



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

January 31, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on December 20, 2011, in the second floor conference room of the SSA's Woods Hole terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket) (who participated by telephone conference); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth).

1. SSA General Manager Wayne C. Lamson presented the Board with management's proposed scope of the study the SSA will be conducting over the next few months to determine how the SSA should replace the *M/V Governor* to best provide it with additional operating and scheduling flexibility. The alternatives that will be reviewed, in addition to the possibility of doing nothing, are:
 - (a) Possible acquisition and modification of a used supply vessel up to 235 feet in length with similar (or additional) truck-carrying capacity as the SSA's other freight vessels;
 - (b) Construction of a new 235-foot freight vessel (with significantly more truck-carrying capacity than any of the SSA's current freight vessels);
 - (c) Construction of a new passenger/vehicle ferry (similar to the *M/V Martha's Vineyard* or the *M/V Island Home*) and the conversion of the *M/V Nantucket* into a freight vessel (with the removal of her two mezzanine passenger decks);

As part of this project, the SSA will also be studying the economic feasibility of providing freight service between New Bedford and Martha's Vineyard, either seasonally or on a year-round basis, and based upon different sailing speeds and truck-carrying capacities.

2. SSA Director of Engineering and Maintenance Carl R. Walker reported that the *M/V Eagle* Mid-Life Refurbishment Project is going well at Thames Shipyard in New London, Connecticut. The demolition phase is about 90% complete, and the shipyard has started installing the passenger heads and steel bulkheads. The bowthruster engine also has been removed and the new bowthruster, as well as the new windows and other new equipment, already have been delivered to the yard. Mr. Walker stated that the vessel will return from Thames on schedule around April 1, 2012.
3. Mr. Lamson discussed with the Board management's proposed changes to the Hyannis parking lot operations that will allow 84 parking spaces at the Hyannis terminal, which are currently being used by parking permit holders, to be used for daily parking by customers who want the convenience of dockside parking and are willing to pay slightly more for it. As part of these proposed changes, management plans to keep the SSA's Lewis Bay Road parking lot open on a year-round basis for all of the SSA's Hyannis parking permit holders, which is within easy walking distance to the terminal, instead of requiring them to park at our Yarmouth Road parking lot, which is a little farther away. (Hyannis off-site parking permits will continue to be offered at a price of \$600 per year, from May 15, 2012 through May 14, 2013.) Management's proposed daily parking rates at the Hyannis terminal vary from a low of \$5 per day from December 15 through March 31, to \$10 per day from April 1 through April 30, to \$15 per day from May 1 through June 14, and then to \$20 per day from June 15 through September 14, after which they decrease to \$15 per day through October 31 and then to \$10 per day through December 14. Additionally, management is proposing to offer discounted long-term parking at the SSA's Brooks Road parking lot at the rate of \$10 per day for those customers who stay one week or longer (with those customers who stay in that lot for five or six days also being charged a maximum of \$70). The SSA will now notify its current parking permit holders of these proposed changes and give them an opportunity to comment on them by the end of February 2012, which will allow management to consider their comments before a final recommendation is made to the Board at their next meeting.
4. The Board approved an update to the Authority's Equal Employment Policies so that they reflect amendments to the laws concerning employment discrimination. These amendments include increasing the time period within which individuals may file charges of discrimination from six months to 300 days, and including additional categories with respect to which individuals are protected from discrimination, such as their genetics, active military status and, most recently, their gender identity and expression (which goes into effect on July 1, 2012).
5. The Board rescinded their award last month of a two-year contract for the SSA's marine fuel to Dennis K. Burke Inc. of Chelsea, Massachusetts, because management subsequently allowed Burke to withdraw its bid after it realized it could not meet the SSA's

specifications. The Board's vote also awarded the contract to Canal Fuel Co. of Sagamore, Massachusetts, which was the next lowest eligible and responsible bidder for the contract and had submitted a bid to provide the fuel at a mark-up of \$0.0545 per gallon.

6. Because no bank can provide the SSA with a full range of banking services at all of its locations, the Board adopted SSA Treasurer/Comptroller Robert B. Davis' recommendation (which he made with the assistance of SSA Director of Information Technologies Mary Claffey, SSA Assistant Treasurer Kathy Walters and SSA Accounting Manager Mark Anderson) to award contracts to a number of different banks for these services, as follows:
 - (a) The SSA's depository accounts for cash revenues received at the Woods Hole, Vineyard Haven and Oak Bluffs terminals, as well as at the Martha's Vineyard Airport Reservation Office, will be held at Martha's Vineyard Savings Bank.
 - (b) The SSA's depository accounts for cash revenues received at the Nantucket terminal and the Mashpee Reservation office will be held at Cape Cod Five Cents Savings Bank.
 - (c) The SSA's depository accounts for cash revenues received at the Hyannis terminal and the Falmouth parking lots will be held at TD Bank.
 - (d) The SSA's depository account for revenues received from credit card transactions will be held at Sovereign Bank.
 - (e) The SSA's municipal checking account for disbursements will be held at TD Bank.
7. The Board also awarded Contract #36-11 for dry-dock and overhaul services for the *M/V Iyanough* to Fairhaven Shipyard Companies, Incorporated of Fairhaven, Massachusetts, the lowest eligible and responsible bidder for the contract, for a total contract price of \$203,859. The *M/V Iyanough* is scheduled to be in the shipyard in March 2012 to undergo a US Coast Guard hull examination, machinery inspections, underwater hull cleaning and painting, seachest piping renewals, exhaust elbow replacements, exhaust side shell penetration repairs, and replacement of the damaged luggage compartment doors.
8. The Board also authorized Mr. Lamson to purchase two new shuttle buses powered by compressed natural gas (CNG) from Northern Bus Sales, Inc. of Hudson, New Hampshire, for a total contract price within our budgeted amount of \$220,000, in accordance with the terms of a government contract that allows for cooperative purchasing by governmental entities such as the SSA. Each of the new shuttle buses will have 20 seats and a wheelchair lift with room for two wheelchairs. They will be used for transporting

customers between the Hyannis terminal and the three off-site parking lots located in Hyannis, although during the off-season one or both of them may be used between the Woods Hole terminal and the Palmer Avenue parking lot.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, March 13, 2012, in the second floor conference room of the SSA's Woods Hole terminal, which is located at the Foot of Railroad Avenue, Woods Hole, Massachusetts. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

March 13, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on March 13, 2012, in the second floor conference room of the SSA's Woods Hole terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts. Four Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket); Secretary Robert L. O'Brien (Barnstable); and Marc N. Hanover (Martha's Vineyard).

1. SSA Director of Engineering and Maintenance Carl Walker reported that the *M/V Eagle* Mid-Life Refurbishment Project was going okay, although it was a little behind schedule. Mr. Walker stated that, in order to bring more on-site management to the project, he had hired retired Captain Edward Jackson to be at Thames Shipyard for the next six weeks as our onsite project manager. The vessel is now expected to be back in Fairhaven sometime between April 17 and April 20, 2012, although its new seats are not expected to arrive in New York until April 17th. Mr. Walker stated that the installation of the new seats should take only three days and, if the shipyard is finished with its other work by that time, they could also be installed by the shipyard's employees after the vessel is delivered back to Fairhaven. Mr. Walker also reported that the entire outside of the vessel has been blasted and primed, that the 02 deck has been entirely gutted, with the joiner work all going in, that the main switchboard is being replaced, that the Marine Evacuation Slide is being installed, that the new bowthruster is in and undergoing final alignment, and that he anticipates the vessel will be back in line service on May 6, 2012 as scheduled. Finally, Mr. Walker stated that the SSA has had \$500,000 in negotiated change orders on this project, with approximately \$300,000 of additional change orders that are still under review.

2. The Board approved SSA management's proposed reallocation of preferred spaces for traveling off-island on the Martha's Vineyard route. Over the past several months, SSA management has reviewed the current daily allocation of those preferred spaces on this route to determine:

- (a) whether there are a sufficient number of preferred spaces per day throughout the year;
- (b) whether there is an appropriate distribution of preferred spaces between those that go on sale seven days in advance and those that go on sale one day in advance of sailing
- (c) whether there is a sufficient number of over-height preferred spaces for vehicles that require center spaces; and
- (d) whether there is an appropriate distribution of preferred spaces among the various trips throughout the day.

