, Mr. Driscoll and his team have held a series of public outreach sessions and are accepting comments through August 23, 2019. Mr. Davis noted that the strategic planning and performance metric projects will follow the completion of the mission statement. In response to a question from Mr. Balco, Mr. Driscoll stated he and his project team have been generally pleased with the quality and quantity of public feedback received to date.
- Regarding the engineering resources project, Ms. Kennefick and Mr. Amundsen have been interviewing candidates for the project engineer, assistant vessel maintenance manager, port engineer and assistant port engineer positions and should be making hires very soon.

- Regarding the vessel operations project, Ms. Kennefick has been leading interviews to fill the port captain position and an announcement is expected shortly.

Mr. Huss asked if the addition of a chief operating officer was still being considered or if it was off the table, to which Mr. Davis said it was still in the mix as part of the overall examination of the Authority's organization structure. Mr. Davis noted that some positions may need to be reclassified under the Authority's pay grade rankings and that the project team would need to make an ethics disclosure to himself, and he, in turn, would need to make one to the Board, as the changes could affect those individuals personally.

7. Mr. Kenneally then began the process of the annual review of the general manager. After confirming that the four (4) members in attendance had completed their forms and that they had not conferred with each other, he then invited them to review what they considered to be the relevant portions of their reviews.

- Mr. Balco noted that he would not touch on each goal listed under Section I, but said that he had generally rated Mr. Davis "High Acceptable" or "Outstanding" in this section except for No. 10, which he rated "Mid Acceptable," noting that the issue of a New Bedford freight service seems to have been pushed aside a bit. Mr. Balco said he thought Mr. Davis should continue to work on that as there could be a lot of advantages to the service. Overall, Mr. Balco scored Mr. Davis as a 90% on Section I.

Under Section II, Mr. Balco said he had given Mr. Davis mostly ratings of 9 or 10; one was a 7 because he said he felt Mr. Davis had been slow on organizing the mission statement and strategic planning process. Overall, Mr. Balco said he gave Mr. Davis a 90% in this section.

Under Section III, Mr. Balco said he graded Mr. Davis at a 90% and had very few comments to add.

Mr. Davis' overall score, therefore, was a 90%, Mr. Balco said.

- Mr. Huss said, under Section I, many were rated "High Acceptable" or "Outstanding" except for the goal concerning New Bedford freight service, which he said seems to have been put on hold. Mr. Huss said he did not grade Mr. Davis on a few goals as he did not feel he had enough information to do so. Overall, on this section, he scored Mr. Davis at an 85%.

Under Section II, Mr. Huss said almost all of the responses were an 8 or 9 except for the question regarding the organization's mission statement and strategic plan, noting that the Authority has neither. Overall, on this section, he scored Mr. Davis at an 85%.

Under Section 3, Mr. Huss said he scored Mr. Davis and 85%, noting that a lot of that score is because Mr. Davis has taken on a lot of work that he should not have but was forced to do because of staff departures.

Overall, Mr. Balco said he scored Mr. Davis at an 85%.

- Mr. Shufelt said, under Section I, pretty much all the categories were rated "High Acceptable," except Goal No. 5, which was rated "Outstanding." He said Mr. Davis has moved ahead with the recommendations of the HMS report and, even though it is a long process and some of the recommendations will take a long time to

implement, things are moving quickly considering the big changes on the horizon. Overall, he graded Mr. Davis at a 91.43% for this section.

On Section II, Mr. Shufelt said there were two items for which he did not have enough information to grade Mr. Davis; however, on the other items, he scored a 9 on all of them. The overall grade was 95.58%.

On Section III, there was nothing Mr. Shufelt said he saw as a negative; he scored Mr. Davis at a 95.00% percent.

Overall, he gave Mr. Davis a grade of 94%. He said he felt Mr. Davis had done a great job and was wearing a lot of hats over the last year, but was now able to give them to other people in the organization.

- Mr. Lowell said he would not review the entire evaluation but said he gave Mr. Davis a 95% overall. He said Mr. Davis has handled the extreme pressure and negativity very well regarding the unfortunate events of the *M/V Martha's Vineyard* midlife refurbishment and the unforeseen operational issues. Mr. Lowell said he believed the Authority was doing “pretty good” and that there is a lot of work to do in terms of mending the overall results of its negative exposure of the last year and the negativity surrounding the Authority. He said he felt the new hires were fitting in well with the Authority.

Mr. Lowell said he disagreed with Messrs. Balco and Huss regarding New Bedford freight service and said they should examine the cost of service to Nantucket for a comparison, as the routes would be roughly the same length.

Mr. Huss asked Mr. Kenneally to work on redoing the form for the evaluations, as the current versions did not work very well when being done on a computer.

Mr. Davis said he appreciated the kind words and confidence of the Port Council and said his work is a reflection on the support he gets from the Port Council, the Board and the Authority's employees. He said he leans on all of those people for advice and counsel and said the attitude he has witnessed from everyone from the dock workers to those in the pilot houses has been fantastic.

Mr. Kenneally said with the absence of three (3) members that he would not, at this time, compile the council's evaluations but would do so for his presentation to the Board.

8. Mr. Balco then asked for public comment, but none was offered. Mr. Jones noted that there were still several items for the Authority to settle, including healing some of the wounds that have plagued the organization from both Falmouth and Martha's Vineyard. He noted that the Vineyard could now see that the Authority's service was off and running dependably, but relations with Falmouth would continue to be a long road. He said he believes once the Authority sets a course on the Woods Hole terminal building and the Board votes on it, that relationship could begin to be repaired.

Then, at approximately 10:30 a.m., upon a motion from Mr. Lowell and a second from Mr. Huss, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council's August 7, 2019 Meeting

1. Agenda for the Port Council's August 7, 2019 meeting (posted August 2, 2019).
2. Recording announcement.
3. Minutes of the Port Council's July 10, 2019 Meeting in Public Session (draft dated August 5, 2019.)
4. Business Summary for the month of June 2019 (draft).



**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

September 18, 2019

First-Floor Meeting Room (Room 103)  
The Authority's Administrative Offices  
228 Palmer Avenue, Falmouth, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Vice Chairman Edward C. Anthes-Washburn of New Bedford (who participated telephonically); Secretary Robert V. Huss of Oak Bluffs; Robert S. C. Munier of Falmouth; and Nathaniel E. Lowell of Nantucket.

Port Council Members absent: Eric W. Shufelt of Barnstable; Mark H. Rees of Fairhaven;

Authority Board Members present: Kathryn Wilson of Falmouth.

Authority Management present: General Manager Robert B. Davis; Treasurer/Comptroller Mark K. Rozum; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Woods Hole Reconstruction Project Manager William J. Cloutier; Director of Shoreside Operations Alison A. Fletcher; Director of Marketing Kimberlee J. McHugh.

1. Mr. Balco called the meeting to order at 10:02 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting, as was Louisa Hufstader (representing the *Vineyard Gazette*).
3. Mr. Balco announced that he had been notified by Mr. Anthes-Washburn that he desired to participate remotely in today's meeting because his physical attendance today would be unreasonably difficult. Mr. Balco stated that he agreed with Mr. Anthes-Washburn and had determined that his physical attendance today would be unreasonably difficult and that,

therefore, he may participate remotely in this meeting, which includes voting on all matters as well. Mr. Balco also stated that Mr. Anthes-Washburn would be participating in the meeting by telephone conference call, that he would be clearly audible to the members, and that the members would be clearly audible to him. Mr. Anthes-Washburn also noted that, as a result of Mr. Anthes-Washburn's remote participation in this meeting, all votes taken by the members that day would be by roll call vote.

4. The Port Council then **voted** upon a motion from Mr. Huss and a second by Mr. Lowell to approve the minutes of their meeting in public session on August 7, 2019.
  
5. Mr. Davis reviewed the draft July 2019 business summary. For the month, the Authority carried fewer passengers (down 2.4%) and automobiles (down 2.6%), but more trucks (up 2.9%) than it did in July 2018. Mr. Davis noted that July 2019 had one fewer weekend day in the month than did July 2018, which may account for some of the changes. He said through the week of the Fourth of July, the Authority was running at about the same numbers it had seen last year, but several storms and the loss of the weekend day may have dampened the traffic figures.

Through the first seven (7) months of the year, the Authority carried more passengers (up 0.7%), automobiles (up 2.0%), and trucks (up 5.7%) than it did during the same time period last year, Mr. Davis said.

