



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

February 2, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their rescheduled January monthly meeting at 9:30 a.m. on February 2, 2017, at the Falmouth Art Center, located at 137 Gifford Street, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford) Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard) (who participated remotely through Skype); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Wayne C. Lamson reported that the SSA's design team for the Woods Hole terminal reconstruction project is continuing to work on the design development documents for the marine work that will take place in phases over the next several years, starting in 2018. The SSA expects to have all of the plans and specifications finalized later this year so that an invitation for bids for all of the marine work can be issued in September. The SSA also will be issuing a separate invitation for bids this summer for the demolition of the existing terminal building, which will start next January.
2. Mr. Lamson also reported that G&R Construction, Inc., the contractor for the SSA's new administrative office building in the SSA's Palmer Avenue parking lot, is finishing the building's underground electrical work and piping this week, and that next week it expects to finish the remaining foundation work, including pouring the concrete floor. Last week the SSA also had a pre-mobilization meeting with the contractor's steel erector and steel supplier, and the contractor expects to begin erecting the steel for the building later this month.
3. Mr. Lamson also reported that Triumph Modular, Inc. is planning to mobilize next week to begin the excavation and foundation work for the temporary Woods Hole terminal building, and still expects the building to be completed before the upcoming summer season.

4. As many of you remember, there were a few weeks at the beginning of the SSA's 2016 Fall Operating Schedule when the SSA was not able to keep up with traffic demand on either the Nantucket route or the Martha's Vineyard route. Therefore, today the Board agreed with the staff's recommendation to make certain schedule changes to the 2017 Fall Operating Schedules in order to provide more service during the same time next year. Specifically:
- Under the previously approved 2017 Late Summer Schedule for the Nantucket route, from September 19, 2017 through October 15, 2017, the *M/V Woods Hole* was scheduled to operate the second daily hazardous trip from Nantucket (leaving at 2:15 p.m.) on Mondays through Fridays. Instead, the *M/V Gay Head* will now operate that second daily hazardous trip (leaving Nantucket at 1:30 p.m. on Mondays through Fridays) so that the *M/V Woods Hole's* 2:15 p.m. trip will be available for vehicle reservations and passengers.
 - Under the previously approved 2017 Fall Operating Schedules, beginning on October 16, 2017, only two vessels were scheduled to provide service on the Nantucket route, one large ferry (either the *M/V Eagle* or the *M/V Nantucket*) and one freight boat (the *M/V Gay Head*), both of which were scheduled to be triple-crewed. Under the revised schedules, from October 16, 2017 through October 27, 2017, the *M/V Sankaty* will be triple-crewed and operate the *M/V Gay Head's* 7-days-a-week schedule, while the *M/V Gay Head* will be single-crewed and provide two round trips per day on Mondays through Fridays during that period. This will add a total of ten round trips per week (two additional round trips per day, Mondays through Fridays) on the Nantucket route during this period.
 - Also under the approved 2017 Fall Operating Schedules, beginning October 16, 2017, only three vessels were scheduled to provide service on the Martha's Vineyard route, two large ferries (the *M/V Island Home* paired with either the *M/V Nantucket* or the *M/V Woods Hole*), both of which will be triple-crewed, and one freight boat (the *M/V Sankaty*) that was going to be double-crewed. The *M/V Sankaty* will now be replaced on this route with the *M/V Katama* for the entire schedule and, from October 16, 2017 through October 27, 2017, the *M/V Woods Hole* will be added to this route with a triple crew so that it can provide seven additional round trips per day. Further, after the *M/V Woods Hole* stops providing service on this route on October 28, 2017, the *M/V Katama* will continue to be triple-crewed through December 5, 2017 and will be berthed overnight on the island during that time so that its first trip from Vineyard Haven will be at 5:30 a.m. As a result, the 5:30 a.m. freight trip from Woods Hole, which operated through December 7th this past year, will stop running for the season on October 27th in 2017.
5. The SSA's Board awarded Contract No. 15-2016 for the Mid-Life Refurbishment of the *M/V Martha's Vineyard* to Senesco Marine, LLC, of North Kingstown, Rhode Island, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$16,967,150. The *M/V Martha's Vineyard* will leave for the shipyard in early September 2017 and remain there through late January 2018, after which it will return to the SSA's

Fairhaven Vessel Maintenance Facility. The major tasks that will be accomplished during the time that it is in the shipyard include the following:

- Blasting and recoating all voids and bilges, the entire exterior (keel to the 03-deckhouse top), all exterior decks, and the freight deck bulkheads and deck.
 - Installing four new main engine coolers and two new reduction gear coolers.
 - Installing two new ships service diesel generators (SSDGs) in the engine room and a third SSDG in the auxiliary machinery room.
 - Installing a new main switchboard in the engine room and a 120V switchboard section in the auxiliary machinery room.
 - Installing a FM200 fixed fire suppression system for both the engine room and the auxiliary machinery room.
 - Replacing the existing steering system components with Engine Monitoring Incorporated (EMI) supplied system components.
 - Installing a new aluminum roll back bow door and a new stainless roll up stern door.
 - Replacing much of the existing lighting with LED fixtures.
 - Replacing all joiner work, ceilings, deck coverings, and passenger seats and tables on the 01 and 02 Decks.
 - Installing a new port side elevator to service the 01 and 02 Decks, and upgrading the existing elevator with new controls.
 - Installing new windows for the 01 and 02 Decks.
 - Adding electrical outlets throughout the 01, 02 and 03 Decks.
 - Extending the enclosed 02 Deck aft to include the locations of the existing aft stairwells.
 - Installing a new Purser/First Aid office, passenger restrooms and concession area.
 - Installing a new pilothouse structure, including consoles, chart table, furnishings, electronic equipment, navigation equipment, panels and controls.
 - Installing new stainless steel exterior railings and, on the passenger decks, aluminum screening identical to the screening on the M/V Woods Hole.
 - Converting the vessel's electrical distribution system from 230V to a new 480V system.
 - Making required modifications to the HVAC system.
 - Installing a new marine evacuation slide system.
 - Replacing all of the fire system piping with copper-nickel piping.
6. SSA Treasurer/Comptroller Robert B. Davis reported that last year (2016) the SSA sold 9,636 ticket books for the *M/V Iyanough*, a 21.2% increase in the number of fast ferry ticket books that were sold in 2015. 4,456 of those ticket books were sold during the 15-day promotional sale the SSA had during the first two weeks of April 2016, and electronic

ticket books now account for 97% of all of the SSA's fast ferry ticket book sales. During 2016, the SSA also saw increased sales for certain of its other "Ways to Save" promotions, including a 6.8% increase in its fast ferry 1-day round trip tickets originating in Hyannis, and a 8.1% increase in its fast ferry 1-day round trip tickets originating on Nantucket. Finally, the SSA sold 9% more gift cards in 2016 than it did in 2015.

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

7. The Board announced that, at their meeting in executive session on December 20, 2016, they had voted to ratify a new collective bargaining agreement with Teamsters Union Local No. 59 governing the terms and conditions of employment for the SSA's parking attendants and shuttle bus drivers, and that the employees in that bargaining unit subsequently have also voted to ratify that agreement.
8. The Board voted to ratify a new collective bargaining agreement with Teamsters Union Local No. 59 governing the terms and conditions of employment for the SSA's licensed deck officers, and announced that, the previous day, the employees in that bargaining unit also had voted to ratify that agreement.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, February 21, 2017. The meeting is currently scheduled to take place on the second floor of the Sea Education Association (SEA), located at 171 Woods Hole Road, Woods Hole, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

February 21, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on February 21, 2017, on the second floor of the Sea Education Association, located at 171 Woods Hole Road, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford) Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Wayne C. Lamson reported that G&R Construction, Inc., the contractor for the construction of the SSA's administrative office building in the Palmer Avenue parking lot, has essentially finished the building's foundation but has decided to wait until next month to pour the basement floor slab until some other work is completed. Steel should be arriving to the work site this week and G&R will begin erecting it before the end of the month. G&R is also moving along with the procurement of critical materials that have long lead times, and the building is still on schedule to be ready for occupancy by the end of the year.
2. Mr. Lamson also reported that Triumph Modular, Inc., the contractor for the temporary Woods Hole terminal building, has fenced off the work area and is planning to start excavation work this week. Even though the SSA won't be using the temporary building until next January, Triumph still expects to finish it by early this summer, so it appears that most of the construction work will take place outside of the peak season.
3. Mr. Lamson also reported that the design team for the Woods Hole terminal reconstruction project is continuing to work on the design development documents for the marine work that will take place in phases over the next several years, starting in 2018. The SSA expects to have the plans and specifications finalized later this year so that an invitation for bids for all of the marine work can be issued by mid-September and the marine contract awarded at the SSA Board's November 2017 meeting. The SSA also will be issuing a

separate invitation for bids at the beginning of August for the demolition of the existing terminal building. That contract is expected to be awarded at the SSA Board's September meeting, and the demolition work will start next January.

4. The SSA's in-house programmers are in the final development and testing stage for the upgrade of the SSA's point-of-sale ticketing system. The SSA expects all of its ticket sellers to be trained on the new system over the next several weeks, and it already has started to receive positive feedback from the ticket sellers who have been putting the front end of the new system through some extensive testing. The SSA's maintenance employees have also started to work on the installation of the conduits so that the scanning equipment can be used at multiple locations, including at the passenger boarding ramps, the gangways, and the transfer bridges, where both passenger and vehicle tickets will be scanned; and SkiData is scheduled to be on-site during the week of March 20th to work on the actual integration between the access control readers, the servers that are being installed at each terminal, and the SSA's various ticketing systems. The new access control readers will have the ability to read bar codes for passenger tickets that are sold online, through the SSA's mobile site and from the new point-of-sale ticketing system to determine whether they are valid tickets that have not already been used. The upgraded system should be installed and operational at the Hyannis and Nantucket terminals before the *M/V Iyanough* resumes service on April 1, 2017, and the SSA is also working on a schedule for it to also be installed at the Woods Hole, Vineyard Haven and Oak Bluffs terminals before the beginning of the summer schedule in mid-May.

5. The SSA Board once again approved the sale of high-speed passenger ticket books at a twenty percent (20%) discount during a short period of time prior to the *M/V Iyanough's* return to service. This year the *M/V Iyanough* resumes service on April 1st, and the SSA will be selling the discounted ticket books from March 20, 2017 through April 3, 2017. The prices for the books will be as follows:

	<u>Regular Price</u>	<u>With 20% Discount</u>
Adults	\$ 275	\$ 220
Seniors (eligibility restrictions apply)	\$ 170	\$ 136
Children (ages 5 through 12)	\$ 185	\$ 148

In 2016, 46% of all of the SSA's high-speed passenger ticket books were sold during last year's two-week promotional period.

6. At their meeting on December 20, 2016, the SSA Board approved a Bond Resolution and authorized SSA Treasurer/Comptroller Robert Davis to issue and sell on a competitive basis \$12,685,000 of Steamship Bonds by February 23, 2017 to fund the construction of the SSA's new administrative office building. But the official statement for the bond issue has to include the Commonwealth of Massachusetts' continuing disclosure agreement, as well as a current Information Statement certified by the Commonwealth's Treasurer and Receiver-General, which were not issued in time for the SSA to sell the bonds this week.

The bonds are now scheduled to be sold on March 13th, and the SSA Board voted to extend the time within which Mr. Davis can sell them through June 30th.