Ultimately, SSA management concluded that, while the overall number of available preferred spaces each day is sufficient (120 spaces for travel off-island during the summer and 80 spaces for travel off-island during the off-season), more over-height spaces are needed when preferred spaces go on sale one day in advance of sailing. SSA management also concluded that, during the summer, the distribution of preferred spaces throughout the day could be improved by having some preferred spaces on the freight trip that leaves the island at 8:30 a.m. instead of on the trips leaving the island at 6:00 a.m. and 7:00 a.m. Accordingly, the Board approved the recommendation:

- (a) during the summer, to convert 13 preferred spaces that go on sale one day before sailing to over-height preferred spaces;
- (b) during the off-season, to convert 6 preferred spaces that go on sale one day before sailing to over-height preferred spaces; and
- (c) during the summer, to allocate eight new preferred spaces on the freight boat that leaves the island at 8:30 a.m., while correspondingly reducing by eight the total number of preferred spaces on the earliest morning and late evening off-island trips.

SSA management also discovered that many island residents don't realize that the "7-day-in-advance" preferred space reservations remain available for booking up to 5 days in advance of the day of sailing before they are released to the general public. Therefore, the SSA will be publicizing this information so that the preferred space booking process is clearer for island residents to use and understand.

3. The Board also approved SSA management's recommendation to change the time of day when preferred space reservations go on sale for the Martha's Vineyard route. Beginning April 2, 2012, preferred space reservations for the Martha's Vineyard route will go on sale (in person, over our website and by telephone) at 7:30 a.m. instead of 8:00 a.m. As a result, the business hours of the SSA's Mashpee and Martha's Vineyard Airport reservation offices will also change so that they similarly start at 7:30 a.m. (instead of 8:00 a.m.) and go through 4:00 p.m. (instead of 4:30 p.m.).

4. The Board also approved SSA management's recommendation to promote the start of the 2012 season for the SSA's high-speed ferry service by selling electronic versions of the SSA's high-speed ferry 10-ride ticket books at a 20% discount for fifteen days beginning April 10, 2012 and ending April 24, 2012, when the *M/V Iyanough* returns to service this year. The discount will apply not only to electronic adult ticket books, but also to electronic senior and child ticket books purchased during this time period.
5. The Board also authorized SSA General Manager Wayne Lamson to enter into a letter of agreement with the Falmouth Public Schools that will allow the SSA to continue to use the Falmouth High School parking lot for overflow parking on busy summer weekends (with the exception of Road Race Weekend on August 11 and 12, 2012). The SSA typically has used the Falmouth High School parking lot for overflow parking six or seven weekends during the summer and in some years over Memorial Day weekend as well. Under the letter of agreement, the Falmouth Public Schools will receive 25% of the gross receipts the SSA receives from its use of the parking lot.
6. Finally, Mr. Lamson informed the Board that, unless SSA management was directed otherwise, the SSA is going to allow its license agreement with SeaStreak Martha's Vineyard, LLC to automatically renew this year so that SeaStreak will continue to provide high-speed ferry service between New Bedford and Martha's Vineyard through at least September 30, 2013 and, assuming the SSA similarly allows the license agreement to automatically renew next year, SeaStreak will then continue to provide the service through September 30, 2014. Based upon all of the information SSA management has compiled, the SSA has concluded that it simply would not be financially prudent for the SSA to take over this ferry service at this time and, instead, that this route will be better served by having a private operator (SeaStreak) continue to provide the service.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, April 17, 2012, at the New Bedford Whaling Museum, which is located at 18 Johnny Cake Hill, New Bedford, Massachusetts. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

April 17, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 10:00 a.m. on April 17, 2012, at the New Bedford Whaling Museum, located at 18 Johnny Cake Hill, New Bedford, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth)

1. New Bedford Mayor Jonathan F. Mitchell welcomed the Board to New Bedford, emphasizing that the City wants the best possible relationship with each of the SSA's port communities and that his office is ready to facilitate whatever the SSA needs to be as successful and profitable as possible.
2. Director of Engineering and Maintenance Carl Walker reported that the *M/V Eagle* Mid-Life Refurbishment Project was moving along and that everything was on track and coming together at the last minute. Today Thames Shipyard stopped all work on the vessel so that an all-day inclining experiment could be performed with 17 weights on the boat. Work will resume after the experiment is finished and the vessel will leave the shipyard for Fairhaven on Sunday for a Coast Guard test of the Marine Evacuation Slide on Monday. The vessel will be back in line service on Monday, May 7th.
3. Mr. Walker also reported that the invitation for bids for the Vessel Sewage Pump-Out Facilities Project has been issued and that the bids for the contract will be opened sometime in May so that the contract can be awarded at the Board's May 15th meeting. Mr. Walker stated that he planned to get the Hyannis facilities up and running by August so that they can try out the equipment later this summer with the *M/V Eagle*.

4. Mr. Walker also reported that the specifications and drawings for the Palmer Avenue parking lot improvements (including the demolition of the Falmouth Youth Hockey League's ice rink on Skating Lane) were being finalized so that the invitation for bids can be issued in May and the contract can be awarded in June. The Falmouth Youth Hockey League will continue its activities in the rink until June, so the SSA won't be able to start demolition work until mid-July.

5. The Board approved management's recommendation to make certain changes in the operation of the SSA's Hyannis parking lots, effective May 15, 2012. The main parking lot at the Hyannis terminal has 84 spaces, nine of which are designated as handicap parking spaces. The SSA currently has 72 annual onsite parking permit holders in Hyannis, of whom 47 are listed on the Town of Nantucket's "street list" showing they are Nantucket residents. Beginning on May 15th, the SSA will be offering the following types of annual Hyannis parking permits (valid from May 15, 2012 through May 14, 2013):
 - (a) Onsite Parking Permit for \$1,100. This permit will be available only to current onsite parking permit holders who are on the Town of Nantucket's "street list" showing that they are Nantucket residents. They will be able to park at the Hyannis terminal year-round.
 - (b) Offsite/Onsite Parking Permit for \$900. This permit will be available only to current onsite parking permit holders. It will allow them to park at the Lewis Bay Road parking lot from May 15th through October 14th, and then at the terminal during the off-season. Permit holders with disabled placards/plates who purchase these permits will be permitted to park at the Hyannis terminal year-round for the same price.
 - (c) Lewis Bay Road Parking Permit for \$750. This permit will be available only to current parking permit holders (both onsite and off-site parking permit holders). It will allow them to park at the Lewis Bay Road parking lot year-round.
 - (d) Yarmouth Road/Lewis Bay Road Parking Permit for \$600. Anyone can purchase this permit. It will allow them to park at the Yarmouth Road parking lot from May 15th through October 14th and then at the Lewis Bay Road parking lot during the off-season. This is the only type of permit that will be available for new parking permit holders.

The Lewis Bay Road parking lot will now be kept open on a year-round basis, and the SSA will provide both security and shuttle bus service between there and the terminal on a year-round basis.

By transferring some of the current vehicles with onsite parking permits to offsite lots during the summer, the SSA will be able to provide a limited number of very desirable parking spaces at the terminal and charge a premium rate of up to \$20 per calendar day for day trippers and other short term visitors. The SSA will also be providing an incentive for customers who want to park on a long-term basis to park at the Brooks Road parking lot, where the rate will be \$10 per calendar day for people who park there seven days or more.

Finally, parking permit holders who are Nantucket residents will also be eligible to travel with their permitted vehicles to and from Nantucket at excursion fare rates (a “reverse” round-trip excursion fare), provided they are otherwise eligible for those rates (*e.g.*, they return with their vehicles to Hyannis within 31 days) and they arrange their travel with the Mashpee Reservation Office Supervisors during regular business hours.

6. The Board also approved management’s recommendation to offer discounted fares for customers traveling on the SSA’s high-speed ferry who go to Nantucket and return to Hyannis the same day on Mondays through Thursdays. The discounted round-trip fares for this same-day travel will be \$50 for adults, \$40 for senior citizens (eligibility restrictions apply), and \$25 for children (ages 5-12), including the applicable embarkation fees. These are the same discounted fares the SSA has been offering to its high-speed customers who depart from Nantucket and return there the same day, although those Nantucket-Hyannis-Nantucket same day fares are offered for travel seven days per week.

7. The Board also authorized management to proceed with a Request for Qualifications (RFQ) for the services of a marine engineer who will then be pre-qualified to be part of the design team selected by the State Designer Selection Board to conduct a feasibility study for the SSA’s proposed Woods Hole Terminal Reconstruction Project. The proposed reconstruction of the Woods Hole terminal may consist of a complete demolition of existing buildings and structures as well as the relocation to a yet-to-be-determined site of certain administrative and ancillary functions currently taking place at the terminal. This competitive RFQ process for a marine engineer is the first step in a two-step process. The SSA will designate up to three marine engineers whom it considers to be the most qualified to perform the required marine engineering services for the anticipated reconstruction of the terminal’s ferry slips. Then, when the State Designer Selection Board advertises for applicants to put together design teams for the overall project, potential applicants will be able to approach these pre-qualified marine engineers about joining their design teams knowing that the SSA will be satisfied with their selection. If the SSA is satisfied with the design team’s feasibility study, it can then ask that team to develop the final detailed program and design for the reconstructed terminal.