Mr. Davis said the Authority had net operating income of \$6,776,000 for the month. Operating revenues and other income totaled \$17,154,000, about \$510,000 lower than anticipated in the 2019 budget, while operating expenses totaled \$10,378,000 for the month, about \$432,000 higher than anticipated in the budget.

Mr. Davis noted that, as the Authority transitions to its new accounting system, there will be adjustments to make in the pension, health and welfare categories as some of the expenses have been credited to the wrong accounts.

During the month, the Authority's vessels made a combined 2,684 trips, of which four (4) were cancelled for mechanical reasons on the Vineyard run and none on the Nantucket run.

For the first seven months of the year, the Authority had \$62,910,000 in total income and \$61,978,000 in total expenses, for a year-to-date net operating loss of \$1,279,000, he said. Mr. Davis said the fund balances were in relatively good shape in July, but August will tell a different story regarding the Authority's cash flow.

In response to a question from Mr. Balco, Mr. Rozum said he did not know yet what the break-even date was for this year. Mr. Davis noted that passenger traffic was strong for the month of August and he believed it would be between August 10 and August 15, 2019.

6. Mr. Davis provided an update on the Woods Hole Terminal Reconstruction Project. The marine contractor, Jay Cashman Inc., mobilized right after Labor Day after a short delay due to the effects of Hurricane Dorian were felt locally. They got to work rebuilding the ringer crane on the on-site barge before they began to work on the north pier from the shore. The crane barge is now in Slip 3 because it was determined that the chains and U-bolts at that site had to be changed and strengthened.

Mr. Cloutier stated that the fender chain work was known prior to the start of the season, so the schedule is still on track. That work should be completed by the end of the week, he said, and then demolition at the middle slip should commence. In response to a question from Mr. Huss, Mr. Cloutier stated that the sheet metal work Mr. Huss observed that day was not related to the project.

Mr. Davis said Cashman was also preparing the decking on the south side of the southernmost slip to serve as the entrance and egress for that slip once the middle slip is out of commission. He said a trailer was procured to transition the oil shed's contents in order to convert the oil shed into a temporary passenger shelter space. Unlike the current tents, the converted oil shed will provide more protection against the wind and elements, he said. The tents will not come down until after Columbus Day, Mr. Davis said.

7. Mr. Davis provided an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glosten Associates and Rigor Analytics.

- Regarding the Safety Management System and Quality Management System, after the Board approved staff's selection of Safety Management Systems LLC ("SMS LLC") as the vendor for this work at its July 2019 meeting, a kick-off meeting was held last week at the Authority's administrative offices to launch the project. SMSLLC anticipates being on-site next week to start their discovery phase and gap analysis, he said.
- Regarding the Learning Management System, Human Resources Director Janice Kennefick and her team are meeting weekly with Marine Learning Systems and continuing to populate the system with as much data as possible with plans for using it for mandatory training programs that reoccur yearly, he said. The Authority recently procured laptops and will be placing them on vessels and at the Authority's facilities to access the system, and staff will also be training other employees how to access it.
- Regarding the engineering resources project, the project engineer and assistant port engineer have been hired, Mr. Davis said. Interviews are ongoing for the assistant vessel maintenance manager and port engineer positions, and those hires are expected to be completed by the end of the week.
- Regarding the vessel operations project, with the promotion of Capt. Charles M. Monteiro to port captain, the Authority is also seeking to fill the assistant port captain position. Mr. Davis also introduced Ms. Fletcher to the Port Council.

8. Mr. Driscoll then presented the Port Council with a presentation on the draft mission statement, offering a brief review of the project to date and the feedback received from the four (4) open houses the project team (which included Messrs. Kenneally and Rozum and Ms. McHugh) held and from comments sent via email. Of those, the team identified five (5) values to include in the mission statement: customer engagement and solutions, sustainability, reliability, safety, and efficiency. The team then created a draft mission statement:

*Our mission is to operate a safe, efficient, and reliable transportation system for the islands of Martha's Vineyard and Nantucket in an environment committed to sustainability, accessibility, and community engagement.*

Mr. Driscoll then reviewed the statement's specific language and the various values and goals that it touched upon. He said that, assuming the draft gets accepted by the Port Council and Board, another round of public comment will be offered to give the Authority's constituent communities the chance to offer their feedback on the statement. The project team will then review that feedback before bringing back a possibly revised draft to the Port Council and Board at their November meetings.

Mr. Munier then noted that the Authority's employees were not mentioned in the mission statement and said that the language of "for the islands" could be a problem for those living in Falmouth. Mr. Lowell said he would suggest removing "community engagement" and using language specific to the port communities. Mr. Kenneally noted that the project team spent a lot of time trying to incorporate as much as possible into the statement without making it overly long or complicated, but that the project team would take all feedback into consideration over the course of the next month.

The Port Council then **voted** 5-0 to accept the draft mission statement to allow for its dissemination to the public for another round of input and feedback.

9. Mr. Davis then presented the proposed 2020 summer and fall operating schedules for the Nantucket route to the Port Council. The schedules would start and end on the same days as the 2019 Nantucket route and would be essentially the same as 2019 with the exception of the assigned vessels and the start and end dates of the schedules, Mr. Davis said.

In response to a question from Mr. Lowell about the timing of the *M/V Eagle* coming off the route for repair for the fall schedule, Mr. Davis said changing that would mean a less-than-ideal time for the *M/V Island Home* to have its repair scheduled. The Authority's suggested fix was to have both the *M/V Nantucket* and *M/V Woods Hole* on the run at the same time to provide more passenger capacity. Mr. Lowell asked if the lunch counter employees would be able to stay on board the *M/V Woods Hole* when that vessel is used for hazardous material trips; Mr. Davis said that, typically, when the *M/V Woods Hole* is used as a freight vessel, the lunch counter is not staffed; however, if it were, those employees would be able to stay on the boat.

Mr. Lowell then asked if the 6:45 p.m. trip off Nantucket in the June 17, 2020-September 8, 2020 schedule be designated hazardous on Monday-Thursday; he said such a designation would help move larger trucks off the 5:30 p.m. trip off the island and create space for “pup trailers” on the earlier boat. Mr. Rozum suggested that Mr. Lowell include that in his motion and that the hazardous designation could be removed based on demand.

The Port Council then **voted** 5-0 upon a motion from Mr. Lowell, seconded by Mr. Huss to recommend approval of the Nantucket summer and fall 2020 schedules with the change of designating Trip 310 as hazardous from June 17, 2020 through September 8, 2020.

10. Mr. Davis then reviewed with the Port Council the public hearing on the Authority’s proposed summer and fall operating schedules for the Martha’s Vineyard route, which was necessitated by a petition of fifty (50) Falmouth residents who objected to the carrying of freight on board the 5:30 a.m. trip. Mr. Davis said staff expected to present those schedules for review at the October meeting following the completion of a report on the hearing.
11. Messrs. Davis and Rozum then reviewed the preliminary draft of the 2020 operating budget, which includes expected revenues of about \$113,000,000 (a 1% increase over the 2019 estimate) and expenses of \$111,000,000 (a 4.6% increase over 2019 estimates), leaving the Authority with approximately a \$2,400,000 bottom line. Mr. Rozum noted the Authority was performing one more dry-dock in 2020 than it did in 2019 and that the budget included approximately \$1,000,000 in terminal repairs, \$750,000 of which is planned for Oak Bluffs. Mr. Rozum also said additional expenses due to the new employees being hired as a result of the HMS Consulting study recommendations were also contributing to the expense increases.

Additionally, Mr. Rozum said approximately \$947,000 in expenses is being added to next year’s budget, to account for depreciation of Slip 3 and Slip 2 in Woods Hole, the Authority’s new accounting system and \$2,500,000 in computer systems. In response to a question from Mr. Lowell, Messrs. Balco and Davis said the length of time depreciation stays on the books depends on the asset. The *M/V Woods Hole*, for example, is being depreciated over thirty (30) years while the *M/V Iyanough* was depreciated over ten (10) years.

12. Messrs. Davis and Rozum then reviewed the preliminary 2020 rate adjustments.

On the Vineyard route:

- Automobile rates are proposed to increase to \$85 (\$95 for cars over 17 feet) one-way from April 1-October 31, with rates further increasing to \$100 (\$110 for cars over 17 feet) on Fridays, Saturdays and Sundays from May 15-September 14. Off-season rates would increase to \$55 for cars under 17 feet and \$65 for those over 17 feet. A 10-ride book would increase to \$850.
- Excursion rates would increase \$5 round-trip in every category.