7. The SSA Board also reauthorized the SSA's Investment Policy, which is essentially the same policy that the SSA has followed since 2003 with one minor revision. The policy was slightly revised to make it clear that the SSA can invest in both taxable and non-taxable municipal securities, provided that they are considered investment grade or better. Pursuant to state regulations adopted in 2010, the SSA Board is required to formally reauthorize the SSA's Investment Policy every two years.
8. The SSA Board authorized Mr. Lamson to enter into an agreement with Marine Systems Corporation (MSC) pursuant to which the SSA will pay MSC to have Captain Edward Jackson be the SSA's on-site Owner's representative for the *M/V Martha's Vineyard* mid-life refurbishment project. Captain Jackson will be working part time on this project beginning this month, as meetings have already begun with the shipyard and are scheduled twice a month through August. In September, when the vessel goes into Senesco Marine's shipyard in North Kingstown, Rhode Island, Captain Jackson will be assigned there full time until the vessel is delivered to the SSA's Fairhaven Vessel Maintenance Facility at the end of January 2018, and he will then continue with the project until its completion in Fairhaven in February 2018. Based upon the projected number of hours that will be needed for Captain Jackson to perform the anticipated support services, the SSA expects that the cost of this contract will be around \$135,000.
9. The SSA Board also authorized Mr. Lamson to procure the services of a waste management and/or transportation logistics consultant to evaluate the feasibility of transporting municipal solid waste (MSW) from the island of Martha's Vineyard by barge. Over the past few months, the SSA has had meetings with representatives from the Towns of Oak Bluffs and Tisbury and Ralph Packer, owner of Tisbury Towing and Transportation Inc. and R.M. Packer Co., Inc., to discuss the logistics and possible timing of barging the Towns' MSW to the mainland. Although previous feasibility studies conducted for the Towns have concluded that barging MSW would not be cost effective, SSA staff believes that those studies did not take into account the fact that Mr. Packer already is barging bulk freight from New Bedford to Martha's Vineyard and has facilities at both locations. Therefore, barging MSW off-island back to New Bedford will represent a backhauling opportunity for Mr. Packer, which he should be able to provide at a lower cost. The consultant will be tasked to evaluate the logistics and economics of such a backhauling barge operation to help the SSA determine whether there is a more cost effective way to transport MSW off-island than carrying it by truck on board the SSA's ferries.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, March 21, 2017. The meeting is currently scheduled to take place in the auditorium of the Woods Hole Research Center, located at 149 Woods Hole Road, Falmouth, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

March 21, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on March 21, 2017, in the Auditorium of the Woods Hole Research Center, located at 149 Woods Hole Road, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford) Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Wayne C. Lamson reported that G&R Construction, Inc., the contractor for the construction of the SSA's administrative office building in the Palmer Avenue parking lot, has finished the building's foundation and erected its steel framing. Thankfully the contractor has not experienced any major surprises or setbacks during the excavation for the foundation and the underground utility work, so the construction is proceeding pretty much on schedule. The contract requires the building to be completely finished by January 3, 2018.
2. Mr. Lamson also reported that Triumph Modular, Inc., the contractor for the SSA's temporary Woods Hole terminal building, has been a little slow in getting the foundation work completed due to a delay in submitting its stormwater pollution prevention plan (SWPPP) to the Falmouth Conservation Commission. Meanwhile, Triumph is building the modular units for the temporary building at its factory in Pennsylvania, and the current schedule calls for the units to be placed on the founding during the week of April 24th.
3. The SSA is still waiting for the hearing officer's decision on the Department of Environmental Protection's issuance of a Chapter 91 waterways license for the Woods Hole terminal reconstruction project, which should be issued by the end of the month. Bertaux + Iwerks Architects are busy working on the design details for the ferry slips and piers, and how the construction work during the off-season will be split up into the different phases so that the SSA will always have two fully operational slips while the terminal is being reconstructed. The preliminary design for the permanent terminal building is also under-

way, but the architects have a little more time to develop its design because it will be the subject of a separate construction contract, and its construction will not start until after all three slips have been reconstructed.

4. The SSA's in-house programmers and information technology (IT) staff have started to install the SSA's new point-of-sale ticketing system at each of the terminals, and the SSA hopes to have all of the terminals on the new system by the end of this week. SkiData, the firm that is providing the ticket scanners and connectivity to the SSA's ticketing and reservations systems, is here this week to start installing its equipment at the Hyannis and Nantucket terminals. The SSA expects all of that work to be completed by the time the *M/V Iyanough* goes back into service on April 1st. SkiData will return later to install its equipment at the Woods Hole, Vineyard Haven and Oak Bluffs terminals so that the SSA can start using the scanners on the Martha's Vineyard route at the commencement of the summer schedule in mid-May. The new scanners (also called access control readers) will have the ability to read bar codes of passenger tickets that are sold online or at the SSA's terminals (by scanning the printouts of those tickets), as well as passenger tickets that are sold through the SSA's mobile site (by scanning the screen of customers' smart phones), to determine whether they are valid tickets that have not already been used.
5. As you may remember, in April 2016, the SSA provided copies of the staff's Preliminary Report on the Feasibility of Providing Freight Service between New Bedford and Martha's Vineyard to public officials of all of the communities that could be affected by such a freight service, and the SSA also posted the report on its website for public comment. Ultimately, only three people had submitted comments on the report and none of them seriously disagreed with any of the staff's principal recommendations (except for one person who disagreed with the staff's recommendation that the SSA should not subsidize the cost of the freight service between New Bedford and Martha's Vineyard). Therefore, today Mr. Lamson reported that the staff's recommendations regarding this potential freight service remains essentially the same as they were presented in the preliminary report, and that the staff will continue to investigate what type of freight service between New Bedford and Martha's Vineyard has the best chance for success.
6. The SSA's Board also approved the staff's recommendation to revise the SSA's policies with respect to group tour bus reservations. Currently, the SSA accepts tour bus reservations up to a year in advance on a first-come, first-served basis and does not require any tour bus company to pay a deposit on its reservations. Although tour bus companies who do not have SSA charge accounts are required to pay for their reservations in full 30 days in advance of their travel dates, all tour bus companies receive a full refund if they cancel their reservations by 6:00 a.m. the day before their scheduled sailings. Because a majority of tour bus reservation requests for this year already have been processed, the SSA will be making only the following changes for 2017:
 - Tour bus companies who do not have SSA charge accounts will be required to pay for their reservations in full at the time of booking, and tour bus companies who do have SSA charge accounts will be required to pay for their reservations in full 30 days prior to their travel dates.

- Tour bus companies will be entitled to full refunds for their reservations only if they cancel the reservations at least 14 days prior to departure. As a result, no refunds will be issued for reservations that are not cancelled at least 14 days prior to departure, although tour bus companies, like all of the SSA's other customers with automobile or truck reservations, will continue to be able to change their reservations with at least one hour advance notice.

The following additional revisions to the SSA's tour bus reservation policies will begin in 2018:

- All requests for tour bus reservations received by December 1, 2017 will be processed by lottery so that each tour bus company receives one reservation before any other tour bus company receives a second reservation on any given day.
 - Tour bus companies who have SSA charge accounts will be required to pay a 10% deposit at the time of booking. (Tour bus companies who do not have SSA charge accounts will continue to be required to pay for their reservations in full at the time of booking.)
 - Tour bus companies who have SSA charge accounts will continue to be required to pay for their reservations in full 30 days prior to their travel dates.
 - The SSA will continue with the same reservation cancellation policy, namely, that tour bus companies must cancel their reservations at least 14 days prior to departure in order to receive a refund.
7. The Board also approved the staff's recommendation to discontinue the SSA's online merchandise store and use the remaining inventory for promotional events. But the staff will continue to explore the possibility of selling a limited number of items (such as hats) at the SSA's terminals and on its ferries, potentially in partnership with its food concessionaire, Centerplate.
 8. SSA Treasurer/Comptroller Robert Davis announced that, last Thursday, the SSA sold \$12,685,000 of Steamship Bonds to Fidelity Capital Markets of Boston, Massachusetts, who was the lowest of eight bidders for the bonds and offered to purchase all of the bonds at a true interest cost of 2.106513%. The principal amount of the bonds matures in the years 2018 through 2027. Because Fidelity included in its bid over \$1,732,000 in bond premium, the total amount of the bonds to be issued was "resized" from \$12,685,000 to \$11,060,000 and, as a result, the true interest cost became 2.1242722%.
 9. The Board awarded Contract #01-2017 for dry-dock and overhaul services for the *M/V Gay Head* to Senesco Marine, LLC of North Kingstown, Rhode Island, the lowest eligible and responsible bidder for the contract, for a total contract price of \$809,979. The *M/V Gay Head* will be in the shipyard from June 15, 2017 through August 16, 2017 to undergo a required United States Coast Guard hull examination, machinery inspections, underwater hull cleaning and painting, grid cooler replacement, rudder, propulsion shafting and propeller inspections and repairs, shell plating replacement, void space blasting and

coating, rescue boat davit replacement, pilot house window replacement, bow thruster maintenance, HVAC upgrades, and routine maintenance.

10. The Board also authorized the staff to purchase six data storage devices that will ultimately be located in the SSA's new administrative offices from IntraSystems, Inc. of Braintree, Massachusetts, for \$189,067 pursuant to a state vendor contract. The devices have to be purchased before the SSA moves to its new offices because the existing storage devices, which are near the end of their normal lifecycle, cannot be moved while they are in use.
11. The Board also accepted a written disclosure from Mr. Davis informing them that his daughter is the volunteer Treasurer of the Yarmouth Chamber of Commerce, which is one of the local chambers of commerce with whom the SSA has marketing partnerships. The Board determined that his daughter's position with the Yarmouth Chamber is not likely to affect the integrity of the services which the SSA may expect from him with respect to any of the SSA's matters involving the Yarmouth Chamber and, accordingly, authorized him to participate in all such matters.
12. The Board appointed Terry Cote to be the SSA's next Treasurer/Comptroller, subject to contract negotiations. Ms. Cote is expected to assume her new position on July 1, 2017, when Mr. Davis becomes the SSA's next General Manager, and she may start a few months before then to make certain there is a smooth transition. Ms. Cote is a Certified Public Accountant and has more than 30 years of experience working with or for government, health care and not-for-profit organizations, including more than 13 years of audit experience at Deloitte & Touche. During her time with Deloitte & Touche, Ms. Cote was a Senior Audit Manager for numerous clients, including the Commonwealth of Massachusetts, the Port Authority of New York and New Jersey, several Massachusetts municipalities, and the SSA. For the last several years, Ms. Cote also has been the Chief Financial Officer for Outer Cape Health Services, Inc. She was the staff's unanimous recommendation for the position, and possesses a unique combination of the required experience and knowledge of governmental accounting standards and the SSA's finances.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, April 18, 2017. The meeting is currently scheduled to take place in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

April 18, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on April 18, 2017, 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 Moira E. Tierney (New Bedford) Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. The SSA's Woods Hole Terminal Reconstruction Project Manager, William J. Cloutier, reported on the various ongoing construction activities that are part of this very important and complex project:
 - (a) Last week, G&R Construction, Inc., the contractor for the construction of the SSA's administrative office building in the Palmer Avenue parking lot, poured the concrete floors for both the basement and the first floor of the building in one day. There had been a one-week delay to ensure that there is sufficient room between the building's Energy Recovery Unit (ERU), which is situated in the basement, and the first floor beams after the concrete was poured, but Mr. Cloutier stated that he was confident that the time will be made up over the course of the next several months so that the building will be completely finished by January 3, 2018.
 - (b) Triumph Modular, Inc., the contractor for the temporary Woods Hole terminal building, has the foundation ready for the installation of the five modular units that will comprise the temporary building. The units will be delivered this week and installed next week. Triumph expects that all of its remaining construction work will be finished by mid-June. The SSA will then have the rest of the year to finish the interior and install all of its computer equipment and furnishings.
 - (c) As you probably know, last September, a group of 13 Falmouth residents filed an administrative appeal of the decision by the Massachusetts Department of Environmental Protection (DEP) to issue the SSA a draft Chapter 91 waterways

license for the Woods Hole terminal reconstruction project. Last Thursday, the DEP Commissioner adopted the hearing officer's recommended decision in the administrative appeal proceedings to issue the SSA the license. Accordingly, the SSA expects that the license will be issued soon so that it can begin work in the waterside area of the terminal. Meanwhile, Bertaux + Iwerks Architects continue to work on the design details for the ferry slips and piers, and how the construction work during the off-season will be split up into the different phases so that the SSA will always have two fully operational slips while the terminal is being reconstructed. The SSA still expects to issue the invitation for bids for the waterside work in September so that the marine contract can be awarded at the November meeting.

2. The SSA's General Manager, Wayne C. Lamson, reported that, last month, the SSA rolled out its point-of-sale ticketing system upgrade, which includes replacing a DOS-based system with a Windows-based system, and that it has been well received by the SSA's ticket sellers. The new system allows the SSA to scan and keep track of individual tickets and tell when they are used. Last month, SkiData also installed the new ticket scanning stations at the Hyannis and Nantucket terminals and the SSA began using them when the *M/V Iyanough* resumed service on April 1st. The scanners are also being used to scan tickets for the traditional ferries at the Hyannis and Nantucket terminals, and SkiData will return during the week of May 8th to install the scanners at the Woods Hole, Vineyard Haven and Oak Bluffs terminals so that they can also be used on the Martha's Vineyard route in time for the summer season.
3. The SSA's Treasurer/Comptroller, Robert B. Davis, provided an update to the SSA's Board about the SSA's progress exploring the possibility of barging municipal solid waste (MSW) from Martha's Vineyard to New Bedford. The SSA has hired Tetra Tech to assist it in reviewing several different transportation options for shipping MSW off-island. This past week, the Tetra Tech consultants visited both the Oak Bluffs Transfer Station and Packer Marine's Vineyard Haven facilities to review their operations and explore what everyone's roles would be if MSW were to be barged from Vineyard Haven instead of being transported by truck on the SSA's ferries. Mr. Davis reported that both meetings were productive, but cautioned that the SSA is only in the discovery phase of this process, which is expected to take another three months.
4. Mr. Lamson also reported that, last week, the SSA hired Craig Johnson of Flagship Management to further explore the possibility of a freight ferry service between New Bedford and Martha's Vineyard that would be operated by a private carrier. Although Mr. Johnson is now with Flagship, in 2000 and 2001 he was with Seabulk/Hvide and was in charge of their operation in New Bedford that provided freight service to Martha's Vineyard pursuant to the RFP the SSA had issued at that time. Therefore, he already knows a lot about the logistics of this operation. Before contacting any private carriers to see what interest they might have in providing such a service, Mr. Johnson will review the existing facilities in New Bedford to see what infrastructure currently exists there to support the

service and what options are available. Again, the SSA is only beginning the discovery phase of this process, which is similarly expected to take another three months.