8. The Board tabled discussion about whether the SSA should develop a request for proposals from private vessel operators to provide freight service between New Bedford and Martha's Vineyard to see if such a freight service might be financially feasible or whether the SSA should investigate other alternatives such as barging. The staff has been analyzing this issue over the past few months, and it ultimately concluded that it would not be financially feasible for the SSA itself to provide freight service between New Bedford and Martha's Vineyard, even only during the peak summer months. The staff's analysis was based on a number of different variables including the number of days the service would operate per week, the length of vessel operating day and the frequency of service. The total estimated incremental cost of operating the alternative New Bedford schedules from late June through early September ranged from \$412,000 to \$958,000 per year (not including any potential fees associated with the use of the New Bedford State Pier or any share of fixed costs such as marine insurance, depreciation or certain vessel maintenance expenses). This means that, in order to pay for itself, the service would have to generate the same amount of revenues in addition to the revenues the SSA is currently receiving from its Woods Hole-Martha's Vineyard service. Ultimately, the staff concluded that it would be unlikely that the estimated increment cost of the service would be offset by whatever additional revenue might be generated by the service (such as through higher tariff rates for the service).

9. The Board awarded Contract 06-12 for a Hyannis Terminal Rental Car Services Lease to Avis Budget Car Rental of Parsippany, New Jersey. Avis Budget was the only rental car company to submit a proposal for the lease in response to a Request for Proposals the SSA issued earlier this year, and it contains a minimum guaranteed compensation of \$27,500 in year one and \$28,000 in year two. In exchange, Avis Budget will be allowed to maintain office/counter space for 10 vehicle spaces at the SSA's Hyannis terminal for the purpose of soliciting and providing rental cars. Under the lease, which will start on May 15, 2012 and end on May 14, 2014, the SSA will receive the greater of the annual minimum guaranteed amount or 10% of the gross rental revenues (net time and mileage) generated at the Hyannis terminal. The SSA also has the option to extend the lease for up to three one-year extensions, at its sole discretion. Avis Budget has been renting cars through a pilot program at the Hyannis terminal since November 2011, during which time it has rented more than 200 vehicles and the SSA has received \$2,288 in compensation. A new permanent counter space area is currently being constructed for Avis Budget next to the food concession area in the terminal's lobby. In voting to award the contract to Avis Budget, the Board stipulated that the property the SSA will be acquiring later this year next to the terminal on School Street cannot be used to park any of Avis Budget's rental cars.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, May 15, 2012, in the second floor meeting room of the SSA's Hyannis terminal, which is located at 141 School Street, Hyannis, Massachusetts. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

May 15, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on May 15, 2012, at the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth)

1. Director of Engineering and Maintenance Carl Walker reported that the *M/V Eagle* went back into service on the Nantucket route as scheduled on May 7th following the completion of its mid-life refurbishment and that he wanted to thank Thames Shipyard, Jamestown Metal Marine Sales, Inc. (Thames' joiner contractor), Senior Captain Jim Corbett, Senior Chief Engineer Steve Paglierani, Port Engineer Steve Clifford and Captain Ed Jackson for all of their great work on the project, which he felt came out very well. Nantucket SSA Board Member Flint Ranney agreed, reporting that 100% of the Nantucketers he has spoken with love all the work that has been done, and that everyone thinks it was a beautiful job.
2. Mr. Walker also reported that all of the engineering has been completed for the improvements at the SSA's Palmer Avenue parking lot (including the demolition of the ice arena on Skating Lane), which originally had been estimated to cost \$425,000 before the decision was made to pave the area and provide for drainage. Mr. Walker stated that the additional paving and drainage work has considerably increased the cost estimate, which is now more than \$1,000,000 plus a contingency that has brought it up to around \$1,500,000. As a result, even though the invitation for bids for the contract is ready to be issued now, the SSA will be delaying the improvements until late this year or early next year. Because the Falmouth Youth Hockey League is still going to be using the

Skating Lane ice rink into June 2012, the project would not have been completed in time to provide additional parking spaces this summer anyway.

3. General Manager Wayne Lamson reported that the SSA is still not in a position to launch its new website, although he hopes to have better news by the time of the Board's next meeting in June. Over the past few months, the SSA has been testing and debugging the site, and management continues to find problems in the processing of reservations, changes and cancellations, as well as other issues, that need to be cleared up before going live. In these circumstances, the Board agreed with Mr. Lamson's position not to authorize the launching of the new website until the SSA is convinced that it is functioning correctly in all material respects. Further, if the SSA is not able to launch the new website by mid-June, it will have to wait until after the peak summer season has passed to make certain that there aren't even more problems.
4. The Board approved management's recommendation to renew the SSA's lease with the Town of Oak Bluffs for a portion of Sea View Avenue in front of the SSA's Oak Bluffs terminal to be used as a staging area for vehicles going on the SSA's vessels. Under the new lease, which is still subject to review and approval by the Oak Bluffs Board of Selectmen, the SSA's annual rent will be \$10,000 and future rent increases will be tied to the Consumer Price Index instead of the previous formula based on the SSA's fares and number of days during the year the Oak Bluffs terminal is open.
5. Mr. Lamson reported that 35 parking permit holders have renewed their permits to park onsite at the SSA's Hyannis terminal on a year-round basis, which will make a significant number of the 72 parking spaces at the terminal available for daily parking by the general public this summer. Ten other parking permit holders have bought new permits that allow them to park at the terminal only during the off-season (and at an off-site lot during the summer), while all of the 91 other permit holders will be parking at either the SSA's Lewis Bay Road lot or its Yarmouth Road lot on a year-round basis.
6. Treasurer/Comptroller Robert Davis reviewed his analysis of the effectiveness of the SSA's rate structure to cover the respective cost of service for passengers, automobiles and trucks on each route during 2011. Mr. Davis noted that one of the purposes of this analysis is to see which categories of customers (*e.g.*, standard fare automobile customers, excursion customers, freight shippers) are effectively being subsidized by other categories of customers and, therefore, in the interest of fairness might be called upon to pick up a little more of the cost of service in the event the need arises for a rate increase.

With respect to the Martha's Vineyard route, Mr. Davis noted that:

- (a) Total vessel operating costs decreased by 1.1% in 2011, with lower maintenance costs and higher fuel costs. Indirect non-vessel costs increased by 0.9% and, overall, the cost of service on the Martha's Vineyard route decreased by 0.1% from 2010.
- (b) The number of trips operated increased by 134 in 2011, with total capacity for the year increasing by 4,620 car-equivalent unit spaces. The number of spaces occupied increased by only 38, or 0.0%, from 2010, and the occupancy rate of 78.3% for the year was a decrease of 0.5% from 2010.
- (c) The estimated cost of a car-equivalent unit space was \$49.05 in 2011. On average, automobiles covered 94.6% of their allocated cost of service, with standard fare automobiles covering 129.7% and excursion fare automobiles covering 38.5%. By comparison, on average, trucks were covering 110.0% of their allocated cost of service.

With respect to the Nantucket route, Mr. Davis noted that:

- (a) Total vessel operating costs increased by only 0.1% from 2010, primarily due to increases in fuel expense; and the amount of indirect non-vessel costs allocated to the Nantucket route increased by 1.7% primarily due to the allocation of the expense of administration. As a result, the overall cost of service for the Nantucket route increased by 0.8% from 2010.
- (b) The number of trips increased by 64 in 2011 (resulting in 3,080 more spaces), but the total number of spaces occupied decreased by 532, resulting in a decrease in the occupancy rate from 77.9% to 76.5%.
- (c) The estimated cost of a car-equivalent unit space was \$119.67 in 2011. On average, automobiles were covering 121.9% of their allocated cost of service, with standard fare automobiles covering 161.9% and excursion fare automobiles covering 41.0%. By comparison, on average, trucks were covering 89.3% of their allocated cost of service.