- Commercial vehicle rates would increase ten percent (10%) for trucks 65 feet and over.
- Annual parking permits would increase to \$1,150 for the Woods Hole lot and \$700 for the Falmouth lots.

On the Nantucket route:

- Automobile rates are proposed to increase to \$230 (\$255 for cars over 17 feet) one-way from April 1-October 31, with rates further increasing to \$250 (\$275 for cars over 17 feet) on Fridays, Saturdays and Sundays from May 15-September 14. Off-season rates would increase to \$155 for cars under 17 feet and \$175 for those over 17 feet.
- Excursion rates would increase \$5 round-trip in every category.
- Driver services fees would increase to \$40.
- Commercial vehicle rates would increase ten percent (10%) for trucks 65 feet and over.
- Annual parking permits would increase to \$1,000 for the combination main lot/Lewis Bay Road lot, to \$850 for the year-round Lewis Bay Road/Yarmouth Road lots, to \$550 for the seasonal permit, to \$700 for the Yarmouth Road permit, and to \$300 for the winter permit.

Combined, the rate adjustments are expected to generate approximately \$5,000,000 in revenue to the Authority, which would make its bottom line approximately \$7,400,000 in 2020, Mr. Rozum said.

Mr. Balco noted that the increases fall approximately eighty percent (80%) to the Vineyard route and twenty percent (20%) to the Nantucket route; Mr. Davis said that, as the budget is being prepared, staff review the history of how each route has performed to ensure it is paying its share of the cost of service. The Vineyard has been subsidized by the Nantucket route, which, when that deficiency is amortized over a 20-year period, means the first \$500,000 of any rate adjustment, in theory, comes from the Vineyard route.

Mr. Rozum said the Authority focused on automobile travel during the peak summer season, partially in response to feedback about the number of cars on the island. The waitlist averages 1,300 cars from Friday through Sunday in the summer compared to 170 on a Tuesday, which clearly shows the demand levels for the weekend days is much higher, he said.

Mr. Lowell said the commuter books on the fast ferry should be increased, calling the current pricing “ridiculous.” He also said that he did not agree with the peak pricing model being proposed and that driver services should end much earlier than it does. Mr. Lowell said the trend on Nantucket has been that seasonal residents have been leaving cars on the island and flying rather than taking the boat. He said that new cars are not coming to the island in the numbers that they used to.

Mr. Lowell then suggested that parking permit rates increase more. Mr. Rozum said that the parking permit pricing makes it more affordable for individuals to not take their cars

on the vessels. The Authority also has a revenue disparity when permitted cars remain in its lots for long periods of time, noting that a \$20 per day spot can be occupied by a permitted car that essentially pays \$2 per day.

Mr. Lowell asked about “unbundling” the excursion rates and allowing someone who leaves during the high season and returns during the low season to pay the lower offseason fare for the return trip; Mr. Rozum said that could be examined this year.

Mr. Davis said the budget would be “cleaned up” before it is presented to the Board, but its proposal is essentially where the Authority is and he believes the peak pricing model will generate the needed additional revenue.

In response to a question from Mr. Lowell, Mr. Davis said there may be some Authority bonds that would benefit from refinancing due to low interest rates and that he would be speaking with the Authority’s bond counsel about it.

Mr. Munier then discussed the expense side and asked, with the maintenance expenses projected, how much flexibility there is in the plans and if anything could be delayed or advanced into this year. Mr. Davis said the dry-dock for the *M/V Governor* had already been postponed for a year, which took \$1,000,000 off the original proposal. Some other maintenance projects are being accelerated and completed in 2019 as well. The other expense increases are tied to additional personnel and other recommendations being incorporated from the HMS review, he said.

13. Mr. Kenneally then reviewed with the Port Council the status of the annual evaluation of the general manager, noting that four (4) of seven (7) Port Council members had turned their evaluation forms in at the last meeting. The Board decided to postpone its process so as to allow the remaining Port Council members to hand in their reviews. Mr. Rees declined to participate due to his new status on the Port Council, Mr. Kenneally said. Mr. Anthes-Washburn sent in his review, and Mr. Munier did so at the meeting.

Mr. Anthes-Washburn summarized his review and said that Mr. Davis handled the HMS review with a lot of transparency and, even as he took significant criticism, took a clear-eyed approach to the recommendations. He said he thought it says a lot about a leader when they can handle criticism in a constructive way and he was very impressed with how Mr. Davis handled the adversity over the last year.

Mr. Munier said his review was generally positive as well, with the highest marks going to Mr. Davis’ handling of the Woods Hole Terminal Reconstruction Project. He gave a medium grade for Mr. Davis’ work concerning the HMS report due to the continued lack of strategic planning at the organization; he said that he would have preferred the HMS review recommendations be implemented in context of a grander plan rather than as a rush. He said he also feels the exploration of a freight terminal in New Bedford has not seen much progress this year.

Regarding Mr. Davis' management abilities, Mr. Munier said he gave a lower grade on the areas concerning vision and strategic planning but a high grade regarding Authority operations. He said that Mr. Davis' job title may not fit with the role he should play, as Mr. Munier said a CEO is charged with thinking more strategically and a general manager, he feels, would handle more of the day-to-day work. But the bottom line, he said, is that the main job of the Authority is being done very well.

14. Regarding his goals for the year July 1, 2019 through June 30, 2020, Mr. Davis said he would like to defer that effort until next month. Mr. Munier noted that perhaps some of the goals should be more strategic and less specific, although he said it would be harder to measure their completion. Mr. Davis said a balance needs to be struck between times when there was not a definable way to evaluate a particular goal and times when they were all very specific.
15. Mr. Davis said he appreciated the Port Council moving their meeting this month and said that the November meeting may need to be rescheduled as well, but that it was not a certainty yet.

Then, at approximately 11:46 a.m., upon a motion from Mr. Lowell and a second from Mr. Huss, the Port Council unanimously **voted** to adjourn their meeting.

A TRUE RECORD

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Robert V. Huss, Secretary



Documents and Exhibits Used at the Port Council’s September 18, 2019 Meeting

1. Agenda for the Port Council’s September 18, 2019 meeting (posted September 13, 2019).
2. Minutes of the Port Council’s August 7, 2019 Meeting in Public Session (draft dated September 12, 2019.)
3. Business Summary for the month of July 2019 (draft).
4. Unnumbered staff summary, To Present the Draft Mission Statement for Review and Input Prior to Seeking Public Comment, undated.
5. Presentation on Draft Mission Statement.
6. Mission Statement Public Comments – Matrix of Issues.
7. Draft Staff Summary #OPER-2020-6, Proposed Summer and Fall Operating Schedules – Nantucket; undated.
8. Materials related to the Preliminary Draft of the Proposed 2020 Operating Budget (Statement of Revenues and Expenses, 2020 Budget by departments, and Income Statement)
9. Materials related to the Preliminary Draft of the Proposed 2020 Rate Adjustments (Preliminary 2020 Rate Adjustment – Martha’s Vineyard, Preliminary Rate Adjustments – Nantucket, Cost of Service Recovery Allocation Worksheet, Statement of Revenues and Expenses).

**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

October 9, 2019

Second-Floor Meeting Room  
Hyannis Terminal  
141 South Street, Hyannis, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; Mark H. Rees of Fairhaven; and Nathaniel E. Lowell of Nantucket (who participated via telephone).

Port Council Members absent: Vice Chairman Edward C. Anthes-Washburn of New Bedford; Robert S.C. Munier of Falmouth.

Authority Board Members present: Robert R. Jones of Barnstable.

Authority Management present: General Manager Robert B. Davis; Treasurer/Comptroller Mark K. Rozum; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Human Resources Director Janice L. Kennefick; Director of Marketing Kimberlee J. McHugh; and Assistant Treasurer Courtney Oliveira.

1. Mr. Balco called the meeting to order at 9:30 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.
3. The Port Council then **voted** to approve the minutes of their meeting in public session on September 18, 2019. (Messrs. Rees and Shufelt abstained from voting.)

4. Mr. Davis reviewed the draft August 2019 business summary. For the month, passenger traffic (up 0.5%) was up, while automobile traffic (down 1.1%) and truck traffic (down 0.5%) were down compared to August 2018. Year-to-date figures show increases in all three categories: passenger traffic was up 0.6%, automobile traffic was up 1.3% and truck traffic was up 4.9%.

The Authority's operating income for the month was approximately \$7,283,000, or approximately \$1,136,000 lower than what was assumed in the 2019 operating budget. Operating revenue was approximately \$18,194,000, or approximately \$ 73,000 lower than what was forecast in the budget, while operating expenses were \$10,910,000, or approximately \$1,063,000 higher than what was forecast in the budget, Mr. Davis said. The year-to-date net operating income was \$6,004,000, approximately \$2,497,000 lower than what was anticipated in the budget, Mr. Davis said.