5. The SSA's Director of Engineering and Maintenance, Carl R. Walker, reported that the Coast Guard has approved an increase in the capacity of the *M/V Woods Hole* from 384 persons (376 passengers and 8 crewmembers) to 453 persons (445 passengers and 8 crewmembers), although the Coast Guard's local Officer in Charge, Marine Inspection (OCMI) still has to issue a revised Certificate of Inspection (COI) for the vessel. When the vessel goes into repair at the end of May to finish some punch list items, an additional raft that is required for the increased capacity will be installed on the vessel so that it will be able to carry more passengers during the summer, when it will be operating on the Nantucket route. With the ability to carry 445 passengers, the *M/V Woods Hole* should be able to handle the same number of passengers on that route that previously have been carried by the *M/V Nantucket*. In addition, Mr. Walker reported that the number of open items on the vessel's punch list has been whittled down from 150 to around a dozen. One of the remaining items is the vessel's HVAC system and, while the HVAC contractor has modified the system and added equipment to address the humidity issues, the SSA still has to wait for warm weather to see whether it is working as required.
6. The SSA's Board approved a request from Hyannis Harbor Tours, Inc. (Hy-Line) for permission to operate a high-speed ferry service between Hyannis and Edgartown for the 2017 Christmas in Edgartown event, which will be taking place during the second weekend in December. Hy-Line was approached by the Edgartown Board of Trade about providing the service, and the SSA's Board approved Hy-Line's request to operate two round trips on Friday, December 8th, and three round trips on Saturday and Sunday, December 9th and 10th. Hy-Line will be providing the service as additional licensed trips between Hyannis and Martha's Vineyard under its existing license agreement.
7. The SSA's Board approved a request from Mr. Davis to update the lists of signers on the SSA's bank accounts due to the retirement of Kathleen Walters as the SSA's Assistant Treasurer earlier this year and subsequent promotions within the SSA's Accounting Department. As a result, Janet Pratt, who was recently promoted to the SSA's Accounting Manager position, will be added to the lists along with Courtney Oliveira (the SSA's Assistant Treasurer), Mark Anderson (one of the SSA's Auditors) and Mr. Davis. Once Terry Cote assumes the SSA's Treasurer/Comptroller position, she will be added to the list as well.
8. The SSA's Board awarded Contract #02-2017 for the supply and installation of a new parking access and revenue control system for the SSA's Thomas B. Landers Road parking lot in Falmouth, and for all of the SSA's Hyannis parking lots, to the lowest eligible and responsible bidder for the contract, Amano McGann of Charlestown, Massachusetts, in the amount of \$279,998.36. Although this contract was put out for bid, because this additional system has to be compatible and fully integrated with the SSA's existing Amano McGann parking system, Amana McGann was the only bidder for the contract.

9. The SSA's Board authorized Mr. Lamson to purchase networking equipment for the SSA's new administrative offices from IntraSystems, Inc. of Braintree, Massachusetts, for \$589,989 pursuant to a state vendor contract. The equipment includes a network core router, associated switching equipment and components necessary to build and maintain the backbone and hub for the SSA's computer network.
10. The SSA's Board also authorized Mr. Lamson to purchase 13 servers for the SSA's new administrative offices, again from IntraSystems, Inc. of Braintree, Massachusetts, for \$145,093 pursuant to a state vendor contract. The servers will support the SSA's network administration, including boarding and check-in processes, print functions, user and email services, and credit card processing, and will be located in the SSA's new administrative offices. Additional servers will be required as that project progresses.
11. Finally, the SSA's Board approved an employment agreement with Terry Cote that will allow her start her employment with the SSA on May 1st as the SSA's Treasurer-Elect before she becomes the SSA's next Treasurer/Comptroller on July 1st, when Mr. Davis becomes the SSA's next General Manager.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, May 23, 2017. The meeting is currently scheduled to take place in the New Bedford Whaling Museum, located at 18 Johnny Cake Hill, New Bedford, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

May 10, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held a special meeting at 3:19 p.m. on May 10, 2017, 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 Moira E. Tierney (New Bedford) Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. The Board unanimously elected Gerard J. Murphy to serve as the SSA's next Treasurer, beginning on July 1, 2017, when the SSA's current Treasurer/Comptroller, Robert B. Davis, assumes the position of General Manager. The SSA's current General Manager, Wayne C. Lamson, reported that, for the past two years, Mr. Murphy has served as the State of New Hampshire's State Comptroller and that, prior to having ultimate responsibility for directing the State's accounting functions, Mr. Murphy had served in several other positions in the State of New Hampshire government since 2006, including being a Financial Analyst for the State's Department of Transportation, Budget Officer for the State Legislature, the Governor's Budget Director, and then the State's Financial Reporting Administrator. Mr. Lamson also noted that, as the State's Financial Reporting Administrator, Mr. Murphy had been responsible for the preparation of the State's Comprehensive Annual Financial Report.
2. The Board also approved an employment agreement with Mr. Murphy pursuant to which he will begin his employment with the SSA as Treasurer-elect beginning May 31st before he becomes Treasurer/Comptroller on July 1st.

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, May 23, 2017. The meeting is currently scheduled to take place in the New Bedford Whaling Museum, located at 18 Johnny Cake Hill, New Bedford, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

May 23, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on May 23, 2017, in the Harbor View Gallery of the New Bedford Whaling Museum, located at 18 Johnny Cake Hill, New Bedford, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford) Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Wayne C. Lamson reported on the various ongoing construction activities that are part of the SSA's Woods Hole terminal reconstruction project:
 - (a) The construction of the SSA's new administrative office building is proceeding pretty much on schedule, and the basement floor and the concrete slab for the first floor have been poured. The contractor is now working on the mechanical, electrical and plumbing systems in the basement, and work on the building's roof and siding will not take place until June because the Glulam (glued laminated timber) beams are not scheduled to be delivered until the end of the month. The staff is also beginning to work with the architect on the procurement of the office furniture, computer equipment and telephone system that will be needed in the new building.
 - (b) Toward the end of last month, the modular units for the Woods Hole temporary terminal building were delivered and placed onto their foundation without any problems or issues. The trenching and underground utility work that is now taking place has presented a challenge to maintain terminal operations over the past few weeks, and the work has resulted in various temporary changes in traffic patterns at the terminal. But the contractor is looking to finish all of the outside work over the next few weeks, including restoring the bike path and exit lane for the back parking lot on the north side of the temporary building, and then finish up its remaining work by June 8th. The SSA had hoped to finish all of the outside work before the Memorial Day weekend, but much of the utility work was held up until

the SSA received its waterways license for the project, which it received only late last month.

- (c) The SSA should be receiving an updated cost estimate for the Woods Hole terminal reconstruction project by the end of this month, and the design team is still working toward a mid-September date for the issuance of an invitation for bids for the marine contract so that the contract can be awarded at the Board's November meeting. There will be a separate contract for the demolition of the current General Office building after the new administrative office building and the temporary terminal building are completed, and the invitation for bids for that demolition contract is expected to be issued in August so that the contract can be awarded at the Board's September meeting. Meanwhile, the architects are still working through some design concepts for the new permanent terminal building so that they can be presented to the Board for their consideration within the next few months.
2. Mr. Lamson reported that most of the SkiData scanners have now been installed at each of the terminals, but that the staff is still working through some issues that have arisen with the scanning of bar codes on certain smart phones. For example, the brightness (or the lack of brightness) of some phones' display screens, as well as the orientation of the bar codes on some screens that rotate, have caused problems with scanning high-speed passenger tickets that are sold through the SSA's mobile site. The SSA needs to resolve those problems before it allows customers to buy tickets for the traditional ferries on their smart phones, and the SSA hopes to resolve them over the next few weeks. The SSA is also looking forward to rolling out the RFID cards for the 46-ride monthly commuter books on the Martha's Vineyard route by the end of the month. After the SSA tests those RFID cards and work out any unexpected issues, it will then be able to expand the sale of RFID cards to replace the other types of multi-coupon ticket books on both routes.
 3. The Board authorized Mr. Lamson to renew the SSA's agreement with the Town of Tisbury and the Martha's Vineyard Transit Authority ("VTA") to continue to provide the Tisbury Park and Ride service for the next three years. As the agreement has provided since 2003, the SSA will continue to reimburse the VTA for fifty percent (50%) of both the labor cost of the vehicle's drivers and the fuel costs which the VTA reasonably incurs to operate the service on a year-round basis, and to make additional payments to the VTA in the amount of \$200 per month as reimbursement for its share of the VTA's maintenance, insurance and painting costs. The Board also approved a revision to the agreement to allow the Town of Tisbury to charge commercial trucks for parking at the Park and Ride lot even if they don't stay in the lot overnight.
 4. The Board authorized Mr. Lamson to proceed with the staff's plans to make certain improvements to the parking lot at 123 School Street in Hyannis (the property formerly owned by Elaine Karath), after the SSA presents drawings of the proposed project to the Barnstable Site Review Committee as a courtesy, even though the SSA are not required to do so, and take their comments into account. The work will significantly improve the SSA's management of stormwater there, and will also result in 13 additional paved parking

spaces at that location, which will provide more parking for community groups who use the Hyannis terminal's second floor meeting room at night, as well as SSA employees during the day. While the SSA may later consider whether to allow rental cars to also park at that location, there are no plans to allow SSA customers to park there for a fee. If all proceeds as planned, the SSA hopes to begin work on the improvements late this year and to complete them over the winter.

5. Mr. Lamson reviewed with the Board the staff's preliminary version of the SSA's proposed 2018 Winter and Spring Operating Schedules, noting that the proposed schedules take into consideration that the *M/V Martha's Vineyard* will be undergoing its mid-life refurbishment beginning in September 2017 and won't be returning to line service until the 2018 Early Spring Operating Schedule that commences on March 15, 2018. The staff is also proposing to triple crew the freight boat on the Martha's Vineyard route during the 2018 Winter Operating Schedule, when the existing General Office building is scheduled to be demolished. Although the freight boat has been single crewed during past winter schedules, the SSA does not want to get into a situation where the freight boat is tied up at Woods Hole over a weekend and there is no place to dock an additional vessel there during the terminal's reconstruction. Further, during prior winters, the SSA sometimes has needed to call in extra crews so that the freight boat can provide extra trips on the weekends, and this will not be necessary next winter under the proposed schedules because the crew will already be there.

Also with respect to the Martha's Vineyard route, the staff is planning to berth the freight boat at Vineyard Haven during the Early Spring Operating Schedule (from March 15 through April 1, 2018) and have its first trip leave the island at 5:30 a.m. The SSA berthed a freight boat at Vineyard Haven this past year, with a daily 5:30 a.m. departure, and did not receive any complaints from the public. In addition, the staff is proposing to start the Summer Operating Schedule five days earlier next year and to open the Oak Bluffs terminal at the same time because it will be less confusing to the SSA's customers.

With respect to the Nantucket route, the staff is proposing to operate pretty much the same winter and spring schedules as those that the SSA operated this past year. While the staff still receives a few complaints about not enough service on that route, it has concluded that the amount of service provided by the schedules is sufficient.

The SSA posted the proposed operating schedules on its website last week, and also advertised them in local newspapers so that the public will have thirty days to comment on them before the June 20, 2017 Board meeting. The staff will then ask the Board to approve them, as they may be revised based upon the comments received.

6. SSA Treasurer/Comptroller Robert B. Davis reviewed with the Board his analysis of the effectiveness of the SSA's rate structure to cover each route's cost of service for passengers, automobiles and trucks during the 2016 calendar year, noting that the methodologies used in the analysis were the same as those that have been used for the previous twelve years.

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

- (a) In 2016, the cost of vessel operations increased by \$1,364,000, or 5.5%, mainly due to increases in the dry-dock expenses for the *M/V Sankaty* and the addition of the *M/V Woods Hole*, although those additional expenses were partially offset by a slight decrease in vessel fuel costs. By contrast, indirect non-vessel costs decreased by \$507,000, or 2.1%, which resulted in the overall cost of service for the Martha's Vineyard route increasing by \$857,000, or 1.7%, from 2015.
- (b) The total number of trips operated increased by 157 in 2016, with total capacity for the year increasing by 34,620 car-equivalent unit spaces primarily because of the *M/V Woods Hole's* increased vehicle capacity. The number of spaces occupied increased by 24,600, or 4.0%, from 2015, resulting in a decrease of the occupancy rate from 81.9% in 2015 to 81.4% in 2016.
- (c) The estimated cost of a car-equivalent unit space was \$49.61 in 2016, down from \$51.35 in 2015. On average, automobiles covered 97.1% of their allocated cost of service, with the standard fare automobiles covering 129.4% and excursion fare automobiles covering 39.9%. By comparison, on average, trucks covered 114.8% of their allocated cost of service.