- 7. The Board awarded Contract No. 01-12 for the SSA's Vessel Sewage Pump-Out Facilities Project to Robert B. Our., Incorporated of Harwich, Massachusetts, the lowest eligible and responsible for the contract, for a Total Contract Price of \$1,893,000. The contractor will construct sewage pump-out facilities at the SSA's Hyannis, Nantucket, Woods Hole and Vineyard Haven terminals to allow the SSA's vessels to discharge their sewage at their respective night berths. Construction will begin this fall with anticipated completion by the spring of 2013. Meanwhile, when the SSA's vessels are dry-docked over the next two-to-three years, the SSA will be modifying each of them with sewage holding tanks so that their sewage can be collected and discharged daily when they tie up

at the end of each operating day. The SSA has received a grant through the U.S. Department of Transportation's Ferry Boat Discretionary Program in the amount of \$1,270,000 to help pay for this project, which is needed so that the areas of Nantucket Sound and Vineyard Sound can be designated by the Environmental Protection Agency as No Discharge Zones.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, June 19, 2012, at a yet-to-be-determined location on the island of Nantucket. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

June 19, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on June 19, 2012, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth)

1. At last month's meeting, General Manager Wayne Lamson had stated that he was not planning to authorize the launching of the SSA's new website until he was convinced that it is functioning correctly in all material respects. Today he reported that there were still too many issues for the website to be launched this summer, and that most of the issues relate to the SSA's customers' ability to make vehicle reservations. As a result, the SSA will not be launching the new website until the fall, and at that time other aspects of the website which had been deferred (such as the ability to make Headstart reservations and perform site searches) will be finished and functional as well. While this delay is unfortunate, Mr. Lamson concluded that it is necessary to make certain that everything is working the way it should be when the website is launched. It will also give the SSA the chance to have some regular users test the new site over the summer to see if there is anything that was missed or needs to be tweaked.
2. The preliminary draft of the SSA's proposed 2013 Winter and Spring Vessel Operating Schedules were presented for discussion purposes only, as the Board does not have to approve these schedules until their meeting next month. The proposed schedules are pretty much the same as the ones the SSA operated this past year, except that the winter schedule starts three days earlier and ends eight days earlier than in 2012 (beginning on January 1, 2013 and ending on April 9, 2013), and, as a result, the spring schedule starts eight days earlier than in 2012 (on April 10, 2013). The proposed spring schedule also

ends five days earlier than in 2012 (on May 15, 2013), which means that the summer schedule will similarly start five days earlier.

The most significant proposed change in next year's spring schedule is to have the freight boat on the Martha's Vineyard route operate on an earlier daily schedule similar to the *M/V Governor's* new schedule this summer. This new freight boat schedule is working well and has allowed the SSA to move more trips into the earlier part of the morning, which is when many freight shippers and island residents want to travel. The SSA also has not received any complaints about any noise from its early-morning operations, which shows how well SSA employees are working to make certain that the SSA's neighbors are not disturbed at that time.

3. The Board approved the 2013 Budget Policy Statement that sets forth the guidelines SSA management will be using in the preparation of the SSA's 2013 Operating Budget. As mentioned by Treasurer/Comptroller Robert Davis at the meeting, the Budget Policy Statement requires management, among other things:

- to identify significant terminal repairs and maintenance that will need to be accomplished;
- to schedule the vessels that will be dry-docked (the *M/V Island Home*, the *M/V Nantucket*, the *M/V Katama* and the *M/V Iyanough*);
- to take into account the SSA's expected training expenses due to the continuation of STCW basic training, Marine Evacuation Slide (MES) training and other programs; and
- to factor in health care and insurance costs.

As usual, the most difficult expense to estimate for next year will be the cost of fuel oil. Currently, the barrel price for crude oil is trading in the \$80-\$90 range, while a year ago it was trading in the \$90-\$100 range (and last month it was trading in the \$105-\$110 range). The SSA's hedge program for vessel fuel is currently extended through the first quarter of 2013, with a cap at an average cost of \$4.00 per gallon, and partially extended through the following quarter. The budgeted cost of vessel fuel oil in 2013 will be based on the price forecast plus the cost of the hedging program. In addition, the SSA will continue to make fuel and energy conservation a priority in both land and sea operations. Towards that end, schedule modifications and trip consolidations will continue to be made when practical.

After management prepares a preliminary budget using these guidelines, they will present it to the Board for discussion in September, and ask that the final version of the budget be approved in October.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, July 17, 2012, at a yet-to-be-determined time and place on the island of Martha's Vineyard. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

July 17, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on July 17, 2012, in the First Floor Library Conference Room of the Martha's Vineyard Regional High School, located at 100 Edgartown-Vineyard Haven Road, Oak Bluffs, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth)

1. The Board began the meeting with a moment of silence in honor and memory of SSA Hyannis terminal employee Clifford Davignon, who passed away at work this past Saturday. Our thoughts, prayers and sympathies go out to his family and many friends.
2. General Manager Wayne Lamson reported that SSA management is continuing to work with iMarc on the SSA's new website, which is now expected to be completed by the end of August 2012. To date, the SSA has spent around \$230,000 on the new website and it will cost around \$70,000 more to complete everything, including the ability to make Headstart reservations and to perform site searches as well as some additional enhancements, such as a vessel tracking feature and a link for the SSA's on-line merchandise store. The website should be ready for testing in September in anticipation of a launch date after the Columbus Day Weekend.
3. The Board approved management's proposed 2013 Winter and Spring Vessel Operating Schedules, which are pretty much the same as the ones the SSA operated this past year. The 2013 winter schedule will start three days earlier and end eight days earlier than in 2012 (beginning on January 1, 2013 and ending on April 9, 2013), and, as a result, the spring schedule will start eight days earlier than in 2012 (on April 10, 2013). The SSA's 2013 spring schedule will also end five days earlier than in 2012 (on May 15, 2013).

This means that the summer schedule will similarly start five days earlier, namely, on May 16, 2013, which is also the date that the SSA will be opening the Oak Bluffs terminal.

The most significant change in next year's spring schedule is having the freight boat on the Martha's Vineyard route operate on an earlier daily schedule similar to the *M/V Governor's* new schedule this summer. During the spring schedule, the freight boat will also be triple-crewed instead of double-crewed (as it was this past year) in order to make up for the decrease in vehicle capacity when the *M/V Island Home* is in repair. In addition, on Mondays through Saturdays, there will be only one hazardous trip per day to the island, at 7:30 a.m., and one hazardous trip per day from the island, at 11:00 a.m., except on Wednesdays when Ralph Packer and Carroll's Trucking need another hazardous trip from the island at 6:30 a.m. and returning to the island at 12:15 p.m.

4. The Board awarded Contract #10-12 for dry-dock and overhaul services for the *M/V Sankaty* to the lowest eligible and responsible bidder for the contract, Thames Shipyard and Repair Company of New London, Connecticut, for a Total Contract Price of \$394,266. The *M/V Sankaty* is scheduled to go to the shipyard in September to undergo a required United States Coast Guard hull examination, machinery inspections, underwater hull cleaning and painting, replacement of rudder tubes, and installation of sewage evacuation piping. The budget estimate for this contract was \$330,000, but it did not include the cost for installation of the sewage evacuation piping (which is \$89,800).
5. Tisbury Department of Public Works Director Fred LaPiana gave the Board an update on the efforts being made by the Towns of Tisbury and Oak Bluffs to transport and dispose of their refuse by barge. Mr. LaPiana noted that the Towns had entered into a long-term contract with a landfill in the New Bedford-Dartmouth area and were now investigating how best to transport their refuse there less expensively. In this regard, the Towns had a study performed by HDR Engineering, Inc. on the feasibility of establishing a port-to-port containerized transportation service between Martha's Vineyard and New Bedford, which indicates that the Towns should be able to transport their rubbish to New Bedford less expensively by barge than by sending it on the SSA's boats if they can transport at least 18 containers per barge, most likely on a once-a-week basis. Mr. LaPiana said that, while there are many obstacles that need to be overcome, the Towns are now discussing the subject with Ralph Packer to see what might be possible and that, if they are successful, this will reduce truck traffic both on the SSA's boats and through Falmouth. (Currently the SSA carries around 150 rubbish trucks from Martha's Vineyard per month during the summer and around 1,300 on an annual basis.)
6. Martha's Vineyard Board Member Marc Hanover asked management to look into how the SSA might be able to revise its emergency transportation policy to ensure that it is being used only for the purposes for which it was adopted. Those purposes are when an ambulance or a customer's vehicle needs to be transported from the island to the mainland without delay so that an individual can receive emergency medical care which is not available on the island, or when a customer's vehicle needs to be transported from

the island to the mainland without delay so that the patron can attend to a death or an unexpected serious illness or injury of a member of the patron's immediate family on the mainland. Management will be looking into this subject and hope that recommendations can be presented to the Board for their consideration at their next meeting.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, August 21, 2012, in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

August 21, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on August 21, 2012, in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth)

1. The Board began the meeting by publicly extending their appreciation for the outstanding job performed by the *M/V Gay Head's* crew in responding to a distress call from the United States Coast Guard on Sunday, August 12th, regarding a fishing vessel in Nantucket Sound roughly 12 miles north of Nantucket. The *M/V Gay Head* was headed for Nantucket on her scheduled 5:00 p.m. trip from Hyannis when Captain Raymond Oliver received the distress call at approximately 6:00 p.m. Under Captain Oliver's direction, and within 25 minutes of receiving the distress call, the *M/V Gay Head's* crew had successfully retrieved the three fishermen who were aboard the fishing vessel to safety with the deployment of the *M/V Gay Head's* small rescue boat. Captain Oliver's crew included Pilot/Mate Bernadino Ramos, Ordinary Seamen Shawn Pimental, John McDonough and Benjamin Burlos, and also Chief Engineer Maureen Glennon and Oiler Antonio Ferreira. They are all to be congratulated for doing such an outstanding job in responding and rescuing the three fishermen before their vessel sank.
2. General Manager Wayne Lamson presented SSA management's preliminary draft of the proposed 2013 Summer and Fall Operating Schedules for discussion purposes only, as the schedules do not have to be approved until the Board's next meeting in September. The proposed 2013 Summer Schedule would start on May 16, 2013 (when the SSA would also open the Oak Bluffs terminal for the season) and end on October 15, 2013 (when the SSA would also close the Oak Bluffs terminal), with the height of the 2013

Summer Schedule running from June 21, 2013 through September 3, 2013. The 2013 Fall Schedule would start on October 16, 2013 and run through January 1, 2014.