Mr. Davis noted that, the Authority's fund balances, staff was taking a closer look at the operations account as it missed its budget estimate for the month.

5. Mr. Davis provided an update on the Woods Hole Terminal Reconstruction Project, noting that Jay Cashman Inc. has been working on replacing the chains and connections on the fender system on Slip No. 3 as they were determined to be undersized. Additionally, the oil storage shed has been repurposed as a passenger shelter at the southernmost slip, as the passenger tents adjacent to the middle slip will be removed to allow for work to proceed at the site. A glass bus shelter will also be installed to allow passengers to seek additional shelter while waiting for their ferry, Mr. Davis said. He also noted that he understood more change orders to be forthcoming related to the delays already experienced in the project.

Regarding the terminal building design, Mr. Davis said the Authority has been working on a new, one-story concept that has solar panels on the roof and over the canopies covering the bus pick-up and drop-off areas. The functions that had been on the second floor of the terminal building under previous designs have been moved to the second story of the utility building, the footprint of which has grown slightly under this concept. Mr. Davis said some elements of the utility building are still under review but, in whole, the concept is something that Authority staff believes can suit its needs.

Mr. Davis said he met over the weekend with the immediate neighbors of the property to show them the concept drawings and that they were well-received, especially the addition of the solar panels. He then showed the concept to the Falmouth Board of Selectmen at their meeting October 7, 2019 meeting. Mr. Davis said the plan was to further develop the concept and then present it to the Port Council and Board at their November meetings to determine if the one-story concept was the preferred plan or if the Authority should stick with its previous two-story design.

6. Mr. Balco noted that he had recently attended a "blessing of the animals" event at which a few individuals remarked to him that they were having issues with the area pets traditionally use to relieve themselves at the Woods Hole terminal. The area has plants that

have burrs on them, Mr. Balco said, and the burrs at becoming attached to the dogs that use the area. He asked if the situation could be investigated, to which Messrs. Davis and Rozum answered in the affirmative.

7. Mr. Davis provided the following updates on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glostén Associates and Rigor Analytics:
  - Regarding the mission statement project, Mr. Driscoll and his team presented the draft mission statement to the Port Council and Board at their respective September meetings, and both bodies voted to accept the draft and advertise it for further comments. That comment period is now under way, and the project team expects to bring a recommendation on the mission statement to the Port Council and Board at their November meetings.
  - Regarding the Learning Management System, the system has been rolled out to the senior staff and some other staff, who are using the system to complete harassment training. The laptops that were ordered to allow personnel at all Authority facilities the ability to access the web-based system were missing a necessary component, so they had to be returned to the vendor and reordered.
  - Regarding the Safety Quality Management System, which is the preferred name for the systems previously referred to separately at the Safety Management System and Quality Management System, the vendor for the project, SMSLLC, did their preliminary walk through for the project and continue to ask for documentation, which is being provided. The vendor expects to come back in the upcoming week to complete more work.
  - Regarding the engineering resources project, the Authority has hired a project engineer, assistant vessel maintenance manager, port engineer, and assistant port engineer. Recruitment will start again for an additional assistant port engineer position, but after enough time is given for the four (4) new hires to more thoroughly be incorporated into the engineering department.
  - Regarding the strategic planning and performance metrics projects, those will begin following the completion of the mission statement project.
  
8. Mr. Davis then reviewed with the Port Council the proposed summer operating schedules for the Martha's Vineyard route, reminding the members that the schedules had been the subject of a September 9, 2019 public hearing that followed the receipt of a petition signed by fifty (50) Falmouth residents who objected to the early-morning freight boats on the trip, specifically those departing Woods Hole before 6:00 a.m. Having already approved the Nantucket schedules for those time frames, Mr. Davis said the draft staff summary and report on the summer and fall operating schedules on the Vineyard route had been forwarded to the members and included a recap of the testimony provided at the hearing, the emails received by the Authority and a number of supporting documents.

Mr. Davis said that staff had examined the issue and, while they understand some of the hardship this places on the residents of Falmouth who live along Woods Hole Road, they

still feel there are valid reasons to run the 5:30 a.m. trip during the summer and fall and that to not run that trip, or to not include trucks on it, would present problems both on the mainland and the island.

Mr. Davis said that staff also recognized that this issue is part of a larger discussion that needs to take place, so the report recommends the creation of the Long-Range Vineyard Transportation Task Force with representatives from the towns of Falmouth, Oak Bluffs, and Tisbury, the Martha's Vineyard Commission, and the City of New Bedford to sit down and talk about possible solutions to some of these issues. Additionally, the report recommends the creation of a different working group with the Martha's Vineyard Commission and the towns of Falmouth, Oak Bluffs, and Tisbury to focus on short-term measures that can reasonably be taken to minimize the effects of traffic noise on residents.

Then, on a motion from Mr. Huss and a second from Mr. Shufelt, the Port Council **voted** 5-0 to recommend approval of the Authority's 2020 Summer Operating Schedules for the Martha's Vineyard route as originally proposed; to recommend the issuance of the Authority's report on the proposed 2020 Summer Operating Schedules for the Martha's Vineyard route in the form presented; and to recommend the general manager be authorized to take all necessary and appropriate actions to establish and facilitate the Authority's Long-Range Vineyard Transportation Task Force and the separate working group as described in the report.

Following the vote, Mr. Lowell said he continues to believe that truck traffic will not go down, but car traffic will and that trucks will be where the Authority has to generate its revenue. He said it will be incumbent upon the Authority to show where it gets its revenue from when certain groups advocate eliminating or reducing a portion of the traffic to the islands.

9. Mr. Rozum then presented the Proposed 2020 Operating Budget, which he said essentially had not changed from the previous month except that the revenue projections now used in the budget were based on eight (8) months of actual expenses and four (4) months of projected expenses, which resulted in a negative adjustment of projected revenue by approximately \$300,000. The bottom line was now approximately \$1,900,000, not the \$2,300,000 included in the preliminary draft budget, Mr. Rozum said.

Mr. Rozum then shared a PowerPoint presentation on the proposed budget.

Mr. Shufelt asked if the increased payroll figures (up approximately \$1,117,000, or 3%) were due to the new hires the Authority had made this year. Mr. Rozum replied that the new personnel were the bulk of that increase, but there had been some additional overtime included as well. Mr. Rozum further explained that this budget was the first one in which most of the new hires recommended in the HMS report, including the director of marine operations and the health, safety, quality, and environmental manager positions, would be included in the budget as those were added after the start of 2019.

Mr. Rees asked if debt services is included in the “other expenses” category, to which Mr. Rozum replied in the affirmative. Additionally, the debt service is projected to increase by approximately \$3,000,000 due to a \$7,900,000 bond payment due in early 2021 that was being funded in the 2020 budget. Mr. Davis added that the Authority needed to ensure there would be enough money going into the debt service funds to make that payment.

Then, on a motion from Mr. Huss and a second from Mr. Shufelt, the Port Council **voted** 5-0 to recommend approval of the Proposed 2020 Operating Budget as presented.

Following the vote, Mr. Lowell noted that it would be wise to break down the “other income” category to show the sources from each island so everyone understands where the money comes from, noting that the amount is a significant one and often gets glossed over.

10. Mr. Rozum then presented the Proposed 2020 Rate Adjustments, which he said were unchanged from the proposal given at the September meeting. Following a PowerPoint presentation on the proposal, Mr. Rozum stated that the Authority held two open house sessions on the Vineyard last week, which attracted approximately 25 to 30 people between them. A few questions focused on the excursion rate and if one rate could be offered for the year; other questions focused on the advertising budget and overall traffic figures. One individual asked about being charged full fare for a trailer when his vehicle was eligible for an excursion rate; Mr. Rozum said it was a “housekeeping” issue and could likely be dealt with, although the Authority should be cautious that individuals are not using their trailer for commercial purposes in violation of the rules for excursion fares.

Then, upon a motion from Mr. Huss and a second from Mr. Lowell, the Port Council **voted** 5-0 to recommend approval of the Proposed 2020 Rate Adjustments.