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

- (a) In 2016, the cost of vessel operations increased by \$1,821,000, or 12.1%, primarily due to increases in the dry-dock expenses for the *M/V Sankaty* and the *M/V Eagle*, although those expenses were partially offset by a \$500,000 decrease in vessel fuel costs. Indirect non-vessel costs also increased by \$2,830,000, or 24%, due to dock work at the Nantucket terminal, restroom renovations at both the Hyannis and Nantucket terminals, and the repair of the exterior steps at the Hyannis terminal. As a result, the overall cost of service for the Nantucket route increased by \$4,651,000, or 17.3%, from 2015.
- (b) The total number of trips operated increased by 79 in 2016, with total capacity for the year increasing by 5,790 car-equivalent unit spaces. The number of spaces occupied increased by 8,899 from 2015, resulting in an increase of the occupancy rate from 84.2% in 2015 to 86.0% in 2016.
- (c) The estimated cost of a car-equivalent unit space was \$131.05 in 2016, up from \$113.16 in 2015. On average, automobiles covered 116.1% of their allocated cost of service, with the standard fare automobiles covering 147.3% and excursion fare automobiles covering 41.3%. By comparison, on average, trucks covered 88.3% of their allocated cost of service.

Mr. Davis's analysis demonstrates that, not only in 2016 but over the course of the last ten years, each island has paid for its own cost of service and that, as a result, in the event there needs to be a rate increase next year, there is no reason to allocate such a rate increase to

one island rather than the other. Indeed, over the past ten years, the allocated revenues and cost of service for the Martha's Vineyard route represented 57.3% and 57.1%, respectively, of the SSA's total operating revenues and cost of service, whereas the allocation of revenues and cost of service on the Nantucket route were 42.7% and 42.9%, respectively, of the SSA's overall operating revenues and cost of service. It would be practically impossible to get much closer than that in terms of the effectiveness of the SSA's rate structure to cover each route's allocated cost of service.

7. The Board awarded Contract No. 03-2017 for two reduction gears for the *M/V Iyanough* to the lowest eligible and responsible bidder for the contract, ZF Marine Propulsion Systems Miramar, LLC of Miramar, Florida, for a total contract price of \$155,605. The reduction gears are spares for the vessel and will be placed into inventory so that, in the event one of the four gears that are currently installed on the vessel fails, one of these spare gears can replace it to keep the vessel fully operational.
8. The Board also authorized the purchase of ten more servers for the new administrative offices pursuant to a state contract with IntraSystems, Inc., of Braintree, Massachusetts, for \$111,610. This second group of servers are related to security certificates, anti-virus protection, backup management and the processing of credit cards. Thirteen other servers were purchased last month, and the SSA plans to purchase eight more in September.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, June 20, 2017. The meeting is currently scheduled to take place in the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. However, the location, time and date of the meeting are all subject to change; so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

June 27, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 10:00 a.m. on June 27, 2017, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford) (who participated remotely by Skype); Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Wayne C. Lamson gave a report to the Board regarding the accident involving the *Iyanough* and an update on the scheduling of repairs and the status of high-speed ferry passenger service between Hyannis and Nantucket in the interim. As reported in the press, the *Iyanough* had an allision with the Hyannis Harbor breakwater at 9:35 p.m. on Friday, June 16th, as it was traveling from Nantucket to Hyannis on its last trip of the day. There were 48 passengers, 6 crew members, and 3 food service workers on board the vessel at the time of the incident. On behalf of the entire SSA, Mr. Lamson expressed his thanks to the Coast Guard, all of the local first responders, the crew of the helicopter from Air Station Cape Cod, and the *Iyanough's* crew and passengers who made the ferry's evacuation safe and orderly under adverse conditions.
 - Acting Hyannis Fire Chief Dean Melanson has indicated that 15 people were brought to Cape Cod Hospital for various injuries, none of which were said to be life-threatening, and all of the injured passengers and crew members were treated and released from the hospital.
 - Despite the impact of the allision, the *Iyanough's* fuel tanks remained intact, and there was no environmental damage as a result of the incident. The following morning, the SSA was able to free the vessel from the breakwater and take it to the Hyannis terminal. Later that day, it left under its own power to Fairhaven Shipyard, where it is expected to undergo repairs for the next three to four weeks before being cleared by the Coast Guard to return to line service, which the SSA hopes will be around July 21st.

- In the meantime, the SSA has chartered two different SeaStreak vessels to help fill in with service between Hyannis and Nantucket this week and over the weekend. The *Martha's Vineyard Express* will provide service through Thursday, and the *SeaStreak - Wall Street* will provide service Saturday through Monday. Although the SSA won't have any high-speed service itself on Friday, it will of course continue to have its traditional ferry service, and Hy-Line will supplement its high-speed service with the *Lady Martha* instead of using that vessel on its inter-island route that day.
 - The Coast Guard is conducting an investigation of the incident, and the SSA is as well. Although the SSA's investigation is continuing, as far as it has been able to determine at this point, all of the vessel's navigation and mechanical systems were properly functioning that evening, and both the Captain and the Pilot tested negative for alcohol and drugs. The Captain has reported that, after passing the HH buoy south of the entrance to the main channel for Hyannis Harbor that night, when he returned to the RADAR he mistook the metal pole at the end of the breakwater for Buoy No. 4, and also mistook two sailboats on the other side of the breakwater for Buoys 5 and 6, which mark the entrance into the channel, and that the distances and position of the pole and the sailboats matched identically to the pattern normally associated with those buoys. Therefore, he did not detect anything unusual about the vessel's approach into Hyannis channel until, after adjusting the vessel's course to begin its entrance into the channel, he saw the breakwater in front of the vessel and administered the "panic stop" as trained.
 - Because the SSA's investigation is still continuing, Mr. Lamson did not feel that it would be appropriate for him to speculate at this time about the cause of this incident. Suffice it to say that the SSA is looking at all potentially contributing factors to this accident, including the actions and operational judgment of the vessel's Captain and Pilot. Both of them are well-respected and well-qualified officers with decades of experience; but they remain on administrative leave while the SSA continue to investigate why, given their experience and abilities, they mistook the structure at the end of the Hyannis Harbor breakwater and two moored sailboats for Buoys 4, 5 and 6.
2. Mr. Lamson also reported on the various ongoing construction activities that are part of the SSA's Woods Hole terminal reconstruction project:
- (a) The construction of the SSA's new administrative office building continues to proceed pretty much on schedule. The contractor is now installing the Glulam (glued laminated timber) beams which arrived at the beginning of this month, and has held off on closing in the roof and siding until after the beams have been installed.
 - (b) The contractor for the Woods Hole temporary terminal building is finishing up its work. The trenching and tying into the Town's sewer system is completed. Earlier this month, the site contractor had to dig up Railroad Avenue to connect the building to the Town's sewer main, and the SSA appreciated everyone's patience while it rerouted traffic on Railroad Avenue for a few days.

- (c) The final design work for the marine portion of the Woods Hole terminal reconstruction project continues to move forward. The SSA received an updated construction cost estimate last week, and is now reviewing it before it is presented to the Port Council and the Board next month. The SSA's staff will also be presenting to the Port Council and the Board some design concepts for the new permanent terminal building before going before the Falmouth Historic Districts Commission. The SSA is still on schedule to issue an invitation for bids for the marine contract in September so that the contract can be awarded at the Board's November meeting.
3. Mr. Lamson also reported that the SSA rolled out the sale of RFID cards for the 46-ride monthly commuter books on the Martha's Vineyard route at the end of last month. Customers are able to reload their 46-ride cards before the end of each month at the SSA's ticket offices and, beginning next month, they also will be able to reload them each month online. The staff is still working through some remaining issues with the scanning of bar codes on tickets when they are displayed on certain smart phones. To resolve those issues, the SSA has transitioned to a different bar code format that is easier for its scanners to read, especially in bright sunlight. After the SSA finishes with that part of the project, it will roll out RFID cards for 10-ride adult ticket books and then begin selling traditional ferry tickets online and on smart phones before making RFID cards available for child and senior ticket books.
4. General Counsel Steven M. Sayers reported on the public hearing the SSA held last week on its proposed 2018 Winter and Spring Operating Schedules. The SSA held the hearing because 61 Falmouth residents submitted a petition objecting to the SSA's continued scheduling of freight service from Woods Hole prior to 6:30 a.m. The staff will be considering all of the testimony received at the hearing, as well as written testimony that is submitted, and then will prepare a draft report recommending either that the SSA maintain its 2018 Winter and Spring Operating Schedules as originally proposed, or that the SSA modify those proposed schedules. In the draft report, the SSA will also explain the reasons for the recommendations. Meanwhile, the SSA will be taking further steps to reduce the noise of trucks travelling down Woods Hole Road to the terminal in the early morning hours. Beginning July 10th:
- Only trucks with reservations for the 5:30 .m. trip will be allowed to show up at the terminal beginning at 5:00 a.m.;
 - Trucks with reservations for the 6:00 a.m. will not be allowed to show up at the terminal until 5:15 a.m.;
 - Trucks with reservations for the 6:30 a.m. trip will not be allowed to show up at the terminal until 5:45 a.m.;
 - Trucks with reservations for the 7:00 a.m. trip will not be allowed to show up until 6:00 a.m.; and

- All other trucks, including trucks who are attempting to travel on standby, will not be allowed to show up at the terminal until 6:30 a.m.
5. Because the SSA did not receive any complaints at the public hearing about its proposed 2018 Nantucket Winter and Spring Operating Schedules, the Board approved those schedules at today's meeting. The schedules as approved are essentially the same as this past year's winter and spring schedules.
- During the winter schedule, which will run from January 5th through March 14th, one large passenger/vehicle ferry will be triple-crewed to provide three daily round trips seven days a week, and the freight boat (the *M/V Gay Head*) will be double-crewed to provide up to two daily round trips seven days a week. For all but the first six days (January 5th through 10th) of the schedule, the large passenger/vehicle ferry on that route will be the *M/V Eagle*.
 - During the early spring schedule, which will run from March 15th through April 1st, both the *M/V Eagle* and the *M/V Gay Head* will be triple-crewed so that they each can provide three daily round trips seven days a week.
 - During the spring schedule, which will run from April 2nd through May 10th, the *M/V Eagle* and the *M/V Gay Head* will continue to be triple-crewed, and the *M/V Sankaty* will be added to the route and single-crewed to provide two additional daily round trips Mondays through Fridays.
6. The Board approved the staff's proposed 2018 Budget Policy Statement that sets forth the guidelines the SSA will be using to develop the revenue and expense estimates for its 2018 Operating Budget. As presented by Treasurer/Comptroller Robert B. Davis at the meeting, the Budget Policy Statement requires the SSA, among other things:
- to base its projected operating revenue primarily on actual traffic statistics for what will then be the most recent 12 months (August 2016 through July 2017);
 - to base its projected vessel operating expenses in part on the operating schedules the staff will be proposing over the next few months for 2018;
 - to include a full year's depreciation for the new administrative office building and the temporary Woods Hole terminal building, and a partial year of depreciation for the cost of the *M/V Martha's Vineyard's* mid-life refurbishment
 - to identify significant terminal repairs and maintenance that will be needed;
 - to schedule the vessels that will be dry-docked during 2018 (the *M/V Eagle*, *M/V Island Home*, *M/V Iyanough*, *M/V Katama*, *M/V Nantucket* and *M/V Sankaty*).
 - to take into account the SSA's expected training expenses due to the continuation of a number of different training programs, including STCW basic training, Marine Evacuation Slide (MES) training, the Wiper-to-Oiler promotional training program, customer service training, and rescue boat, security and oil spill prevention and response training.

- to maintain sufficient fund balances to meet scheduled debt service requirements and to adequately fund cash transfers to the Replacement Fund (in an amount not less than this year's anticipated transfer of \$9,400,000 but in an amount not to exceed the SSA's projected depreciation expenses for 2017, which is currently estimated at \$10,164,000).

One of the SSA's more significant operating expenses is vessel fuel oil. As for the past few years, the 2018 Operating Budget will base the budgeted cost of vessel fuel oil on next year's cap prices or the then-current forecasts for oil prices during 2018 (plus the premium cost of the hedging program), whichever is lower. Currently, the barrel price of crude oil is trading in the \$45 - \$50 range while a year ago at this same time crude oil was trading in the \$40 - \$50 range. (One month ago crude oil was trading in the \$50 - \$55 range.) The SSA's hedge program for expected vessel fuel consumption for 2018 has been executed through the first three quarters of the year with an average cap price of \$2.16 per gallon. By comparison, this year's average budgeted cost for vessel fuel is \$2.05 per gallon.

Finally, the SSA will make all efforts to avoid the need for any additional rate increases. After the staff 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 SSA's Board voted to go into executive session to discuss various matters appropriate for discussion in executive session, and they announced that they would not reconvene in public.

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, July 18, 2017. The location and time of the meeting are not yet determined and the date of the meeting is subject to change as well; 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 18, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on July 18, 2017, in the Community Room of the EMS Building at the Tisbury Fire Station, located at 215 Spring Street, Vineyard Haven, Massachusetts. Four Board Members were in attendance: Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth). Chairman Moira E. Tierney (New Bedford) was absent.