- (a) Martha's Vineyard Route – SSA management is proposing to consolidate the hazardous trips on the Martha's Vineyard route so that there is only one hazardous trip each way on Mondays through Saturdays, except for Wednesdays when the SSA would also continue to run a second hazardous trip leaving Vineyard Haven at 7:15 a.m. and returning from Woods Hole at either 2:45 p.m. (during the summer) or 1:30 p.m. (during the fall). Thus, on the other days the SSA would have only one hazardous trip leaving Woods Hole at 6:15 a.m. and one hazardous trip returning from Vineyard Haven at 9:45 a.m.
- (b) Nantucket Route – SSA Management is proposing to increase the level of service the SSA recently has been providing after the height of the summer schedule by adding the *M/V Sankaty* on a single-crew basis, Monday through Friday, during the 12-day period from September 4, 2013 through September 15, 2013. Management is also looking at the overall net benefit that might be gained by switching the sailing times of the *M/V Gay Head* and the *M/V Nantucket* during the 2013 Summer Schedule. The benefits would be:
1. Allowing more of the multi-stop food trucks to travel on what would then be the *M/V Nantucket's* 6:00 a.m. trip from Hyannis. (Currently, hazardous freight shippers have first priority to make reservations on the *M/V Gay Head's* 6:00 a.m. trip.) Under the alternative schedule, hazardous trucks would be carried on the *M/V Gay Head's* 7:15 a.m. trip and would return from Nantucket at 3:45 p.m.
 2. Creating more attractive departure times for residents and visitors traveling with vehicles on the *M/V Nantucket*. (Departures from Nantucket would be at 8:45 a.m. instead of 10:15 a.m., and at 7:45 p.m. instead of 9:00 p.m., and departures from Hyannis would be 5:00 p.m. instead of 6:30 p.m.)
 3. Allowing more trucks to take advantage of the "Super Saver" program for commercial vehicles on the 9:00 p.m. trip from Nantucket on the *M/V Gay Head* and potentially open up more space for other vehicles on earlier trips.
 4. Reducing traffic congestion at and around the Nantucket terminal during the mid-afternoon period when the *M/V Iyanough* (at 3:15 p.m.) and the *M/V Nantucket* (at 3:45 p.m.) are currently departing within 30 minutes of each other.
 5. Reducing the operating hours of the Hyannis parking lots with the last published trip arriving at Hyannis at 10:00 p.m. instead of 11:15 p.m.

6. Providing the SSA with the flexibility to cancel the last freight trip of the day (leaving Hyannis at 6:45 p.m. and returning from Nantucket at 9:00 p.m.) on certain days when there is low demand.
7. Eliminating the last hazardous designation for the last freight trip from Nantucket at night on weekdays, allowing the SSA to book more passenger vehicles on those trips in advance.

One of the possible drawbacks of this alternative schedule is that, if the multi-stop food trucks cannot complete all of their deliveries in time to return on the *M/V Nantucket's* 2:15 p.m. trip, the SSA will be able to accommodate only a few of these trucks on the 3:45 p.m. freight trip, because hazardous trucks returning from Nantucket will have priority for bulk truck reservations on that freight trip.

The management staff will be conducting informational meetings with Nantucket freight shippers to discuss next year's proposed alternative operating schedules and receive their comments on the changes being considered. The meetings will be held on Thursday, August 23rd, with the first one starting at 9:30 a.m. in the Nantucket terminal's conference room and the second one starting at 2:00 p.m. in the Hyannis terminal's second floor meeting room.

3. The Board authorized SSA management to engage the firm of Scarborough & Tweed from Pleasantville, New York, to develop and launch an online merchandise store for the SSA. The start-up cost for the online store will be \$5,000 plus the cost of the merchandise. The merchandise that will be initially offered for sale will cost around \$25,000 and consist of a few key products, including canvas duffle and boat bags with an SSA ribbon design featuring nautical flags, Vineyard Vines products customized for the SSA, Nantucket red baseball hats with a sketch or imprint of the *M/V Iyanough*, and sets of acrylic tumblers featuring the SSA fleet and/or nautical flags. The SSA will promote the online merchandise store in a variety of ways, including e-News emails, posters, banner ads on the SSA's website, and print ads in selected publications and SSA-printed materials. Scarborough & Tweed has committed to launching the SSA's online store by November 9, 2012.
4. The Board also authorized SSA management to issue a request for proposals for a new food concession contract. The SSA's current five-year food concession contract with Boston Culinary Group (also known as Centerplate) will expire at the end of this year. The new contract similarly will have a five-year term in order to encourage potential concessionaires to submit proposals, as their investment in the specialized equipment and infrastructure needed to operate this concession can then be amortized over a longer period of time. The deadline for the submission of proposals is October 16, 2012 and the SSA anticipates that the new contract will be awarded by the Board at their November 20, 2012 meeting.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, September 25, 2012, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

September 25, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on September 25, 2012, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth)

1. The Board approved management's proposed changes to the SSA's emergency transportation policy to ensure that it is being used only for the purposes for which it was adopted, namely, for people with genuine medical emergencies. Under the revised policy:
 - (a) An ambulance or a customer's vehicle will continue to be boarded on a preferential basis when it needs to be transported from the island to the mainland without delay for emergency medical care which is not available on the island (or so that the customer can attend to a death or unexpected serious illness or injury of a member of the customer's immediate family on the mainland).
 - (b) The vehicle of a customer traveling on standby for medical reasons will also continue to be boarded ahead of the vehicles of other standby customers when either:
 - (i) the customer has an urgent need to travel without additional delay because he or she is in severe pain, distress or discomfort; or
 - (ii) the failure to provide the customer with preferential boarding would create the potential for deterioration or instability in his or her physical condition or would otherwise jeopardize the customer's care.

The determination of whether a customer's vehicle should receive preferential boarding will be made by a Mashpee Reservations Supervisor when the request is made during the Mashpee Reservation Office's regular business hours. Only when a Supervisor is not available will the determination be made by the Terminal Agent. The customer will also be required to provide written verification from his or her physician or health care provider of the customer's urgent need to travel on the SSA's ferry without delay.

- (c) Individuals traveling on standby for routine medical or dental care are not eligible for preferential boarding of their vehicles. However, eligible customers can continue to obtain "preferred spaces" for this purpose in advance of the time that those spaces otherwise become available for booking. If a customer's appointment finishes earlier or later than expected and the customer wishes to return to the island on a different trip than his or her reserved trip, if space is available, the Mashpee Reservations Supervisor will change the customer's reservation at no charge. Otherwise, customers' vehicles traveling on standby generally will be boarded after vehicles with reservations, as space becomes available and in the order that such standby vehicles arrive and check in at the terminal of departure.
2. The Board also approved management's proposed 2013 Summer and Fall Operating Schedules, which are similar to this year's summer and fall operating schedules except for certain minor changes. The 2013 Summer Schedule will start on May 16, 2013 (when the SSA will also open the Oak Bluffs terminal for the season) and end on October 15, 2013 (when the SSA will also close the Oak Bluffs terminal), with the height of the 2013 Summer Schedule running from June 21, 2013 through September 3, 2013. The 2013 Fall Schedule will start on October 16, 2013 and run through January 1, 2014.
- (a) Martha's Vineyard Route – The hazardous trips on the Martha's Vineyard route will be consolidated so that there will be only one hazardous trip each way on Mondays through Saturdays, except for Wednesdays when the SSA will also continue to run a second hazardous trip leaving Vineyard Haven at 7:15 a.m. and returning from Woods Hole at either 2:45 p.m. (during the summer) or 1:30 p.m. (during the fall). Thus, on the other days the SSA will have only one hazardous trip leaving Woods Hole at 6:15 a.m. and one hazardous trip returning from Vineyard Haven at 9:45 a.m.
 - (b) Nantucket Route – During the early summer schedule (May 16 through June 20, 2013), the *M/V Sankaty* will operate only two round trips per day, Mondays through Fridays (down from three round trips daily in 2012). By contrast, after Labor Day the SSA will add the *M/V Sankaty* to the Nantucket route to provide two additional round trips per day, Mondays through Fridays, during the 12-day period from September 4, 2013 through September 15, 2013.