11. Mr. Davis then presented staff’s proposal to honor all United States military personnel, including active duty military personnel, veterans who have been honorably discharged and retired military veterans, with free passenger travel on Veterans Day, November 11, 2019. Mr. Davis said, at the request of several Members, staff investigated what other ferry operators do in recognition of Veterans Day. At this point, staff identified about five out of roughly fifty (50) ferry operators that offered some sort of discount on Veterans Day, ranging from a 10% food discount to a \$2.00 discounted rate. Mr. Davis said staff met with veterans’ officers in the Authority’s constituent communities to get ideas on how to honor veterans on that day. He noted that the Authority does have a furlough rate that is extended to active duty reservists who must travel at their own expense for reserve training, and that discount is equivalent to a fifty percent (50%) reduction in the appropriate fare.

Mr. Davis said staff was recommending that all veterans with a valid ID be allowed to travel as a passenger for free on Veterans Day. The discount would not include passage of a vehicle, he added. Staff is continuing to look for permanent ways to offer other discounts to veterans, but this program may give the staff a sense of the potential impact of other veterans’ discounts, should they be offered.

In response to a question from Mr. Balco, Mr. Kenneally said there was no conflict presented to Mr. Balco as he is a veteran voting on the matter.

Then, on a motion from Mr. Shufelt and a second by Mr. Lowell, the Authority **voted** 5-0 to recommend approval of the program as proposed by staff.

12. Regarding scheduling of the Council's November 6, 2019 meeting, Mr. Davis noted that he would be out of town attending a Passenger Vessel Association conference during that time and asked if the Port Council wished to move the date of its next meeting. Mr. Balco said it has been rare that the Port Council has a full group in recent months and that, if it can get back to having its meetings on the first Wednesday of each month, the members can plan on it and everyone can attend with more regularity.

Then, at approximately 10:37 a.m., upon a motion from Mr. Huss and a second from Mr. Shufelt, the Port Council unanimously **voted** to adjourn their meeting that day.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council’s October 9, 2019 Meeting

1. Agenda for the Port Council’s October 9, 2019 meeting (posted October 4, 2019).
2. Recording announcement.
3. Remote participation announcement.
4. Minutes of the Port Council’s September 18, 2019 Meeting in Public Session (draft dated October 7, 2019.)
5. Business Summary for the month of August 2019 (draft).
6. Unnumbered staff summary regarding the Authority’s 2020 Summer and Fall Operating Schedules (draft dated October 4, 2019).
7. Report Issued Under Section 15A of the Authority’s Enabling Act on the Proposed 2020 Summer Operating Schedules of the Woods Hole, Martha’s Vineyard and Nantucket Steamship Authority (draft dated October 4, 2019).
8. Unnumbered staff summary, Proposed 2020 Operating Budget (draft).
9. Unnumbered staff summary, Proposed 2020 Rate Adjustments (draft).
10. PowerPoint presentation, 2020 Proposed Budget & 2020 Proposed Rate Adjustments (dated October 9, 2019).
11. Undated staff summary, Proposed Active Military, Veteran and Retired Military Veteran Program (draft).



**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

November 6, 2019

First-Floor Meeting Room (Room 103)  
The Authority's Administrative Offices  
228 Palmer Avenue, Falmouth, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Vice Chairman Edward C. Anthes-Washburn of New Bedford; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; Mark H. Rees of Fairhaven; Robert S. C. Munier of Falmouth; and Nathaniel E. Lowell of Nantucket.

Authority Board Members present: Kathryn Wilson of Falmouth.

Authority Management present: Treasurer/Comptroller Mark K. Rozum; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Reservations and Customer Relations Manager Gina L. Barboza; Woods Hole Reconstruction Project Manager William J. Cloutier; Director of Information Technologies Mary T.H. Claffey; Director of Shoreside Operations Alison A. Fletcher; Director of Human Resources Janice L. Kennefick; Director of Marketing Kimberlee J. McHugh; and Health, Safety, Quality and Environment Manager Angela M. Sampson.

1. Mr. Balco called the meeting to order at 10:00 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.
3. The Port Council then **voted** unanimously to approve the minutes of their meeting in public session on October 9, 2019.

5. Mr. Rozum reviewed the draft September 2019 business summary. For the month, the Authority carried fewer passengers (down 7.6%) and automobiles (down 4.8%), but more trucks (up 1.6%) than it did in September 2018. Through the first nine (9) months of the year, the Authority carried fewer passengers (down 0.5%), but more automobiles (up 0.5%), and trucks (up 4.5%) than it did during the same time period last year, Mr. Rozum said.

Mr. Rozum said the Authority had net operating income of \$3,206,000 for the month, approximately \$1,180,000 more than anticipated in the 2019 budget. Operating revenues and other income totaled \$13,005,000, about \$562,000 higher than anticipated in the 2019 budget, while operating expenses totaled \$9,799,000 for the month, about \$619,000 lower than anticipated in the budget.

During the month, the Authority's vessels made a combined 2,330 trips, of which six (6) were cancelled for mechanical reasons on the Vineyard run and fifty-eight (58) on the Nantucket run, forty (40) of which were made up by a chartered vessel, Mr. Rozum said.

For the first nine (9) months of the year, the Authority had \$94,108,000 in total income and \$84,899,000 in total expenses, for a year-to-date net operating income of \$9,210,000, Mr. Rozum said.

Mr. Balco noted that it seems the Authority will fall short of its financial expectations this year, a sentiment with which Mr. Rozum said he agreed. In response to a question from Mr. Munier, Mr. Rozum said additional maintenance expenses have been recorded, and traffic was down in October due to multiple storms. The Authority is also accelerating some 2020 expenses, which will negatively affect its bottom line for the year, he said. In response to a question from Mr. Huss, Mr. Rozum said 2020 fuel was hedged save for three (3) open contracts in December 2020.

6. Mr. Cloutier provided an update on the Woods Hole Terminal Reconstruction Project. The marine contractor, Jay Cashman Inc., has been switching gears from demolition to foundation work, and the 16-inch piles for the passenger pier are due to arrive imminently. Mr. Cloutier said the bulkhead on the middle slip is largely gone as crews excavated a combination of concrete, steel, stone and wood from the water. Mr. Cloutier said he expected a barge to arrive from New Bedford in the next day or so to begin dredging at the site. The 96-inch monopiles are now in New Bedford and should be arriving in Woods Hole in a week or two and the project is moving toward its pile driving phase.

Mr. Cloutier also noted that landside demolition is ongoing and, in general, it seems to be moving faster than the marine work.

Mr. Cloutier then shared some recent photographs from the site.

Mr. Huss noted that he used the relocated passenger ramps at the southernmost slip when he arrived in Woods Hole prior to the meeting and they worked as designed.

In response to a question from Mr. Lowell, Mr. Cloutier said that crews salvaged as much as they could from the transfer bridge, which had been removed from the middle slip, adding that the Authority still uses 30-foot transfer bridges at its Fairhaven maintenance facility and the parts were saved to serve as spares there.

In response to a question from Mr. Munier regarding the financial status of the project, Mr. Cloutier said the change orders have totaled approximately \$3,500,000 to date. He noted that a lot of the work is going into making the terminal operational, such as moving and building ramps and moving catwalks. The variable soils under the slips also presented issues that were resulting in more change orders, he said. Mr. Cloutier said the amount of change orders is higher than expected, but a lot of the hardest work has already been done.

7. Mr. Rozum provided an update on the Woods Hole terminal design, noting that the current plan called for a one-story building with solar panels covering the roof, as well as canopies over the bus lanes, which would generate approximately fifty percent (50%) of the energy needed at the site. Mr. Rozum said that, as a result of the one-story concept, the functions once located on the second floor of the terminal were now being moved to the second floor of the utility building, which would be built where the freight shed currently stands.

Mr. Rozum said that General Manager Robert B. Davis had shown the concept to the Authority's neighbors in Woods Hole, as well as the Falmouth Board of Selectmen and representatives from the Woods Hole Community Association and the Woods Hole Business Association, and the concept had generally been well-received.

Ms. Wilson noted that everyone in the community has been receptive to the concept and appreciative that the Authority was listening to their concerns.

Mr. Balco said the concept met the needs he hears about from the Vineyard; namely, that it has a roof and walls to keep patrons dry and warm and has bathrooms. Mr. Huss added that solar power was another big request from the Vineyard.

In response to a question from Mr. Munier, BIA.studio architect Lian Davis said the first-floor elevation remains at thirteen (13) feet, which will still require a variance. Mr. Davis noted that the floor inside the utility area of the building was at a higher elevation so as to better protect that equipment. Mr. Munier asked if, with a one-story building, there was an opportunity to alter the base height of the building; BIA.studio architect Chris Iwerks said that it was a matter of accessibility and the configuration of the ramps from the plaza to the first floor of the building.