1. SSA General Manager Robert B. Davis reported on the various ongoing construction activities that are part of the SSA's Woods Hole terminal reconstruction project:
 - (a) The construction of the SSA's new administrative office building is proceeding pretty much on schedule. The contractor has completed installing the Glulam (glued laminated timber) beams into the various floors and is currently closing in the roof and installing the siding. Through the end of June, the SSA has paid the contractor \$3,727,000 towards the project's current estimated \$12,840,000 cost, and change orders to date have amounted to \$155,000, which is approximately 1.2% of the original contract price.
 - (b) The temporary Woods Hole terminal building is by and large completed, although the State building inspector still needs to issue the SSA an occupancy permit. Over the next six months, the SSA's Maintenance employees will be building out the food concession area inside the building and its MIS employees will be connecting computer servers, as well as communications and other technology systems. Through the end of June, the SSA has paid the contractor \$1,613,000 towards the project's current estimated cost of \$2,625,000, and change orders to date have amounted to \$34,000, which is approximately 1.3% of the original contract price.

- (c) The design team for the Woods Hole terminal reconstruction project has completed the project's design development drawings and the SSA has received an updated cost estimate for the project, although the SSA's management staff has not yet had the opportunity to review it in any detail. Nevertheless, the design team is still working toward a mid-September date for the issuance of an invitation for bids for the marine contract so that the contract can be awarded at the SSA's November meeting, and a separate invitation for bids for the contract to demolish the current General Office building is still expected to be issued in August so that the demolition contract can be awarded at the SSA's September meeting.
2. Mr. Davis also reported that, because of problems that had been encountered scanning high-speed ferry passenger tickets on certain smart phones, the SSA has transitioned to another type of barcode, known as the Aztec Code, and that the scanning equipment is now having a much higher success rate. During June 2017, the SSA sold 297 RFID cards for the 46-ride commuter books on the Martha's Vineyard route and, thus far, 196 of those cards have been reloaded at the SSA's ticket offices and an additional 101 RFID commuter cards were sold for the month of July. The SSA also has replaced five or six of the RFID commuter cards for various reasons, such as when customers have reported losing their cards or punching holes in them. The SSA will now focus on rolling out RFID cards for the 10-ride adult ticket books, and allowing customers to reload their RFID cards online instead of having to go into the ticket office. Once the staff receives confirmation on the success of the Aztec Code ticket scanning, the SSA will begin selling passenger tickets online for the traditional ferries, and then it will roll out the 10-ride senior and children ticket books.
3. Chris Iwerks and Lian Davis of Bertaux + Iwerks Architects provided the SSA's Board with an update on the design alternatives for the Woods Hole terminal building that will be constructed during Phases 5 and 6 of the Woods Hole terminal reconstruction project. The location for the new terminal building is pretty much fixed due to all of the other operational requirements for the terminal, and the interior floor plans have been developed as well. However, the design team is still considering six different concepts for the building's roof line and cover that will extend over the adjacent pedestrian plaza:
- A flat roof with an open-style pergola cover extending over 40 feet of the plaza;
 - A shed roof and cover extending over 40 feet of the plaza;
 - A saltbox roof and cover extending over 40 feet of the plaza;
 - A saltbox roof and cover extending over 60 feet of the plaza;
 - A saltbox roof with an open-style pergola cover extending over 40 feet of the plaza; and
 - A saltbox roof with sloped canopy cover extending over 40 feet of the plaza.

On August 1st, the SSA will be presenting these alternative concepts for the terminal building to the Falmouth Historical Commission to obtain their input as well.

4. Earlier this year the SSA engaged the services of Tetra Tech, Inc. to investigate the feasibility of barging municipal solid waste from Martha's Vineyard to New Bedford. In April, their consultants made site visits to the Oak Bluffs Transfer Station and Packer Marine's Vineyard Haven facilities and request information that they need for their study. Today Mr. Davis reported that, unfortunately, Tetra Tech still has not received all of the information it requested during those site visits and, as a result, it will probably be several more months before it will be able to issue its report, assuming that it promptly receives the information it requested.
5. Also earlier this year the SSA engaged the services of Craig Johnson of Flagship Management to investigate the feasibility of having a private vessel operator provide freight service between New Bedford and Martha's Vineyard. Today Mr. Davis reported that Mr. Johnson has reviewed properties on the New Bedford Harbor waterfront to determine which ones might be suitable for use as a freight ferry terminal and that he also was talking with the Department of Conservation and Recreation about the structural elements of the New Bedford State Pier. In addition, Mr. Johnson has begun contacting the SSA's freight customers to see what their interest might be in taking a freight ferry service between New Bedford and Martha's Vineyard. The SSA hopes to have his report within the next month or so.
6. SSA General Counsel Steven M. Sayers also provided the Board with an update on the public hearing the SSA held on June 20th regarding its proposed 2018 Winter and Spring Operating Schedules for the Martha's Vineyard route. The SSA held that hearing because, on June 8th, it received a petition with respect to those proposed schedules signed by 61 residents of the Town of Falmouth objecting to the continued scheduling of freight service from Woods Hole prior to 6:30 a.m. due to the sleep deprivation caused by the noise impact of early morning SSA-related truck traffic on Falmouth and Woods Hole residents. 24 of the 90 people who signed in at the hearing gave testimony that day, and the SSA also has received written testimony from 15 different people. Mr. Sayers stated that the staff is now considering all of that testimony and hopes to issue a draft report by the end of next week recommending either that the SSA maintain those schedules as originally proposed or that it make modifications to those proposed schedules. When the draft report is prepared, it will be forwarded to the Port Council and the Board so that they can hopefully consider it at their regularly scheduled meetings next month.
7. Mr. Davis also provided the Board with the preliminary versions of the staff's proposed 2018 Summer Operating Schedules that will be advertised later this week in local newspapers so that the public has at least 30 days to comment on them before the Port Council is asked to recommend any schedules at their meeting on September 13th. The staff's proposed 2018 Summer Operating Schedules are essentially the same as the schedules the SSA is operating this summer except for their beginning and ending dates and the periods when certain vessels are in line service or in repair. The only substantive change the staff is proposing is during the 2018 Late Summer Operating Schedule for the Martha's Vineyard route, when the staff is proposing to triple-crew the *M/V Sankaty* instead of double-crewing it and having it berth it overnight in Vineyard Haven. This will

allow the vessel to operate up to seven round trips a day, instead of only four trips a day, and will provide additional sailing times from Vineyard Haven during the early morning.

8. Finally, Mr. Davis reported that the repairs to the *M/V Iyanough* were completed this past week, that the Coast Guard inspected the vessel yesterday, and that it returned to service this morning, leaving Hyannis on its first trip for Nantucket at 8:15 a.m. Mr. Davis thanked everyone who worked so hard and provided so much help over this past month to bring the *M/V Iyanough* back into service much more quickly than the SSA had thought possible and to provide substitute fast ferry service during the interim.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, August 15, 2017, in the second floor meeting room of the SSA's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. However, the location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

August 15, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on August 15, 2017, 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 Moira E. Tierney (New Bedford); Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Robert B. Davis reported on the various ongoing construction activities that are part of the SSA's Woods Hole terminal reconstruction project:
 - (a) Last month the contractor for the SSA's new administrative office building had to stop installing the sheathing for the building's siding because there was some deflection in the material when it was fastened to the steel framework. A representative of the manufacturer, Huber Zip System, agreed that the material was not performing as it should, and the decision was made to replace the sheathing with another Huber product that is thinner and to apply it to plywood or another OSB (oriented strand board) structure. As a result, completion of the building will be delayed by four to five weeks, although the SSA is attempting to see if there are any ways to accelerate the remaining work.
 - (b) As Mr. Davis reported last month, Triumph Modular has by and large completed the SSA's temporary Woods Hole terminal building, but some final punch list items still need to be resolved before the State building inspector will issue us an occupancy permit for the building. The main issue is making certain that the SSA has an acceptable communication modem for the fire alarm system. The SSA's Maintenance employees have begun to build out the food concession area inside the building and its MIS employees are working to connect the computer servers, phone system, and other technology systems so that the SSA can move into the building sometime in the fall.

(c) The design team for the Woods Hole terminal reconstruction project is completing some revisions to the project's design development drawings and is still working toward a mid-September date for the issuance of an invitation for bids for the marine contract so that the contract can be awarded at the Board's November meeting, as well as a separate invitation for bids for the contract to demolish the current General Office building, which is being issued this week so that the demolition contract can be awarded at the SSA's September meeting. In June, the SSA received the most recent cost estimate for Phases 1 through 4 of the project (the marine work) after the design development process. That estimate came in at \$51,434,000, around 0.53% lower than the cost estimate for these four phases that had been prepared for the project's feasibility study in August 2014, after adjusting it for escalation.

2. Mr. Davis also reported that the SSA is continuing to talk with Skidata about using a "web.wallet" app as an additional optional boarding pass for its passengers, but that meanwhile the SSA has been issuing RFID cards for:

- 46-ride commuter books for the Martha's Vineyard route since June;
- 10-ride adult and senior RFID cards for the Martha's Vineyard for the past three weeks; and
- 10-ride adult and senior RFID cards for the Nantucket route, as well as 10-ride child RFID cards for both routes, for the past two weeks.

To date, the SSA has sold nearly 2,600 10-ride RFID cards, and customers already have reloaded 5% of those cards. The SSA anticipates that customers will be able to begin reloading those RFID cards on the SSA's website next week. However, online sales of passenger tickets may not start until later in the fall because the SSA still has to confirm the success rate of the scanning of passenger tickets that have the Aztec Code.

3. The Board issued the report recommended by the SSA's management staff on the SSA's proposed 2018 Winter and Spring Operating Schedules, and also approved the staff's recommended modifications to those schedules for the reasons explained in that report. The principal modifications to those schedules are the following:

- during the 2018 Winter Operating Schedule (January 5 through March 14, 2018), changing the departure time for the first freight trip from Woods Hole from 6:15 a.m. to 6:30 a.m.; and
- during the 2018 Spring Operating Schedule (April 2 through May 10, 2018), berthing the freight boat overnight at Vineyard Haven instead of Woods Hole so that its first departure from Vineyard Haven would be at 5:30 a.m. and its first departure from Woods Hole would be at 6:30 a.m. instead of 5:30 a.m.

At next month's meeting, the staff will be asking the Board to also approve the SSA's 2018 Summer Operating Schedules. In this regard, Mr. Davis informed the Board that, over the next few weeks, the SSA will be encountering some operational issues due to the Martha's

Vineyard Agricultural Fair. Specifically, livestock for the fair have to be transported on open-deck vessels and, while they were transported last summer on the *M/V Woods Hole*, this summer the SSA instead is operating the *M/V Nantucket* on that route. In addition, the staff did not anticipate that the SSA would need to transport any Secret Service vehicles again this year, but the staff recently has learned that former President Obama's is vacationing again on Martha's Vineyard this summer and that his vacation there will once again coincide with the Agricultural Fair. Accordingly, the SSA will be crewing the *M/V Sankaty* to provide some additional trips on the Martha's Vineyard route to transport the livestock and take care of those additional travel needs, and more additional trips may be required during certain peak travel periods as well.

4. Craig Johnson of Flagship Management provided the Board with his initial report regarding the feasibility of a private freight ferry service between New Bedford and Martha's Vineyard. Mr. Johnson stated that he has looked at this potential service through the eyes of a private carrier, and noted that he previously had operated the freight ferry service between New Bedford and Martha's Vineyard in 2000 and 2001 pursuant to an agreement with the SSA.

(a) Mr. Johnson stated that he had visited several existing facilities in New Bedford, including the State Pier, the Marine Commerce Terminal, and the former Shuster property just north of the Marine Commerce Terminal (which is now also operated by the Massachusetts Clean Energy Center). Mr. Johnson observed that the Marine Commerce Terminal has been beautifully beefed up, but that it has been designed to handle ships transporting wind turbines that dock alongside the bulkhead, and it is not designed to have a vehicle ramp extend from its bulkhead; and that while work could be done to the former Shuster property to make it suitable for a ferry facility, he ruled out that property because of the permitting requirements and the need to install a vehicle ramp as well. By contrast, Mr. Johnson reported that, based on his personal observation, the vehicle ramp and its piles at the State Pier are still in good condition and that, while a portion of the pier does need to be repaired to make it safe for trucks, he estimated that the repairs needed to allow trucks to be loaded and unloaded from the pier would cost around \$2,000,000 and that all of repairs needed to stage trucks there as well would cost around \$5,000,000.

(b) Mr. Johnson then reported that he has talked with several potential vessel operators, noting that there were currently 936 offshore supply vessels tied up along the coast of the Gulf of Mexico between Galveston, Texas, and Tampa, Florida. Mr. Johnson stated that, based upon his discussions, he thought anywhere from five to ten carriers might submit bids to operate the service if they are able to be in control of their own finances and keep all of the revenues generated by the service. In this regard, Mr. Johnson stated that, while each carrier has its own vessels and data, he expected that a carrier would operate a vessel that has up to 200 feet of clear deck that is around 45 feet wide. Mr. Johnson further stated that there is plenty of interest from carriers about operating the service, and their questions pertained to how long the contract would be, how reservations would be handled, how many round trips they would be able to make per day, what limitations there would be on their

operating hours, whether the carrier would be able to use the SSA's Vineyard Haven terminal, and when the service would start (in 2018, 2019 or 2020).