3. The Board also approved a request from SeaStreak, LLC to suspend its high-speed passenger service between New Bedford and Martha's Vineyard during the upcoming winter season, from November 1, 2012 through April 30, 2013. Earlier this year, SeaStreak already received approval from the New Bedford Harbor Development Commission to reduce its future service schedule to a recurring six-month seasonal period, from May 1st through October 31st.
4. The Board also approved a request to extend the *M/V Iyanough's* operating schedule this year by one day, in order for it to continue operating on New Year's Day, January 1, 2013, instead of stopping service at the end of the day on December 31, 2012. Nantucket is planning a festive four-day event for residents and visitors around the upcoming long New Year's weekend, and the *M/V Iyanough* will now operate through New Year's Day so that visitors coming for the events will be able to purchase round-trip tickets.
5. SSA Treasurer/Comptroller Robert B. Davis presented the preliminary draft of management's proposed 2013 Operating Budget for the Board's review and comments. The final budget will not need to be approved until the Board's next meeting on October 23, 2012. The SSA's total operating expenses in 2013 are expected to approach \$83,100,000, which represents a \$3,100,000 or 3.9% increase in total operating expenses compared to the most recent estimate for 2012 (based on seven months actual expenses and five months budgeted expenses). The most significant increases in projected costs are attributable to the following:
 - (a) Fuel expense is expected to be around \$10,137,000 in 2013, or an 8.8% increase over the estimate for 2012, based on the assumption that the price of crude oil will range between \$95 and \$99 per barrel.
 - (b) Depreciation expense is expected to increase by 5% next year, with the addition of a full year of depreciation for the *M/V Eagle* mid-life refurbishment project and the sewer pump-out facilities, and a partial year of depreciation for the Palmer Avenue parking lot improvements project.
 - (c) Overall, maintenance expense is expected to increase by \$1,528,000 or 16.8% in 2013. Increases in vessel repair expenses are expected, as dry-docks are scheduled for the *M/V Island Home*, the *M/V Nantucket*, the *M/V Katama* and the *M/V Gay Head* in 2013. In addition, engine overhauls are scheduled for the *M/V Martha's Vineyard*, the *M/V Island Home*, the *M/V Eagle* and the *M/V Iyanough*. Terminal repairs are expected to increase by \$223,000 or 27.9%, with dolphin fender repairs in Nantucket being the largest scheduled item in 2013.
 - (d) Health care expense is expected to increase by \$573,000 or 8.3% compared to the current estimate for 2012, despite increased contributions by employees for their medical coverage.

The SSA's total operating revenues, prior to any rate increases, are projected to be around \$86,500,000 for 2013, representing a 1.3% increase from this year's currently estimated revenues. Accordingly, in order to cover next year's cost of service, the SSA will need an additional \$1,500,000 of revenues from anticipated rate increases (approximately \$500,000 from the Martha's Vineyard route and \$1,000,000 from the Nantucket route) in order to arrive at a projected net operating income next year of around \$3,157,500.

6. Mr. Davis also presented management's recommendation on which fare increases should be made in order to ensure sufficient income to meet next year's projected cost of service.
 - (a) Martha's Vineyard Route – On the Martha's Vineyard route, management is recommending that the one-way regular automobile fare be increased by \$1.00, that the round-trip excursion fare be increased by \$2.00, and that one-way freight tariffs for commercial vehicles under 20 feet in length similarly be increased by the same amounts. Management also is recommending that the cost of the year-round annual Woods Hole/Falmouth parking permits be increased by \$25. Combined, these proposed increases are estimated to generate an additional \$487,000 in revenue.
 - (b) Nantucket Route – On the Nantucket route, management is recommending that the one-way regular automobile fare be increased by \$5.00, that the round-trip excursion fare be increased by \$10.00, that one-way freight tariffs for commercial vehicles under 20 feet in length similarly be increased by the same amounts, and that freight tariffs for commercial vehicles 20 feet in length or longer be increased on average by 6.5%. Management also is recommending that the daily rates for parking in the Lewis Bay Road and Yarmouth Road lots from May 1 through June 14 and from September 15 through October 14 be increased from \$12 to \$15, and that the cost of the year-round annual Hyannis parking permits be increased by \$50. Combined, these proposed increases are estimated to generate an additional \$989,000 in revenue.
7. The Board awarded Contract No. 17-12 for dry-dock and overhaul services for the *M/V Martha's Vineyard* to Thames Shipyard and Repair Company of New London, Connecticut, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$286,340. The *M/V Martha's Vineyard* originally was not scheduled to be dry-docked until September 2013. However, for operational reasons, its dry-dock was rescheduled for October 2012 to allow the repair periods for the four large passenger/vehicle ferries to be rotated as follows beginning in the fall of 2013: *M/V Nantucket* (fall); *M/V Martha's Vineyard* (fall-winter); *M/V Eagle* (winter-spring); and *M/V Island Home* (spring).

8. The Board also authorized SSA General Manager Wayne C. Lamson to award Contract No. 22-12 for the replacement of the decorative railing on the perimeter of the main pier and along the staging area at the Hyannis terminal to the lowest eligible and responsible bidder for the contract following the opening of bids that is currently scheduled for October 4, 2012. The contractor will be required to complete the contract, which is estimated to cost around \$250,000, by no later than December 31, 2012.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, October 23, 2012, at a yet-to-be-determined location on Martha's Vineyard, Massachusetts. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

October 23, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on October 23, 2012, in the second floor conference room of the SSA's Woods Hole terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket) (who participated by telephone conference); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth).

1. The Board approved management's proposed operating schedules for the *M/V Iyanough* next year. The SSA will be starting service with the *M/V Iyanough* next year on April 10, 2013, two weeks earlier than this year, in response to a request to make certain that Nantucket has adequate high-speed passenger service when the *M/V Grey Lady* is in the shipyard next spring.
2. The Board also approved management's proposed 2013 Operating Budget. The SSA's total operating expenses in 2013 are expected to approach \$83,050,000, which represents more than a \$3,250,000 increase (or 4.1%) in total operating expenses compared to the most recent estimate for 2012 (based on eight months actual expenses and four months budgeted expenses). The most significant increases in the SSA's projected costs are attributable to the following:
 - (a) Fuel expense is expected to be around \$10,113,000 in 2013, or a 7.9% increase over the estimate for 2012, based on the assumption that the price of crude oil will range between \$95 and \$99 per barrel.
 - (b) Depreciation expense is expected to increase by \$488,000, representing a 5% increase next year, with the addition of a full year of depreciation for the *M/V Eagle* mid-life refurbishment project and the sewer pump-out facilities, and a

partial year of depreciation for the Palmer Avenue parking lot improvements project.

- (c) Overall, maintenance expense is expected to increase by \$1,425,000, or 15.5%, in 2013. Increases in vessel repair expenses are expected, as dry-docks are scheduled for the *M/V Island Home*, the *M/V Nantucket*, the *M/V Katama* and the *M/V Gay Head* in 2013. In addition, engine overhauls are scheduled for the *M/V Martha's Vineyard*, the *M/V Island Home*, the *M/V Eagle* and the *M/V Iyanough*. Terminal repairs are expected to increase by \$223,000 or 28%, with dolphin fender repairs in Nantucket being the largest scheduled item in 2013.
 - (d) Health care expense is expected to increase by \$656,000 or 9.7% compared to the current estimate for 2012, despite increased contributions by employees for their medical coverage.
3. The Board further approved management's proposed rate adjustments for 2013 to adequately meet the projected cost of service and provide sufficient cash transfers to the SSA's special purpose funds during 2013. Prior to those rate adjustments, the SSA's total operating revenues were projected to be around \$86,500,000 for 2013. Accordingly, in order to cover next year's cost of service, the SSA will raise an additional \$1,500,000 of revenues from rate increases in order to arrive at a projected net operating income next year of around \$3,180,000. Approximately \$500,000 will be raised from fare increases on the Martha's Vineyard route (representing an overall increase of 1.0% on that route) and \$1,000,000 will be raised from fare increases on the Nantucket route (representing an overall increase of 2.8% on that route).