The plan will require review from the state Department of Environmental Protection, which issued the Chapter 91 license for the project, as well as the Falmouth Conservation Commission. Should either of those reviews prove to further delay the project, Mr. Rozum said the Authority would revert to the previous two-story concept it discussed earlier this year so as to move ahead with the work.

Upon a motion from Mr. Huss and a second from Mr. Anthes-Washburn, the Port Council then **voted** unanimously to recommend approval of the one-story design concept as presented.

8. Mr. Driscoll provided an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glostin Associates and Rigor Analytics.
  - Regarding the Safety Quality Management System and Quality Management System, Safety Management Systems LLC ("SMSLLC") was continuing to work on its analysis of the Authority's operations and was expected to present a draft report to staff on November 14, 2019.
  - Regarding the Learning Management System, Human Resources Director Janice Kennefick and her team are continuing to populate the system with as much data as possible with plans for using it for mandatory training programs that reoccur yearly, he said. The Authority recently procured laptops and will be placing them on vessels and at the Authority's facilities to access the system, and staff will also be training other employees how to access it. New hires are already using the system for some onboarding training materials, such as the harassment training.
  - Regarding the engineering resources project, the project engineer, port engineer, assistant port engineer, and assistant vessel maintenance manager have been hired and are now at work, he said. An additional assistant port engineer position is intentionally being kept open so as to let the new hires acclimate themselves to the Authority and to determine what skillsets are needed before advertising for the position again.
  - Regarding the vessel operations project, a preliminary organizational structure has been drafted and will be finalized in upcoming weeks, he said.
  
9. Mr. Driscoll then presented the Port Council with a presentation on the revised draft mission statement, which the Port Council and Board voted to accept and advertise for further comments at their respective September 2019 meetings. Mr. Driscoll reviewed the feedback received during this second round, including the low attendance at the four (4) open houses the Project Team (which included Messrs. Kenneally and Rozum and Ms. Fletcher and McHugh) held regarding the draft and the overall lower number of comments received compared to the summer responses.

Mr. Driscoll said, of the comments that either criticized the draft mission statement or made a suggestion for its alteration, the Project Team felt that the majority of them were either sufficiently addressed or limited, not expanded, the scope of the draft mission statement. The team did make one revision to the draft mission statement, which is highlighted as follows:

*Our mission is to operate a safe, efficient, and reliable transportation system for the islands of Martha's Vineyard and Nantucket ~~in an environment committed to~~ with a commitment to sustainability, accessibility, and community engagement.*

Mr. Lowell said he felt that “environmental” should be inserted before the word “sustainability,” as that was an oft-expressed goal on both islands and that more specificity in the mission statement would help quell some dissent before it begins. Mr. Huss said he disagreed and felt that “sustainability” addressed the environmental issue and that, if the Authority started changing the mission statement in response to various demands, it would become less effective overall.

Mr. Munier said he did not see enough of a presence of Falmouth or other mainland communities in the mission statement and asked if “community engagement” could be changed to reflect that. Mr. Driscoll then suggested that “port communities” be added to the mission statement, a change that Mr. Munier said satisfied him. Mr. Lowell then suggested that “community engagement” be changed to “public engagement” so as to avoid the repetition of “community.” The revised draft mission statement then read as such:

*Our mission is to operate a safe, efficient, and reliable transportation system for the islands of Martha’s Vineyard and Nantucket ~~in an environment committed to with a commitment to sustainability, accessibility, our port communities, and community public engagement.~~*

Upon a motion from Mr. Lowell and a second from Mr. Anthes-Washburn, the Port Council then **voted** unanimously to recommend adoption of the revised mission.

10. Mr. Rozum then presented the 2020 reservation dates, which he noted would again be split by island so as to lessen the volume of people accessing the website during this period. The opening dates for the summer 2020 schedules are as follows:

- Headstart (mail and internet only): January 7, 2020-January 13, 2020
- General opening (internet only) Nantucket: January 14, 2020-January 20, 2020
- General opening (internet only) Martha’s Vineyard: January 21, 2020-January 27, 2020
- Telephone opening (mail and internet): January 28, 2020
- Headstart transfer date deadline: May 15, 2020 (or 30 days prior to travel)

Additionally, Mr. Rozum noted the fall schedule would open June 15, 2020; the winter schedule would open October 25, 2020, and the spring 2021 schedule also would open October 25, 2020.

Mr. Rozum said, in addition to the reservation-only dates listed in the staff summary, the Falmouth Road Race and the Oak Bluffs Fireworks would be on the same weekend so that may require an extension of the reservation-only period around that time.

11. Mr. Kenneally then presented a request to enter into a license agreement with Island Commuter Corp. that would allow the *M/V Island Queen* to run one additional round trip between Falmouth and Oak Bluffs on Mondays through Thursdays during its 2020 spring

and fall schedules, and to begin its 2020 summer schedule one week earlier than it otherwise would be allowed under the Authority's enabling act. Mr. Kenneally said the Port Council and Board have approved this request in each of the last six years; in exchange, Island Commuter Corp. has paid the Authority license fees equal to fifty percent (50%) of the Authority's average revenue per passenger on the Vineyard route in June of the previous year. In 2020, therefore, the rate would be based upon the revenue per passenger for June 2019, Mr. Kenneally said.

The Port Council then, upon a motion from Mr. Lowell and a second from Mr. Huss, **voted** unanimously to recommend approval of the license agreement with Island Commuter Corp.

12. Mr. Kenneally then presented the proposed license agreement with Hyannis Harbor Tours (Hy-Line) between Hyannis and Nantucket during its 2020 winter operating schedule. Mr. Kenneally said the additional sixteen (16) round drips proposed to be added to Hy-Line's Nantucket operating schedule should not present any problems for either its operations or the Authority's operations.

The Port Council then, upon a motion from Mr. Lowell and a second from Mr. Huss, **voted** unanimously to recommend approval of the license agreement with Hyannis Harbor Tours.

13. Mr. Rozum then presented the proposed 2020 Fall Operating Schedules for the Martha's Vineyard route. He noted that, following the Port Council's October 15, 2019 meeting, it was determined that the fall schedules were not presented for a vote along with the proposed 2020 Summer Operating Schedules and the Report on the SSA's Proposed Operating Schedules and Recommendations. Mr. Rozum said the scheduled had not changed in the subsequent month and still contained the same number of trips and sailing times.

The Port Council then, upon a motion from Mr. Huss and a second from Mr. Anthes-Washburn, **voted** unanimously to recommend approval of proposed 2020 Fall Operating Schedules for the Martha's Vineyard route.

14. Mr. Balco then informed the Port Council that he had asked Mr. Kenneally to update the members on the pending election of officers in December. Mr. Kenneally said he would send out a memo to that effect but, in short, with Board Vice Chairman Marc N. Hanover taking the chairmanship in 2020, the Port Council's chairman cannot be from the Vineyard. Additionally, its members cannot serve two consecutive years in the same office. Mr. Balco urged the Port Council members to consider who might serve as chairman, vice chairman and secretary given those parameters.
15. Mr. Rees departed the meeting at approximately 11:17 a.m.

16. Mr. Rozum informed the Port Council members that additional service would be added for Thanksgiving this year and, in general, would be done on Tuesday night, Wednesday, Friday, Saturday and Sunday on the Vineyard route and on the Monday and Tuesday before the holiday on the Nantucket route.
17. Mr. Balco also reminded the Port Council that veterans would be provided free travel on the Authority's vessels this Veterans Day, November 11, 2019.
18. Mr. Balco then asked for public comment, but none was offered.

Then, at approximately 11:18 a.m., upon a motion from Mr. Huss and a second from Mr. Lowell, the Port Council unanimously **voted** to adjourn their meeting.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council's November 6 2019 Meeting

1. Agenda for the Port Council's November 6, 2019 meeting (posted November 1, 2019).
2. Minutes of the Port Council's October 9, 2019 Meeting in Public Session (draft dated October 29, 2019.)
3. Business Summary for the month of September 2019 (draft).
4. PowerPoint presentation, Terminal Concept Design 2019.10, dated October 2019.
5. PowerPoint presentation, Woods Hole Terminal Reconstruction Project.
6. Bi-weekly status update meeting minutes, HMS Consulting and Glosten Associates, dated October 28, 2019.
7. Staff Summary COMM-2019-3, To Recommend Adoption of a Mission Statement for the Steamship Authority, dated November 1, 2019 (draft) with attachments.
8. Presentation on Revised Draft Mission Statement.
9. Staff Summary #RCR-2019-01, Proposed 2020 Reservation Opening Dates, undated (draft).
10. Unnumbered staff summary regarding proposed license agreement with Island Commuter Corp. (draft dated November 1, 2019).
11. Unnumbered staff summary regarding proposed license agreement with Hy-Line Cruises (draft dated November 1, 2019).
12. Staff Summary #OPER-2020-7, Proposed 2020 Fall Operating Schedules for the Martha's Vineyard route, dated October 31, 2019 (draft).