- (c) Mr. Johnson also reported that he had talked with most of the SSA's 25 largest freight customers, who are responsible for 80% of its freight traffic to and from Martha's Vineyard, and that they were pretty positive about using a freight ferry service from New Bedford. However, Mr. Johnson stated that many of the customers (except those that carry hazardous cargo) had asked whether they would be allowed to drop off their trucks instead of having their drivers go on the vessels. Mr. Johnson noted that the carrier would have to design its sailing schedule to carry trucks to Martha's Vineyard early in the morning and then allow the freight shippers up to 1-½ hours to make their deliveries before carrying them back to New Bedford. With that schedule, Mr. Johnson said, the SSA's largest freight customers stated that they would consider using the service and might even use the vessel's second daily trip. Mr. Johnson stated that, due to this overwhelming positive response from the freight customers, he thought that they would in fact use the service if it were provided.
- (d) Mr. Johnson stated that a one-way trip between New Bedford and Martha's Vineyard could be scheduled to take two hours and fifteen minutes and that the amount of time it takes to travel on that route was less important to the freight customers than the fare that will be charged. In this regard, Mr. Johnson noted that while a private carrier should be able to establish its own fares, he felt that the freight shippers would be more likely to use the service if the fares were the same amounts as the SSA's fares from Woods Hole. Mr. Johnson stated that, based upon his personal experience, he thought a carrier would be able to do so and that the carrier would reach its breakeven point if it operated at 75% of the vessel's capacity of 12 tractor trailers. In addition, Mr. Johnson observed that this model for the service was one that would cost the SSA nothing and instead would place all of the financial risk on the private carrier.

After Mr. Johnson finalizes his report, Mr. Davis stated that the staff intends to discuss this subject with the various stakeholders to determine what requirements they have. For example, Mr. Davis said, if the New Bedford State Pier is going to be used for the service, it would have to be determined how its repairs will be funded. In this regard, Mr. Davis noted that in its feasibility study last year, the SSA already has taken the position that it should not bear any of these additional costs in order to provide service from New Bedford.

- 5. Mr. Davis reported that the *M/V Iyanough* has been back in service since July 18th, and that the staff is preparing a report on the financial impact of the vessel's accident. During the time that the vessel was out of service, the SSA carried approximately 40,000 fewer high-speed passengers and realized around \$1,200,000 less in passenger revenues than projected in its operating budget, with the revenues from the SeaStreak charters making up only a portion of that amount. Therefore, while the report is not yet finished, it is safe to say that the financial impact of the accident may include up to \$1,500,000 of lost revenue, including lost parking and food concession revenue. With respect to the expenses

attributable to the accident, all of the repairs should be covered by insurance except for the \$50,000 deductible. However, the SSA authorized the shipyard to pay overtime to its employees in order to get the vessel back into service as soon as possible, and the insurance company probably will not pay for those incremental overtime costs. Thankfully, ridership on the vessel has rebounded and the SSA has seen a return of its customer base.

6. The Board awarded Contract No. 11-17 for the 2017 Oak Bluffs Pier Repairs to Robert B. Our Co., Inc., of Harwich, Massachusetts, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$472,797. Under the contract, the contractor will repair damage done to the pier that was incurred during the 2016-2017 winter season, including the removal and disposal of damaged timber decking on both the topside and underside of the pier. The work will begin in October the day after the Oak Bluffs terminal closes for the 2017 season.
7. The Board also authorized Mr. Davis to award Contract No. 14-17 for the supply and delivery of capstans for various boats to the lowest eligible and responsible bidder for the contract after the opening of bids, which is currently scheduled for September 6, 2017. Under the contract, the SSA will purchase eight capstans to assist in the docking of the *M/V Martha's Vineyard*, the *M/V Island Home* and the *M/V Woods Hole*. The *M/V Martha's Vineyard's* four current capstans will be replaced and the *M/V Island Home* and the *M/V Woods Hole*, which are both currently operating without capstans, will each receive two new capstans. The cost estimate for this contract is \$388,000.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, September 26, 2017, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. However, the location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

September 26, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on September 26, 2017, in the Discovery Room of the Nantucket Whaling Museum, located at 15 Broad Street, Nantucket, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford); Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. As part of the SSA Board's regularly scheduled monthly meeting, the SSA conducted its second public hearing on the proposed renewal of the following license agreements:
 - the SSA's license agreement with Cape and Islands Transport, Inc., d/b/a Falmouth-Edgartown Ferry, to operate a passenger-only ferry service between Falmouth and Martha's Vineyard (Edgartown);
 - the SSA's license agreement with Freedom Cruise Line, Inc. to operate a passenger-only ferry service between Harwichport and Nantucket;
 - the SSA's license agreement with Hyannis Harbor Tours, Inc., d/b/a Hy-Line Cruises, to operate passenger-only ferry services between Hyannis and Nantucket, between Hyannis and Martha's Vineyard (Oak Bluffs), and between Nantucket and Martha's Vineyard (Oak Bluffs); and
 - the SSA's license agreement with SeaStreak, LLC to operate passenger-only ferry services between New Bedford and Martha's Vineyard (Oak Bluffs) and between New Bedford and Nantucket.

The SSA's first public hearing on the proposed renewal of those agreements was conducted in Woods Hole on September 13th. The public also has been able to view and download all of the licensed operators' current license agreements, as well as their requests for the renewal of those agreements, by going to the SSA's website. After reviewing all of the public comments that have been received, the SSA's management staff will be making recommendations regarding the renewal of these agreements to the Port Council and Board for their consideration next month.

2. SSA General Manager Robert B. Davis reported on the various ongoing construction activities that are part of the SSA's Woods Hole terminal reconstruction project:
 - (a) The construction of the SSA's new administrative office building has been progressing pretty much on the revised schedule that was developed after it was determined that the original sheathing which was being installed was experiencing some deflection. All of that sheathing has been replaced with plywood and another sheathing product; most of the windows have been installed; the stone veneer on the lower part of the building is being installed; the various trades have been busy inside the building; and the SSA has the rough inspection for the third floor's plumbing, electrical and HVAC system so that the insulation on the exterior walls can be applied. In addition, a binder coat was recently installed on the parking areas around the building so that various materials can be stored there. The building is now expected to be completed by January 23, 2018.
 - (b) The State Building Inspector has issued an occupancy permit for the temporary Woods Hole terminal building and the SSA's Maintenance employees are working on the build-out of the food concession area inside the building after some additional plumbing work was completed. The SSA's MIS employees are also working to connect the computer servers, phone system, and other technology systems. After the food concession area is finished and the building's wiring is completed, the SSA plans to move the Woods Hole ticket selling operations to the building during the week of November 13th (the week before the week of Thanksgiving), but if the building is not ready by then, the move will be delayed until after the Thanksgiving holiday weekend. Meanwhile, the SSA will keep the lobby in the existing terminal building open as a waiting area for customers until that building has to be closed for demolition
 - (c) Last Thursday, the design team for the Woods Hole terminal reconstruction project issued the invitation for bids for Phases 2-4 of the project, which consists of all of the project's waterside work, including the reconstruction of all three ferry slips and the construction of two passenger loading piers over the next four years. The invitation for bids package consists of 171 pages of drawings and a 1,454-page Project Manual, and 19 contractors already have requested and received the entire package. The deadline for the submission of bids is November 7th so that the Board can award the contract at their November 21st meeting.
3. Mr. Davis also reported that the SSA's staff is continuing to talk with Skidata about using a "sweb.wallet" app as an additional optional boarding pass for customers who purchase their tickets online. It will be used first for the high-speed ferry and, once the SSA confirms that the passes can be successfully scanned, it will be used for passengers on the SSA's traditional ferries as well. Meanwhile, for the last four months the SSA has been issuing RFID cards for:
 - 46-ride commuter books for the Martha's Vineyard route. Approximately 300 have been issued each month and re-loads are outnumbering new issues by 4 to 1.

- 10-ride adult, senior and child ten-ride RFID cards for both routes. Approximately 6,000 have been issued and around 15% of the cards already have been reloaded (both at the SSA's ticket offices and online).
4. Towards the end of each summer season, the SSA has always had large numbers of people who travel on a standby basis from Nantucket, and it has had difficulty accommodating all of those customers at the Nantucket terminal when they return to see where they stand on the standby list for each vessel trip. In order to address that problem, the SSA's computer programmers have developed a new "Standby Notification System" for the Nantucket terminal that will allow customers to go to the SSA's website to see where they stand in the Nantucket standby line, and also to receive text messages or emails that tell them when it is time to return to the terminal. The system has been in test mode since late August and the SSA is going live with it today.
 5. Mr. Davis reported that, on September 7th, the *M/V Martha's Vineyard* left the SSA's Fairhaven Vessel Maintenance Facility for Senesco Shipyard's facility in Quonset Point, Rhode Island, to begin the shipyard portion of its mid-life refurbishment project. Because this contract was awarded last February, Senesco has had seven months to prepare for this project and order much of the necessary equipment. As a result, to date the SSA already has paid \$4,242,000 (or about 26%) of the contract's current total contract price of \$16,297,000, which includes \$291,000 of change orders. SSA Director of Engineering and Maintenance Carl R. Walker further reported that, upon the vessel's arrival at Senesco, the shipyard immediately began cutting off the cabins, seats, bulk-heads and pilot house, and that the new pilot house already has been placed on the boat. Mr. Walker also reported that the bow and stern doors have been removed, as well as the generators, switchboards and reduction gears, and that much of the vessel has been gutted. In addition, although the shipyard has encountered more wasted steel than anticipated, Mr. Walker noted that there is an allowance for contingencies in the project's budget in order to cover the extra cost of that steel work. Ultimately, Mr. Walker stated that he has been very impressed by Senesco and the efficiency with which its employees are working, and he stated that they understand the project's tight schedule and the SSA's need to get the boat back on time on January 31, 2018. After its return, the vessel will be in repair at the SSA's Fairhaven Vessel Maintenance Facility for the month of February before it goes back in line service.
 6. The Board approved the staff's proposed 2018 Summer Operating Schedules for the Nantucket route, which are similar to the SSA's 2017 Summer Operating Schedules except for minor changes in their starting and ending dates, and the replacement of one freight boat with another during certain periods of the schedules. The SSA advertised these proposed schedules in all of the local newspapers for public comment in July and held a public hearing on them on August 28th, but no comments were received with respect to any of the proposed schedules for the Nantucket route. Now that they have been approved, the SSA will begin processing summer bulk freight reservations for this route. In addition, the SSA is waiting to review the traffic statistics for the 2017 late summer schedule before deciding whether the *M/V Katama* or the *M/V Woods Hole* should be assigned to the route during that time period.

7. Mr. Davis also updated the Board on the public hearing that was held on August 28th regarding the SSA's proposed 2018 Summer Operating Schedules for the Martha's Vineyard route. Around 50 people attended the hearing and 16 of them provided public comment. Residents voiced their concerns about how disruptive the noise is to their lives that is generated by the truck traffic associated with the SSA's 5:30 a.m. freight trip from Woods Hole, while freight shippers expressed concern over the impact that any schedule changes will have on their ability to make deliveries. The staff is continuing to look at various options to see if they can come up with a solution, as they are cognizant of the community's concerns about the noise and the shippers' concerns about the ability to provide the island with needed goods, and the staff is planning to present their recommendations to the Port Council and the Board next month.

8. Mr. Davis also reviewed with the Board the staff's proposed 2018 Fall Operating Schedules, although the Board did not need to take any action with respect to those proposed schedules today because they were only advertised in all of the local newspapers earlier this month. With respect to the proposed schedule for the Martha's Vineyard route:
 - The SSA would have up to 21 daily round-trips available to operate during the entire schedule. By comparison, the 2017 fall operating schedule has 25 round trips available for the first 12 days of the schedule, 21 round trips available for the middle 39 days of the schedule, and 18 round trips for the last 30 days of the schedule.
 - The freight boat on the route, either the *M/V Woods Hole* or the *M/V Katama*, would berth overnight in Vineyard Haven for the entire schedule with its first departure scheduled for 5:30am. The *M/V Martha's Vineyard* would continue to berth on the island with its first departure at 6:00am, and the *M/V Island Home* would continue to berth in Woods Hole with its first departure also at 6:00am.
 - During the entire proposed schedule, the 5:30am trip from Woods Hole would be eliminated.

The proposed schedule for the Nantucket route would have up to 6 daily round-trips available to operate the entire schedule. By comparison the 2017 schedule has 8 round trips available for the first 12 days of the schedule and 6 round trips available for the remainder of the schedule. Because the *M/V Eagle* will be out for a required USCG dry-dock and overhaul during this entire schedule, the *M/V Nantucket* will operate on this route and berth on Nantucket. The *M/V Gay Head* will operate most of this schedule and berth in Hyannis, but the *M/V Woods Hole* will substitute for the *M/V Gay Head* from November 16, 2018 through December 3, 2018 to provide additional vehicle capacity during Thanksgiving week and additional passenger capacity over the Nantucket Stroll Weekend.