Martha's Vineyard Route. With respect to the Martha's Vineyard route, the following rate increases will go into effect next year:

- (a) The regular one-way auto rates on the Martha's Vineyard route will increase by \$1.00 year round and the round-trip excursion rates (for both automobiles and commercial vehicles under 20 feet) will increase by \$2.00 year round.
- (b) The cost of annual and seasonal parking permits at the Woods Hole and Falmouth offsite lots by will increase \$25.00 (effective May 15, 2013).

Nantucket Route. With respect to the Nantucket route, the following rate increases will also go into effect next year:

- (a) The round-trip excursion rates (for both automobiles and commercial vehicles under 20 feet) will increase by \$10.00 year round.
- (b) The charge for extended loads will increase from \$25.00 to \$37.50.
- (c) The rates for commercial vehicles over 20 feet will increase by around 7%.

- (d) Effective April 10, 2013, the regular one-way passenger rate on the *M/V Iyanough* (as well as the 3-day slow boat/fast boat combination fare) will increase by \$1.50, and the round-trip passenger rate on the *M/V Iyanough* will increase by \$2.00, resulting in a \$69 high-speed round-trip fare (including the passenger embarkation fees).
 - (e) Effective May 15, 2013, the year-round on-site Hyannis terminal parking permit will be discontinued and the cost of the other annual and seasonal parking permits at the Hyannis lots will increase by \$50.00.
4. SSA General Manager Wayne Lamson informed the Board, in accordance with the authorization they gave him at last month's meeting, that he awarded Contract No. 22-12 for the replacement of the decorative railing on the perimeter of the main pier and along the staging area at the Hyannis terminal to New England Spec Inc. (NES Inc.) of Plymouth, Massachusetts, who was the lowest eligible and responsible bidder for the contract following the opening of bids on October 9, 2012. The total contract price is \$196,212. Under the contract, NES Inc. is required to perform the repairs and installation of the decorative railings without causing substantial interference with the terminal operations and to complete the contract by no later than December 31, 2012.
5. The Board also authorized Mr. Lamson to award the following contracts to the lowest eligible and responsible bidder for each contract following the opening of bids:
- (a) Contract No. 18-12 for the Woods Hole terminal men's room renovations, for which bids are currently scheduled to be opened on October 25, 2012. The work involves demolition and disposal of the existing tile on the walls and floor, repair to the walls, installation of new wall and floor tile, installation of new plumbing fixtures, lighting fixtures and bathroom partitions, painting, and replacement of the entrance doors. Construction is scheduled to begin upon the award of the contract with completion by December 31, 2012.
 - (b) Contract No. 23-12 for the Vineyard Haven terminal bathroom renovations (both the men's and the women's restrooms), for which bids are currently scheduled to be opened on November 2, 2012. The work will be similar to the work on the Woods Hole terminal men's room renovations. Construction is scheduled to begin upon the award of the contract with completion by January 30, 2013.
 - (c) Contract No. 21-12 for the Oak Bluffs terminal pier repairs, for which bids are currently scheduled to be opened on November 7, 2012. The main pier section of the Oak Bluffs terminal's pier was not included in the most recent terminal improvements that were completed in 2010 and is now in need of repair. The area of the main pier adjacent to the transfer bridge is worn due to exposure to the elements, heavy vehicle traffic and trucks turning in this area prior to loading onto the freight vessels. The contract will require the contractor to remove and replace approximately 3,000 square feet of pier decking and wooden piles, to shim other

existing piles under the pier, to repair cross bracing, and to replace the rubber fenders on a damaged dolphin. The work is expected to begin upon the award of the contract and be completed by December 31, 2012.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, November 20, 2012. The location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

November 20, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on November 20, 2012, in the second floor conference room of the SSA's Woods Hole terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts. All five Board Members were in attendance: Chairman John A. Tierney (New Bedford); Vice Chairman H. Flint Ranney (Nantucket) (who participated by telephone conference); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth).

1. The Board reviewed the timeline that has been established for customers to make vehicle reservations for 2013:

Reservations for the Summer Schedule (05/16/2013 through 10/15/2013)

- Headstart reservations will be accepted (by mail and internet only) from January 8, 2013 through January 13, 2013
- Reservations for the general public will be accepted by mail and over the internet beginning January 15, 2013.
- Telephone reservations for the general public can be made beginning January 22, 2013.

Reservations for the Fall Schedule (10/16/2013 through 01/01/2014)

- Reservations for the general public will be accepted (by mail, internet and telephone) beginning June 17, 2013.

In addition, the “reservation-only” days for vehicles traveling on the Martha's Vineyard route will be every Friday, Saturday, Sunday and Monday from June 21 through September 3, as well as from May 24 through May 28 (around Memorial Day), July 3 and July 4 (around Independence Day) and October 11 and October 14 (around Columbus Day).

2. The Board approved SSA management’s proposed 2013 Capital Budget, which includes 13 new capital projects, increases in two capital projects that already had been approved, and \$500,000 of miscellaneous projects costing less than \$50,000 each, with an aggregated estimated cost of \$6,871,000. After the completion of those projects and the SSA’s current capital projects that already have been approved, the SSA should still have around \$2,770,000 for any contingencies or potential additional capital projects in its various special purpose funds, not including \$6,550,000 that is also projected to be transferred into those funds during the latter half of 2013. The new and expanded capital projects are:
 - (a) Palmer Avenue Parking Lot Improvements (now estimated to cost \$3,110,000, although that estimate is currently being reviewed and updated);
 - (b) Design and Engineering for the Thomas B. Landers Parking Facility (now estimated to cost \$500,000);
 - (c) Sewage Pump-Out Upgrades for each of the following vessels: *M/V Island Home* (\$235,000); *M/V Nantucket* (\$160,000); *M/V Katama* (\$192,000); *M/V Gay Head* (\$192,000); and *M/V Governor* (\$95,000);
 - (d) New Building at the Fairhaven Vessel Maintenance Facility (replacing the two “Be Careful” and “Lobster” buildings) (\$1,450,000);
 - (e) A Maintenance Utility Truck with Snow Package (\$52,000);
 - (f) Server and Storage Replacements (\$240,000);
 - (g) Network Upgrades (\$195,000);
 - (h) Printer Replacements (\$185,000);
 - (i) Personal Computer Replacements (\$125,000);
 - (j) A New Shuttle Bus for the Hyannis Terminal Operations (\$115,000) and
 - (k) Two New Shuttle Buses for the Woods Hole Terminal Operations (\$300,000).

3. The Board awarded the SSA's new food concession contract that will run the next five years from January 1, 2013 through December 31, 2017 to Centerplate (formerly known as Boston Culinary Group) of Stamford, Connecticut, which has a local office in Mashpee, Massachusetts. Centerplate is the SSA's current food concessionaire and has been providing the SSA's food service since 1993. Although SSA management had forwarded notices of RFP package for this contract to 13 qualified firms, ultimately Centerplate was the only concessionaire that submitted a responsive proposal.

The evaluation committee gave highly advantageous ratings to Centerplate's background information, operating experience and proposed operating plan, in which Centerplate proposed various potential changes to its current operations. These changes include improvements to the customer experience at the Hyannis terminal concession area, improvements to the *M/V Iyanough* food counters, and the implementation of a "Grab n' Go" concept for sandwich selection onboard the vessels. Centerplate will be spending around \$325,000 in improvements to its service, and the SSA also will be spending an estimated \$275,000 in replacing certain equipment, upgrading SSA vessels' water filtration systems used for beverage service, and making improvements to the Hyannis terminal café area.

Centerplate will also continue to pay the SSA concession fees equal to a percentage of its sales (16% on food, 22.5% on alcoholic beverages, 20% on vending and 19.2% on merchandising). All of the Board members were very impressed with BCG's proposal and presentation, and thanked the firm for all of the great service they have provided the SSA's customers over the years.