**MINUTES**  
**OF THE**  
**PORT COUNCIL**  
**OF THE**  
**WOODS HOLE, MARTHA'S VINEYARD**  
**AND NANTUCKET STEAMSHIP AUTHORITY**

December 4, 2019

Second-Floor Meeting Room  
Hyannis Terminal  
141 School Street, Hyannis, Massachusetts

Port Council Members present: Chairman George J. Balco of Tisbury; Secretary Robert V. Huss of Oak Bluffs; Eric W. Shufelt of Barnstable; Robert S. C. Munier of Falmouth (who participated via telephone); and Nathaniel E. Lowell of Nantucket.

Port Council Members Absent: Vice Chairman Edward C. Anthes-Washburn of New Bedford; and Mark H. Rees of Fairhaven.

Authority Board Members present: Robert R. Jones of Barnstable.

Authority Management present: General Manager Robert B. Davis; Treasurer/Comptroller Mark K. Rozum; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Director of Marine Operations Mark H. Amundsen; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Director of Shoreside Operations Alison A. Fletcher; Assistant Port Captain Paul F. Hennessy; Director of Human Resources Janice L. Kennefick; and Health, Safety, Quality and Environment Manager Angela M. Sampson.

1. Mr. Balco called the meeting to order at 9:30 a.m.
2. Mr. Balco announced that Mr. Driscoll was making an audio recording of today's meeting.

3. Mr. Balco announced that he had been notified by Mr. Munier that he desired to participate remotely in today's meeting because his physical attendance today would be unreasonably difficult. Mr. Balco stated that he agreed with Mr. Munier and had determined that his physical attendance today would be unreasonably difficult and that, therefore, he may participate remotely in this meeting, which includes voting on all matters as well. Mr. Balco also stated that Mr. Munier would be participating in the meeting by telephone conference call, that he would be clearly audible to the members, and that the members would be clearly audible to him. Mr. Balco also noted that, as a result of Mr. Munier's remote participation in this meeting, all votes taken by the members that day would be by roll call vote. Mr. Balco noted that Mr. Munier would be calling into the meeting shortly.
4. The Port Council then **voted** 4-0 upon a motion from Mr. Huss and a second from Mr. Lowell to approve the minutes of their meeting in public session on November 6, 2019.
5. Mr. Munier joined the meeting telephonically at 9:33 a.m.
6. Mr. Rozum reviewed the draft October 2019 business summary. For the month, the Authority carried fewer passengers (down 10.8%), automobiles (down 11.7%), and trucks (down 5.4%) than it did in October 2018, which Mr. Rozum attributed to the multiple multiday storms that shut down service to both Nantucket and Martha's Vineyard that month. Through the first ten (10) months of the year, the Authority carried fewer passengers (down 1.5%) and automobiles (down 0.8%), but more trucks (up 3.5%) than it did during the same time period last year, Mr. Rozum said.

Mr. Rozum said the Authority had net operating loss of \$1,006,000 for the month, approximately \$2,362,000 more than anticipated in the 2019 budget. Operating revenues and other income totaled \$8,891,000, about \$1,350,000 lower than anticipated in the 2019 budget, while operating expenses totaled \$9,897,000 for the month, about \$1,010,000 lower than anticipated in the budget.

During the month, the Authority's vessels made a combined 1,959 trips, of which eight (8) were cancelled for mechanical reasons on the Vineyard run and fifty-six (56) on the Nantucket run, forty (40) of which were made up by a chartered vessel, Mr. Rozum said. More significantly, 174 trips were canceled for weather reasons on the Vineyard route and 110 on the Nantucket route.

For the first ten (10) months of the year, the Authority had \$102,999,000 in total income and \$94,795,000 in total expenses, for a year-to-date net operating income of \$8,203,000, Mr. Rozum said. Mr. Rozum noted that the Authority was originally looking for a net operating income of \$7,200,000 at the end of the year, but he expects it will be closer to \$2,000,000 to \$3,000,000 for the year.

Mr. Huss said the weather did not help the Authority's finances in October, to which Mr. Davis agreed, but he added that the Authority had realized some unbudgeted expenses in

October, including training and additional healthcare costs. Mr. Balco said he believes the Authority will continue to see an overall slowing in traffic in the near future.

Mr. Lowell asked if any new grant funds had been received to the Authority, to which Mr. Davis replied that he had been working with the Cape Cod Regional Transit Authority to increase the Authority's share of funds received through the Federal Transit Administration's National Transportation Database program. The issue that remains to be settled is whether or not the Hyannis-Nantucket fast ferry route is a commuter route, which would increase the Authority's funding from the program. Mr. Davis said he was trying to convince the FTA to include Hy-Line's traffic in the calculations, as the Authority licenses that service.

Mr. Lowell noted that, when the Authority loses a weekend, many of those customers do not come back and the traffic that is lost is not made up. The truck traffic does, which is why the Authority's year-to-date truck traffic remains up, but the lost weekends in the fall have a significant impact.

Mr. Munier asked how this month's cancellations compare to previous months; Mr. Rozum said he would provide that data to the members. He added that he could not recall the Vineyard losing two consecutive days of service as it did in October.

7. Mr. Davis provided an update on the Woods Hole Terminal Reconstruction Project. The marine contractor, Jay Cashman Inc., continues to clear the material in the middle slip, and has another 400 cubic yards of material to remove this week. On the Tuesday before Thanksgiving, a barge arrived laden with twelve (12) 96-inch monopiles and was placed in the area of the middle slip. Cashman continues to work on the 16-inch piles for the north passenger pier. Cashman also recently moved another section of the catwalk for Slip No. 3 (the northernmost slip) that is interfering with the construction of the passenger pier.

Mr. Davis then shared some recent photographs from the site. He noted that, with windier conditions and the location of the barges in the middle slip, more cancellations are likely due to the tight quarters at the site. The Authority will continue to work with Cashman on the matter, noting that, although the barges can be moved to a mooring field nearby, it would take a substantially sized tugboat from New Bedford to be able to do so.

Mr. Munier asked if Cashman was contractually obligated to facilitate the Authority's continued operations, to which Mr. Davis said they have a designated work area, but the ringer crane barge cannot be moved easily due to its size. He said he had been informed it would be a four-hour process to move the barge from the slip to the mooring fields, which means a full day of work would be lost. However, if a major storm was anticipated, that discussion would have to be had. Mr. Davis also said that Cashman was going to add more lighting to the barge to help the vessels with their approaches at night.

Mr. Shufelt asked how long Cashman would need to use both barges, to which Mr. Davis replied that the ringer barge would have to be moved to Slip No. 3 for a few days then moved back to continue its work.

8. Mr. Davis provided an update on the Woods Hole terminal design, noting that staff has started conversations with the architects from BIA.studio regarding getting the one-story terminal concept plan before the Falmouth Conservation Commission as quickly as possible, but it would likely not be until after the first of the year.
  
9. Mr. Davis provided an update on the implementations of the recommendations contained within the independent review of the Authority's operations performed by HMS Consulting, Glostten Associates and Rigor Analytics.
  - Regarding the Mission Statement, the Authority Board voted at its November meeting to adopt the draft mission statement that the Port Council had considered that month. Mr. Davis said staff was still working on how to make sure that is disseminated and made to be part of the Authority's operations.
  - Regarding the Safety Quality Management System, Safety Management Systems, LLC ("SMSLLC") had to postpone its scheduled meeting that week with the Authority due to the weather but was supposed to be onsite on that day. The draft gap analysis has been concluded and staff are reviewing that document.
  - Regarding the Engineering Resources project, Mr. Davis introduced Capt. Hennessy as the new assistant port captain. Additionally, some discussions have been ongoing about the Authority's new organizational structure.
  - Regarding the Learning Management System, Human Resources Director Janice Kennefick and her team are continuing to populate the system with as much data as possible and performing initial training on how to access the system
  - Regarding the Strategic Planning project, a request for proposals has been issued for a strategic planning firm to help the Authority in its efforts.
  