Also included in the staff's proposed schedules is the proposed 2018 operating schedule for the *M/V Iyanough*, which is essentially the same as its 2017 operating schedule, although it would start one day later and end two days earlier than the 2017 schedule (and the summer portion of the schedule would start five days earlier and end 7 days later). The staff anticipates coming back to the Board at their meeting in November for approval of all of these schedules.

9. The Board also approved the staff's proposed modifications to the SSA's bulk freight reservation program to reduce the number of reservations each freight shipper may receive (from 110% of its previous year's actual usage to 100% of its previous year's actual usage) during the first round of processing bulk freight reservations. The staff recommended this change because shippers whose reservations are processed later in the first round have been receiving less desirable times to travel, although this change will not apply to shippers carrying hazardous, septic or trash because of the limited number of vessels and trips on which those shippers can travel. The staff also had discussed this proposed change with the SSA's freight customers at two freight shipper meetings that were held in August and none of the customers at either of those meetings objected to it.
10. SSA Treasurer/Comptroller Gerard J. Murphy presented the preliminary draft of the staff's proposed 2018 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 17th. The SSA's total operating expenses in 2018 are expected to be around \$97,561,000, which represents a \$4,276,000 or 4.6% increase in total operating expenses compared to the most recent estimate for 2017. Significant changes include:
- Payroll expense is expected to increase by \$1,307,000 (or 3.8%) from this year's estimate.
 - Health and welfare costs are expected to increase by \$589,000 (or 7.4%).
 - Depreciation expense is expected to increase by \$968,000 (or 9.6%) due to a full year of depreciation of the temporary Woods Hole terminal building and the new administrative office building, and a partial year of depreciation of the *M/V Martha's Vineyard* mid-life refurbishment work.
 - The cost of vessel fuel oil is expected to increase by \$704,000 (or 11.8%).
 - Vessel maintenance is expected to increase by \$2,301,000 (38.1%), as the SSA will have six of its vessels dry-docked during 2018.
 - By contrast, terminal, dolphin and dock repairs are expected to decrease by \$1,331,000 (-55.7%).

In 2018, the SSA's total operating revenues are projected to be around \$105,809,000, representing a \$2,729,000 (or 2.6%) increase from this year's currently estimated revenues. As a result, even without any rate increases next year, the staff is projecting a net operating income next year of around \$7,484,000, while the SSA's transfers to the sinking fund to make its bond interest and principal payments will total approximately \$10,043,400. At the moment, the staff is estimating that, in 2018, the *Martha's Vineyard* route will generate 56% of SSA's revenues and the Nantucket route will generate 44% of the SSA's revenues, while 58.2% of the SSA's cost of service will be allocated to the *Martha's Vineyard* route and 41.8% to the Nantucket route. But those allocations might change depending upon which route the *M/V Woods Hole* is assigned to during the 2018 late summer and fall operating schedules.

11. Mr. Davis informed the Board that, pursuant to the authorization they had given him at their August 15th meeting, he awarded Contract No. 14-2017, "Supply and Deliver Capstans – Various Vessels" to Schoelhorn-Albrecht Machine Company, Incorporated of St. Louis, Missouri, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$333,384. These capstans are required for the *M/V Martha's Vineyard*, the *M/V Island Home* and the *M/V Woods Hole*. The original estimate for the contract was \$388,000 but a quantity discount for eight capstans was anticipated and reflected in the bid prices received from both vendors who submitted bids.

12. The Board also awarded Contract No. 09-2017, "Dry-Dock and Overhaul Services for the *M/V Governor*" to Thames Shipyard and Repair Company of New London, Connecticut, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$1,751,583. Originally the *M/V Governor* was scheduled for dry-docking in 2018, but because there were more vessels than usual scheduled for dry-docking next year, the staff decided to move the *M/V Governor's* dry-docking to this fall. The contract also includes the replacement of the vessel's three ships service diesel generators, since one of the vessel's current generators failed in June and, given that they are now obsolete, replacements are difficult to obtain. Because a failure of either of the remaining two generators or switchboard would require the SSA to take the vessel off-line until replacement parts or units could be obtained, the staff decided to replace all of the generators during the vessel's upcoming dry-dock period. They also have been specified so that, after the SSA stops using the *M/V Governor* for ferry service, the units can be removed and installed on either the *M/V Gay Head* or the *M/V Katama*. In addition, the generators will be treated as improvements to the vessel and, as such, the \$1,060,000 replacement cost will be funded through the SSA's Replacement Fund.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, October 17, 2017, in the first floor meeting room of the Oak Bluffs Public Library, located at 56R School Street, Oak Bluffs, Massachusetts. However, the location, time and date of the meeting are all subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

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

October 17, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on October 17, 2017, in the first floor meeting room of the Oak Bluffs Public Library, located at 56R School Street, Oak Bluffs, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford); Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Robert B. Davis reported that the SSA has been issuing RFID cards (radio-frequency identification cards) for five months now instead of paper ticket books and that they continue to increase in popularity:
 - The SSA has issued around 300 46-ride commuter books for the Martha's Vineyard route each month and re-loads continue to outnumber new issues by 4 to 1.
 - The SSA has issued around 11,000 10-ride adult, senior and child ten-ride RFID cards for both routes, and almost 25% of the cards already have been reloaded (both at the SSA's ticket offices and online).

But the SSA continues to experience issues with the scanning of smartphones for passage on the *M/V Iyanough*. Therefore, the management staff is still talking with Skidata about using a "sweb.wallet" app as an optional boarding pass for customers who purchase their tickets online. It will be used first for the high-speed ferry and, once the SSA confirms that the passes can be successfully scanned, it will use the app for passengers on the traditional ferries as well.

2. Mr. Davis reported that, on September 7th, the *M/V Martha's Vineyard* left the SSA's Fairhaven Vessel Maintenance Facility for Senesco Shipyard's facility in Quonset Point, Rhode Island, to begin the shipyard portion of its mid-life refurbishment project. Senesco immediately began cutting off the cabins in order to extend the interior seating area on the 02 deck as well as to add exterior seating above. The joiner work, seats and pilot house have been removed, and the new pilot house already has been placed on the boat.

3. Mr. Davis reported on the various ongoing construction activities that are part of the SSA's Woods Hole terminal reconstruction project:

- (a) The construction of the SSA's new administrative office building has continued to proceed well. Since the last SSA Board meeting, the contractor has installed the interior drywall on the third floor and the glass partitions. It also continues to finish out the electrical, plumbing and HVAC work on the second floor for the rough inspection so it can then finish the drywall and glass partitions there. Meanwhile, the stone veneer on the lower part of the building is being installed, as well as the building's exterior siding. The building is now expected to be completed by January 17, 2018.

The staff is also continuing to work on the furniture requirements with W. B. Mason, which has a state contract to provide such furnishings. Accordingly, the Board approved the staff's request to purchase the building's office furniture from W.B. Mason under that state contract for \$582,252. Under the contract, W.B. Mason will provide and install the furniture for approximately 64 offices/workstations, 6 meeting/conference rooms, a breakroom, and various document storage areas. Once the furniture is ordered, it will take six to eight weeks before it will be delivered.

- (b) There was not much new to report regarding the temporary Woods Hole terminal building. The SSA's Maintenance employees are continuing to work on the build-out of the food concession area inside the building, and its MIS employees are working to connect the computer servers, phone system, and other technology systems. The staff is also laying out the building's furniture requirements, including benches for customers, and is still planning to move the Woods Hole ticket selling operations to the building during the week of November 13th (the week before the week of Thanksgiving). But the SSA will continue to keep the existing terminal building's waiting room open for customers until that building needs to be demolished this winter.
- (c) The Board awarded Contract No. 12-2017 for the demolition of the Woods Hole terminal building to J.R. Vinagro Corporation of Johnston, Rhode Island, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$155,000. Under the contract, Vinagro will demolish the Woods Hole terminal building, as well as the fabric canopies located behind the building, several utility sheds and an information booth. All of the structures will be demolished down to their foundations, and Vinagro will dispose of all of the debris, including hazardous materials, in accordance with all applicable laws and regulations. The remaining foundations will be removed by a different contractor under the separate Phases 2-4 Waterside Contract for the Woods Hole terminal reconstruction project at a later date. The SSA anticipates giving Vinagro a notice to proceed in February 2018, which will authorize it to begin work at the site thirty (30) days after the notice to

proceed is given and require it to complete all of the demolition work within six (6) weeks after the end of that 30-day period.

4. The Board issued the report that the staff recommended on the SSA's proposed 2018 Summer Operating Schedules for the Martha's Vineyard route with a few changes, and also approved the staff's recommended modifications to those schedules for the reasons explained in that report. The principal modifications to those schedules are the following:
 - Assigning the *M/V Sankaty* to provide additional service during the peak summer schedule (June 19 through September 7, 2018), with three scheduled round trips each weekday between Woods Hole and Vineyard Haven, which will allow the SSA to no longer designate the *M/V Governor's* 5:30 a.m. and 7:30 a.m. trips from Woods Hole, or its 8:35 a.m. and 11:05 a.m. trips from Vineyard Haven, as hazardous cargo trips on weekdays. Instead, the *M/V Sankaty's* 6:45 a.m. trip from Woods Hole and its 10:15 a.m. trip from Vineyard Haven on weekdays will be designated as hazardous cargo trips.
 - Changing the *M/V Nantucket's* 6:30 a.m. trip from Woods Hole so that, instead of going to Vineyard Haven, it goes to Oak Bluffs, from which it will make a return trip at 7:30 a.m.

The Board also approved the staff's recommended new operating policies, as follows:

- Limiting the size of the trucks that the SSA carries on its 5:30 a.m. freight trip from Woods Hole during the summer to trucks that are less than 40 feet in length. This limitation should result in substantially less noise being generated by the trucks that drive to the Woods Hole terminal in the early morning hours.
 - Requesting freight shippers participating in the bulk reservation program who request reservations on the 5:30 a.m. freight trip from Woods Hole that their truck drivers should not exceed the speed limit on any roads in Falmouth or 35 miles per hour, whichever is lower, in order to reduce the noise from those trucks even more.
 - Reviewing all of the SSA's other efforts to mitigate noise from the Woods Hole terminals' early morning operations, including but not limited to prohibiting trucks from arriving at the terminal earlier than necessary to be processed and loaded onto the ferries, to ensure that those efforts are followed and to see how they can be improved.
5. Mr. Davis reviewed with the Board the SSA's 2018 reservation opening dates when members of the traveling public will be able to make vehicle reservations during the SSA's 2018 summer and fall schedules. (The SSA will begin accepting reservations for its 2018 winter and spring schedules next Tuesday, October 24th.)

Reservations for the Summer Schedule (05/11/2018 through 10/22/2018)

- Headstart reservations will be accepted (by mail and internet only) from January 4, 2018 through January 10, 2018.

- Reservations for the general public will be accepted by mail and over the internet beginning January 11, 2018.
- Telephone reservations for the general public can be made beginning January 18, 2018.

Reservations for the Fall Schedule (10/23/2018 through 01/02/2019)

- Reservations for the general public will be accepted (by mail, internet and telephone) beginning June 18, 2018.

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 22 through September 3, as well as from May 24 through May 28 (around Memorial Day), June 28, July 3, August 21, September 4, October 5 and October 8 (around Columbus Day). Next year’s “reservation-only” dates for the Martha’s Vineyard route are almost identical to this past year’s dates, except that the SSA is adding Thursday, June 28th, and Tuesday, July 3rd, as “reservation-only” days because of the amount of traffic it expects to experience at the Woods Hole terminal those days.

6. The Board also approved the staff’s recommendation to renew all of the SSA’s license agreements with all of its currently licensed private ferry operators for another three years. The renewed agreements are for the following passenger-only ferry services:
 - the service by Cape and Islands Transport, Inc., d/b/a Falmouth-Edgartown Ferry, between Falmouth and Martha's Vineyard (Edgartown);
 - the service by Freedom Cruise Line, Inc. between Harwichport and Nantucket;
 - the services by Hyannis Harbor Tours, Inc., d/b/a Hy-Line Cruises, between Hyannis and Nantucket, between Hyannis and Martha's Vineyard (Oak Bluffs), and between Nantucket and Martha’s Vineyard (Oak Bluffs); and
 - the services by SeaStreak, LLC between New Bedford and Martha’s Vineyard (Oak Bluffs) and between New Bedford and Nantucket.

Even though the SSA placed advertisements in all of the local newspapers asking for public comment on the proposed license renewals and held two public hearings, the SSA did not receive any comments from the public about any of them.