4. The Board also approved SSA management's recommendation to appoint McGladrey LLP of Boston, Massachusetts as the SSA's independent auditors and have them furnish an independent annual audit of the SSA's financial statements for each of the years 2012, 2013 and 2014. The SSA received seven responses to its request for proposals from accounting firms to provide the SSA with auditing services, and SSA management selected McGladrey LLP's proposal as being the most advantageous for the SSA due to a number of factors. These include the firm's additional resources, the proposed transition plan from the SSA's previous auditors, Deloitte & Touche LLP, the firm's familiarity with the SSA's operations and information systems, and the continuity of the firm's staff combined with personnel rotation. McGladrey LLP's fees for this year's audit will be \$115,000.
5. SSA Treasurer/Comptroller Robert B. Davis informed the Board that, in accordance with the authorization they gave SSA General Manager Wayne C. Lamson at last month's meeting, he had awarded Contract No. 18-12 for the Woods Hole terminal men's room renovations to the lowest eligible and responsible bidder for the contract, Nadeau Corporation of South Attleboro, Massachusetts, for a Total Contract Price of \$72,499. The work involves demolition and disposal of the existing tile on the walls and floor, repair to the walls, installation of new wall and floor tile, installation of new plumbing

fixtures, lighting fixtures and bathroom partitions, painting, and replacement of the entrance doors. Construction is scheduled to be completed by December 31, 2012.

6. Mr. Davis also informed the Board that, in accordance with the authorization they gave Mr. Lamson at last month's meeting, he had awarded Contract No. 23-12 for the Vineyard Haven terminal bathroom renovations (both the men's and the women's restrooms) to the lowest eligible and responsible bidder for the contract, which was again Nadeau Corporation of South Attleboro, Massachusetts, for a Total Contract Price of \$199,987. The work will be similar to the work on the Woods Hole terminal men's room renovations, and construction is scheduled to be completed by January 30, 2013.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, December 18, 2012. The meeting is currently scheduled to take place in the second floor conference room of the SSA's Woods Hole terminal, but the location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

December 18, 2012

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their regular monthly meeting at 9:30 a.m. on December 18, 2012, in the second floor conference room of the SSA's Woods Hole terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts. Four Board Members were in attendance: Chairman John A. Tierney (New Bedford); Secretary Robert L. O'Brien (Barnstable); Marc N. Hanover (Martha's Vineyard); and Robert S. Marshall (Falmouth).

1. The Board approved management's recommendation to renew the SSA's agreement with the Town of Tisbury and the Martha's Vineyard Regional Transit Authority (VTA) to continue providing the shuttle service between the Tisbury Park 'n Ride parking lot and the SSA's Vineyard Haven terminal during the 2013 calendar year. The VTA shuttle van leaves the parking lot 15 minutes before each vessel's scheduled departure and meets each vessel's scheduled arrival, and the SSA reimburses the VTA for 50% of the direct labor and fuel costs attributable to the service plus \$200 per month to cover maintenance, insurance and other indirect costs. The VTA has reported that a total of 110,603 passengers used the Park 'n Ride shuttle service during the 12-month period ending October 31, 2012, during which time the SSA contributed \$73,427 towards the cost of the service under the terms of the agreement.
2. The Board also approved management's recommendation to renew the SSA's transportation agreement with the Martha's Vineyard Regional High School District for school-related approved transportation for the period from July 1, 2013 through June 30, 2014. Every year the SSA enters into the agreement to establish a fixed price for the transportation of student groups, teachers, administrators and game officials on school-approved travel for the District's upcoming fiscal year (beginning July 1st). The fixed price is intended to reflect approximately a 50% discount over applicable tariff rates. For the last two years, the agreement had established a fixed price of \$60,000, which reflected approximately a 50% discount over applicable tariff rates. The fixed price

under the new agreement will also be \$60,000, as the amount of school-approved travel has remained relatively steady.

3. The Board also approved management's recommendation to extend indefinitely the Nantucket Super Saver Auto Rate program on the same terms and conditions as in 2012, provided that management will continue to review the program's effectiveness on an annual basis and propose any revisions to the program at the same time as other rate adjustments are considered for the Nantucket route. This year through December 8th, 748 Super Saver reservations were used on this route, 430 to Nantucket and 318 from Nantucket, and 70% of the reservations were used by customers who traveled only one time in one direction on the discounted rate. The majority of the customers who used these reservations (76%) were not eligible for the SSA's excursion fares, and they came from 32 different states plus the District of Columbia.
4. The Board authorized SSA General Manager Wayne C. Lamson to award Contract No. 07-12 for the demolition of the old Falmouth ice rink to the lowest eligible and responsibility following the opening of bids for the contract, which is currently scheduled for December 20th. The SSA purchased the ice rink property from the Falmouth Youth Hockey League in 2011 and is demolishing the building in order to create additional parking at the SSA's Palmer Avenue parking lot. The demolition is scheduled to take place in January 2013. Another invitation for bids will be issued for the construction of the new parking area and a new vehicle entrance and exit for the lot.
5. Mr. Lamson announced that he had rejected the one bid the SSA received last week for Contract No. 16-12 for the expansion of the high-speed ferry wharf at the Hyannis terminal because the amount of the bid was more than twice the cost estimate that had been provided to the SSA by its engineering firm. The contract would have required the project to be completed by mid-April 2013, which may have been why the SSA didn't receive more bids and why the bid the SSA did receive was so high. Because the SSA does not have to complete this project by next summer, it will issue a new invitation for bids by the end of June 2013 that will require the work to be completed when the *M/V Iyanough* is out of service during the following winter schedule. This will hopefully allow potential contractors enough lead time to order materials and schedule the project so that it can be completed in a timely manner.
6. The Board awarded Contract No. 24-12 for dry-dock and overhaul services for the *M/V Katama* to the lowest eligible and responsible bidder for the contract, Thames Shipyard and Repair Company of New London, Connecticut, for a Total Contract Price of \$442,690. The *M/V Katama* is scheduled to be at the shipyard from late January 2013 through early March 2013 to undergo a required United States Coast Guard hull examination, machinery inspections, underwater hull cleaning and painting, replacement of rudder tubes, and the installation of a sewage holding tank and evacuation piping.

7. The Board also awarded Contract No. 25-12 for the supply and delivery of spare parts for four EMD 645 diesel engines and two EMD 710 diesel propulsion engines (including one spare EMD 710 turbocharger) to the lowest eligible and responsible bidder for the contract, Marine Systems Incorporated of Chesapeake, Virginia, for a Total Contract Price of \$868,306.29. The EMD diesel propulsion engines on the *M/V Eagle*, the *M/V Island Home* and the *M/V Martha's Vineyard* will have accumulated the recommended number of running hours for major overhaul by the end of the 2012-2013 operating seasons. The SSA's Maintenance staff at the Fairhaven vessel maintenance facility will perform the engine overhauls during the 2013 repair season without the assistance of an EMD-certified technician.
8. The Board also awarded Contract No. 26-12 for the supply and delivery of spare parts for two MTU 12V4000M70 diesel propulsion engines to the lowest eligible and responsible bidder for the contract, New England Detroit Diesel Allison of Wakefield, Massachusetts, for a Total Contract Price of \$616,367.46. The third and fourth diesel propulsion engines on the *M/V Iyanough* will have accumulated slightly more than the recommended number of running hours for major overhaul by the end of the 2012 operating season. These two engines will be overhauled by the SSA's Maintenance staff (with the assistance of an MTU-certified technician) during the upcoming 2013 repair period. The vessel's other two engines were overhauled during this past year's repair period.
9. The Board authorized Mr. Lamson to dispose of the diesel electric drives, controls and spare parts associated with the *M/V Governor's* former diesel electric drive system. After those main drive motors on the *M/V Governor* failed in 2010, the vessel was repowered from diesel electric drives to diesel engines and reduction gears. The surplus equipment, which has an estimated value of between \$15,000 and \$30,000, will be removed from the vessel, split into lots, advertised on www.govdeals.com, and sold to the highest bidders.
10. Finally, on January 1, 2013, the SSA's new Nantucket Board Member will become the SSA's Chairman for next year in accordance with the SSA's Enabling Act. Pursuant to their by-laws, the Board also elected Barnstable Board Member Robert L. O'Brien to serve as the SSA's Vice Chairman, and Dukes County Board Member Marc N. Hanover to serve as the SSA's Secretary.
11. The SSA's current Nantucket Board Member, Flint Ranney, recently announced his retirement from the Board at the end of his term this year, after having served the SSA and the island of Nantucket as the SSA's Nantucket Board Member for 8-½ years, and before that as the SSA's Nantucket Port Council member for two years. Everyone at the SSA owes a tremendous amount to Mr. Ranney. When he became the SSA's Nantucket Board Member in 2004, the SSA's relationship with Nantucket residents was frayed and, some thought, beyond repair. But Mr. Ranney immediately reached out with both substantive and symbolic gestures to make the bond among the SSA, Nantucket and the SSA's other port communities stronger than ever. Everyone at the SSA will be forever grateful for his patience, his good humor, his wisdom, and the polite but persistent

manner in which he consistently has sought to improve the SSA's service for Nantucket residents and visitors alike.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, January 15, 2013. The meeting is currently scheduled to take place in the second floor conference room of the SSA's Woods Hole terminal, but the location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.