10. Mr. Davis then presented a three-year renewal of the Park 'n Ride agreement with the Town of Tisbury, the terms of which were the same as the current agreement that expires at the end of the year. Mr. Davis said the initial request had been for a one-year extension, but he said he did not see any reason not to extend it for three years as the Vineyard Transit Authority provides its costs for the service each year and they are not locked into the contract.

Then, upon a motion from Mr. Lowell and a second from Mr. Huss, the Port Council **voted** unanimously to recommend approval of the renewal of the Tisbury Park 'n Ride agreement as presented.

11. Mr. Davis then presented a request from Seastreak LLC to amend its license agreement to offer more service for the Nantucket Daffodil Festival; provide additional, non-interisland service for Thanksgiving weekend 2020; to operate high-speed service for the Nantucket Christmas Stroll in 2020, and to make various other adjustments to the schedule. Mr. Davis said the only issue foreseen by staff is the last trip on Friday nights in the summer, which is scheduled to leave New Bedford at 9:30 p.m. and arrive in Oak Bluffs at 10:30 p.m. Mr. Davis said a conflict could arise should Oak Bluffs be closed due to weather or other events,

such as the fireworks, which would put the Seastreak vessel in Vineyard Haven at the same time as the *M/V Martha's Vineyard*. Mr. Davis said staff would work with Seastreak to see if they could modify their schedule.

In response to a question from Mr. Lowell, Mr. Davis confirmed that Seastreak was not planning interisland service and that, on its way to Nantucket, it would drop off passengers but not pick any up in Oak Bluffs, and on the way back do the inverse when it stopped back on Martha's Vineyard.

Upon a motion from Mr. Lowell and a second from Mr. Shufelt, the Port Council **voted** unanimously to recommended approval of the Seastreak license amendment subject to the problems noted by Mr. Davis being corrected.

12. Mr. Davis then presented a request to renew the transportation agreement with Martha's Vineyard Regional High School for the 2020-2021 school year. Over the past five years, the school district has averaged about \$112,000 in travel per year, for which it has paid a fixed price of \$55,000. Mr. Davis said that cost is suggested to remain the same for the next term of the contract

Upon a motion from Mr. Huss and a second from Mr. Shufelt, the Port Council **voted** unanimously to recommend approval of the transportation agreement with Martha's Vineyard Regional High School for the period of July 1, 2020 through June 30, 2021.

13. Mr. Davis then presented his draft goals for the 2019-2020 year, which he said had not been presented to the Port Council or Board following some stops and starts to his evaluation period. The proposed goals are as follows:

1. Complete Phase 3 of the reconstruction of the Woods Hole terminal (marine work) before the start of the 2020 Summer Operating Schedule on June 17, 2020.
2. Complete the schematic design phase for the Woods Hole Terminal Building and Utility Building and obtain the necessary permitting for the construction of the same.
3. Issue an invitation for bids and the award of a contract for the construction of the Authority's new maintenance warehouse, shops and office facility at the Authority's Falmouth Maintenance site on Bernard St. Jean Drive.
4. Issue an invitation for bids and the award of a contract for the construction of additional vessel berthing capabilities at its Fairhaven Maintenance Facility.
5. Implement electronic ticketing, via mobile devices, for walk-on passengers travelling on all ferries.
6. Oversee a study of a website upgrade/redesign in preparation for the solicitation of proposals and award of a contract for a mobile app and the redesign of the website in late 2020.
7. Facilitate the creation of a Task Force and participate in the development and implementation of long-term solutions to regional traffic issues amongst and

between the Authority’s port communities and the islands of Martha’s Vineyard and Nantucket as a part of the Authority’s strategic planning initiative.

8. Pursue capital grant funding opportunities from the U.S. Department of Transportation’s Federal Transit Administration and other federal and state agencies.

Mr. Balco asked where a discussion of solid waste would come into the goals, to which Mr. Davis said it would be part of the task force the Authority hopes to put together.

Mr. Munier said the goals were easy to measure but he felt that the list was missing some big-picture items that are harder to measure, such as sustainability, the greening of the fleet, and the Authority’s public image. Additionally, he said he did not see any mention of the implementation of the HMS Consulting recommendations, and that some way of being able to measure the effectiveness of that would be of use.

Mr. Balco said that the general manager’s goals have typically been focused on items that are to be done in the upcoming year and that longer term goals should be addressed in a different manner. Mr. Munier said he thought that might be the case, but he wanted to raise the issue. Mr. Davis noted that the goals did not represent the extent of what he should be doing as general manager.

Mr. Lowell asked about implementing a protocol by which the Authority and Hy-Line could swap tickets for their respective high-speed services. Mr. Rozum said there is a recollect policy with Hy-Line during periods of service disruption, as well as Seastreak and the Island Queen, but staff could examine that without having to add it as a goal for Mr. Davis.

Mr. Lowell then characterized the implementation of the HMS recommendations as “immeasurable” and said it would be hard to assign credit for good performance to the project. He said he did not know how the Authority could fairly judge its improvement in relation to the report. Mr. Munier said that, in the broader scheme, it may be hard to measure, but the systems the Authority is putting into place will be able to generate a lot of metrics in terms of audits and how things are run, as well as the training programs being done by staff. He said it does not necessarily translate to a better operation, but that would be the theory. Mr. Davis noted that the SQMS was not scheduled to be fully implemented until a year from now, which would put it outside the scope of these goals. Mr. Amundsen said that the SQMS will drive program maintenance and increased productivity and that there will be long-term performance indicators that can be measured.

Upon a motion by Mr. Huss and a second by Mr. Lowell, the Port Council **voted** 4-1 to recommend approval of the general manager’s goals as presented. (Mr. Munier voted against the motion.)

14. Mr. Kenneally then reviewed the parameters for the election of the Port Council’s officers for 2020, noting that neither Mr. Huss nor Mr. Balco could serve as president since Marc N. Hanover of Dukes County was to serve as the Authority Board’s chairman next year.

Additionally, the Port Council bylaws prohibit any member from serving in the same office for more than two (2) consecutive years.

Upon a motion from Mr. Lowell and a second from Mr. Shufelt, the Port Council **voted** unanimously to name Mr. Anthes-Washburn chairman for 2020.

Upon a motion from Mr. Lowell and a second from Mr. Shufelt, the Port Council **voted** unanimously to name Mr. Huss as the vice chairman for 2020.

Upon a motion from Mr. Lowell and a second from Mr. Huss, the Port Council **voted** unanimously to name Mr. Shufelt secretary for 2020.

15. Mr. Davis then presented the proposed 2020 meeting schedule as follows:

- Wednesday, January 8, 2020 Falmouth
- Wednesday, February 5, 2020 Hyannis
- Wednesday, March 5, 2020 Falmouth
- Wednesday, April 1, 2020 Hyannis
- Wednesday, May 6, 2020 Falmouth
- Wednesday, June 3, 2020 Hyannis
- Wednesday, July 1, 2020 Falmouth
- Wednesday, August 5, 2020 Hyannis
- Wednesday, September 9, 2020 Falmouth
- Wednesday, October 7, 2020 Hyannis
- Wednesday, November 4, 2020 Falmouth
- Wednesday, December 2, 2020 Hyannis

The Port Council members offered no suggested changes to the schedule as presented.

16. Mr. Rozum then noted that the prior three (3) years had averaged 25 weather cancellations in the month of October, which showed how much of an outlier October of this year had been.

17. Mr. Balco then asked for public comment, but none was offered.

Then, at approximately 10:41 a.m., upon a motion from Mr. Huss and a second from Mr. Lowell, the Port Council unanimously **voted** to adjourn their meeting.

A TRUE RECORD

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Robert V. Huss, Secretary

Documents and Exhibits Used at the Port Council's December 4, 2019 Meeting

1. Agenda for the Port Council's December 4, 2019 meeting (posted November 27, 2019).
2. Minutes of the Port Council's November 6, 2019 Meeting in Public Session (draft dated November 29, 2019.)
3. Business Summary for the month of October 2019 (draft).
4. PowerPoint presentation, Woods Hole Terminal Reconstruction Project.
5. Unnumbered staff summary, Proposed Renewal of Tisbury Park 'n Ride Agreement, undated (draft).
6. Unnumbered staff summary, Proposed License Amendment with Seastreak LLC, undated (draft).
7. Unnumbered staff summary, Transportation Agreement with Martha's Vineyard Regional High School District, undated (draft).
8. Proposed General Manager's Goals for the year July 1, 2019 through June 3, 2020 (draft).
9. Proposed 2020 meeting schedule.