7. Mr. Davis noted that the SSA will be providing additional service for both islands during the week of Thanksgiving (beginning Monday, November 20th, through Sunday, November 26th). The *M/V Woods Hole* will begin the week on the Nantucket route (providing one additional round trip on Monday and two on Tuesday) and then provide service on the Martha’s Vineyard route (providing three additional round trips on Wednesday and four on Friday and Sunday). Whether the *M/V Woods Hole* will also be providing additional service on Saturday depends upon whether the football game between Nantucket and Martha’s Vineyard takes place that Saturday or the previous Saturday,

November 18th. If the football game is played on November 25th, the vessel instead will be substituting for the *M/V Nantucket* on the Martha Vineyard route, as the *M/V Nantucket* will be assigned to transport the Martha's Vineyard football teams and their supporters to and from Nantucket that day.

8. The Board approved the staff's proposed 2018 Operating Budget today. SSA Treasurer/ Comptroller Gerard J. Murphy reported that the final version of the budget was essentially the same as the preliminary version of the budget that the staff presented last month except for the additional assignment of the *M/V Sankaty* on the Martha's Vineyard route during the 2018 peak summer season. In 2018, the SSA's operating expenses are now expected to be \$97,840,000, which is an increase of \$ 4,305,000 (or 4.6%) over the current estimate for 2017. Significant changes include:

- Payroll expense is expected to increase by \$1,472,000 (or 4.3%).
- Healthcare costs are expected to increase by \$591,000 (or 7.4%).
- Depreciation expenses are expected to increase by \$1,542,000 (or 15.3%) because of a full year's depreciation of both the temporary Woods Hole terminal building and the new administrative office building, as well as a partial year's depreciation of the costs associated with the *M/V Martha's Vineyard* mid-life refurbishment and the *M/V Governor's* new generators.
- Vessel fuel oil is expected to increase by \$702,000 (or 11.8%).
- Vessel maintenance expense is expected to increase by \$1,580,000 (or 25.1%) because of the need to dry-dock six of the SSA's vessels next year (*M/V Sankaty*, *M/V Nantucket*, *M/V Katama*, *M/V Eagle*, *M/V Island Home* and *M/V Iyanough*).
- Terminal, dolphin and dock repairs are expected to decrease by \$1,331,000 (or 55.7%).

The SSA's operating revenues next year are projected to be \$105,809,000, representing a \$2,729,000 (or 2.6%) increase from the current estimate for 2017. Based upon the staff's estimates of revenues and expenses for 2018, the SSA's net operating income is expected to be around \$7,205,000. By comparison, the SSA's bond interest and principal requirements will be around \$10,043,000 next year.

Finally, in 2018, 59.6% of the SSA's cost of service will be allocated to the Martha's Vineyard route, and 40.4% to the Nantucket route, while the Martha's Vineyard route is expected to generate 56.7% of the SSA's revenues and the Nantucket route 43.3%.

9. The Board awarded Contract No. 07-2017, "Dry-Dock and Overhaul Services for the *M/V Island Home*" to Senesco Marine, LLC of North Kingstown, Rhode Island, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$1,970,734. Major work under this contract includes conversion of the bow thrusters from electric drive to diesel drive to increase their reliability without changing their operating characteristics, replacement of the rescue boat cradle and OFE rescue boat; upgrading the steering system, installing a redundant fire/bilge pump, installing a cell phone booster system, a whistle on the Woods Hole end pilothouse, and capstans.

10. The Board authorized Mr. Davis to award Contract No. 13-17R, "Vineyard Haven Seawall Repairs 2017," to the lowest eligible and responsible bidder for the contract when bids are opened on October 25, 2017. The terminal's existing concrete seawall needs to be reinforced because it has been undermined by propeller wash. Therefore, the contract will require the installation of 100 linear feet of sheet piling in front of the existing seawall, new concrete to fill the voids that have been created, and replacing the existing steel expansion system between the concrete pier and asphalt parking lot to re-establish full support of that seawall. The work is estimated to cost \$408,480.

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

The next regular monthly meeting of the SSA's Board is currently scheduled for Tuesday, November 21, 2017. The location of the meeting has not yet been determined and, in any event, the 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 21, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 9:30 a.m. on November 21, 2017, in the Cultural Center of the Falmouth Historical Society's Museums on the Green, located at 55 Palmer Avenue, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford); Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. The Board began the meeting by awarding the SSA's new Food Concession Contract to Centerplate (formerly known as Boston Concessions Group and then Boston Culinary Group), of Stamford, Connecticut, which has been the SSA's food concessionaire since 1993. Because its current five-year contract will expire at the end of this year, in August the SSA's staff issued a request for proposals (RFP) from food concessionaires interested in a new five-year contract beginning January 1, 2018 (with an option to extend that contract for another five years if both parties agree). Centerplate was the only firm that submitted a proposal in response to the RFP, and this was the third time over the past fifteen years that Centerplate has been the only firm that has submitted a proposal in response to the SSA's RFP for a new food concession contract. Centerplate has served the SSA well over the years and the SSA looks forward to at least another five or even ten years of their excellent customer service and good food (particularly their delicious clam chowder).
2. SSA Director of Engineering and Maintenance Carl R. Walker reported that the work for the mid-life refurbishment of the *M/V Martha's Vineyard* was progressing well, that the shipyard had rounded the corner from "destruction" work to "construction" work, and that the steel replacement was 95% complete. Mr. Walker also reported that:
 - the top part of the vessel has been painted;
 - the vessel's windows have been installed;
 - the railings are going up;
 - the flooring is being installed in the crew area and will begin to be installed in the passenger area next week;

- the elevators are being installed;
- the bow doors are in place waiting for final alignment and gaskets;
- the main gear boxes have returned from Louisiana where they were repaired; and
- the two generators have been replaced, and a third generator has been added.

Mr. Walker now expects all of the contract's change orders to end up somewhere between \$1,200,000 and \$1,300,000, primarily due to the need for additional steel replacement. Senesco also has been given an extension until February 16, 2018 to complete its work and deliver the vessel back to the SSA's Fairhaven Vessel Maintenance Facility, where the SSA will perform some additional work itself on the vessel before it resumes service on the Martha's Vineyard route as scheduled on March 3, 2018.

3. SSA General Manager Robert B. Davis reported that the construction of the SSA's new administrative office building is progressing well, with the third floor getting closer to a finished state. The contractor also has installed the drywall and glass partitions on the second floor and will be pouring the gypcrete flooring later this week, but more work needs to be done with respect to the insulation of piping and HVAC. On the first floor, the electricians are working on wiring the computer room, while plumbing and HVAC is also ongoing for the rough inspection so that the drywall and glass partitions can similarly be installed on that floor. The building is still expected to be completed by January 17, 2018, and the SSA has placed the order for the building's furniture with W.B. Mason, which has a state contract for office furnishings. W. B Mason will start to install the furniture by floor the week of December 18, 2017, beginning with the third floor, and the installation will take a week to ten days for each floor.
4. Mr. Davis also reported that the SSA's Maintenance and MIS employees have pretty much wrapped up the minor final items for the temporary Woods Hole terminal building, but that the staff realized that the SSA needed to address the wind coming into the lobby from the waterfront. Therefore, the SSA will be installing air curtain units above the building's lobby doors before opening the building to the public, and that work will not be completed until the week of December 8th. However, the staff still hopes to begin conducting the SSA's Woods Hole ticket selling operations from the building before Christmas, while also leaving the waiting area in the existing ticket office open until that building is demolished in February 2018.
5. Mr. Davis also reported that around 50 firms and individuals have copies of the invitation for bids package for the Woods Hole terminal reconstruction project's waterside work (Phases 2-4) contract and that, to date, the SSA's design team has issued eight addenda to that package. Due to the number of questions and the scope of the project, the staff has decided to extend the deadline for the submission of bids to November 28, 2017, and the Board has scheduled a special meeting on December 5th to award the contract.

6. The Board voted to enter into a license agreement with Island Commuter Corp. (ICC) allowing the *M/V Island Queen* once again to start its summer schedule one week earlier in June 2018 than it otherwise would be allowed under the SSA's enabling act, and also allowing it to provide, on Mondays through Thursdays of the *M/V Island Queen*'s spring and fall schedules, two more daily trips between Falmouth and Oak Bluffs so that there is at least one morning trip from Oak Bluffs and one afternoon trip from Falmouth. For the last four years, the SSA has allowed ICC to provide additional service with the *M/V Island Queen* by beginning its summer schedule one week earlier in June, and last year the SSA also allowed ICC to provide an additional round trip between Falmouth and Oak Bluffs on Mondays through Thursdays during its spring and fall schedules. Those additional trips during ICC's spring and fall schedules have addressed complaints from the public about the lack of service being provided by the *M/V Island Queen* after Labor Day when, on Mondays through Thursdays, there previously had been no afternoon trips from Falmouth or morning departures from Oak Bluffs.

7. The Board also voted to enter into a memorandum of understanding with the Cape Cod Regional Transit Authority (CCRTA) regarding certain grant funds received by the CCRTA from the Federal Transit Administration (FTA). In late 2015, the CCRTA asked the SSA to take steps to become eligible to participate in the National Transit Database (NTD) program for possible funding opportunities from the FTA and, with the CCRTA's assistance and guidance, the SSA applied for and was accepted to participate in that program beginning with its 2015 activities related to its shuttle bus service and its three ferry routes between Woods Hole and Vineyard Haven, Woods Hole and Oak Bluffs, and Hyannis and Nantucket. As a result of financial and traffic data the SSA submitted to the FTA related to those 2015 activities, the CCRTA, as the designated recipient for Barnstable Urbanized Area (UZA) grant funds, received an additional \$3,142,840 of grant funds from the FTA based principally on a combination of the number of miles the SSA operated and the number of passengers it carried. In turn, the CCRTA offered to enter into this memorandum of understanding with the SSA pursuant to which it will provide the SSA with 50% of those grant funds (or \$1,571,420) to help finance certain of the SSA's projects and services in and around the Barnstable UZA. The SSA will be able to use those funds for a variety of projects, including capital projects and preventative maintenance.

8. The Board also approved the SSA's proposed 2018 Fall Operating Schedules and the 2018 High-Speed Operating Schedules. The SSA advertised these proposed schedules in local newspapers in September, but did not receive any comments on them from the public.
 - During the entire fall schedule for the Martha's Vineyard route, the freight boat will berth overnight on the island and its first departure from there will be at 5:30 a.m. As a result, only the *M/V Island Home* will berth overnight in Woods Hole (with its first departure at 6:00 a.m.) due to the anticipated construction that will be taking place there, and there will be no 5:30 a.m. freight boat from Woods Hole during that entire schedule.
 - The Nantucket route will have six daily round trips available to operate during the entire fall schedule with the *M/V Nantucket* (because the *M/V Eagle* will be out for a required dry-docking and overhaul) and a freight boat each providing up to three daily

round trips. The *M/V Gay Head* will be the freight boat assigned to the route for most of the schedule, but the *M/V Woods Hole* will take its place from November 16 through December 3, 2018 to provide additional vehicle capacity during the week of Thanksgiving and additional passenger capacity for the Nantucket Stroll.

9. Last month, when the SSA revised its 2018 Summer Operating Schedules for the Martha's Vineyard route in response to the public comments it received about those schedules, the staff omitted designating the *M/V Governor's* 7:30 a.m. trips from Woods Hole and its 11:05 a.m. trips from Vineyard Haven on Saturdays during the peak summer season (June 19, 2018 through September 7, 2018) as hazardous cargo trips. The staff also realized that the 5:30 a.m. freight trip from Hyannis and the 1:30 p.m. freight trip from Nantucket on Saturdays during the 2018 Summer Operating Schedules similarly have to be designated as hazardous cargo trips. Therefore, Mr. Davis informed the Board that the staff has corrected those errors, while clarifying that those freight trips were already scheduled to operate on Saturdays and that the only changes were to designate them as hazardous cargo trips, not to change the schedules by adding more trips.
10. The Board voted 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, 2018 through June 30, 2019. 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), and that the fixed price is intended to reflect approximately a 50% discount over applicable tariff rates (which is the discount normally given to island schools, including the Nantucket public schools). For each of the last seven years, the agreement has established a fixed price of \$60,000, which has reflected approximately a 50% discount over applicable tariff rates. Next year the fixed price under the new agreement will be reduced to \$55,000, as the amount of school-approved travel has decreased the past few years and the SSA is not implementing any rate adjustments for 2018.
11. Mr. Davis informed the Board that, in accordance with the authorization they gave him last month, he has awarded Contract No. 13-2017R (Rebid) for the 2017 Vineyard Haven Seawall Repairs to the lowest eligible and responsible bidder for the contract, Robert B. Our Co., Inc., of North Harwich, Massachusetts, for the Total Contract Price of \$348,325. The terminal's old concrete seawall has been undermined by propeller wash. Therefore, the contract requires the installation of 100 linear feet of sheet piling in front of the existing seawall, new concrete to fill the voids that have been created, and replacing the existing steel expansion system between the concrete pier and asphalt parking lot to re-establish full support of that seawall.
12. The Board also awarded Contract No. 17-2017 for dry-dock and overhaul services for the *M/V Nantucket* to the lowest eligible and responsible bidder for that contract, Senesco Marine, LLC, of North Kingstown, Rhode Island, for a Total Contract Price of \$1,595,205. The *M/V Nantucket* is scheduled to go into the shipyard in March 2018 to undergo a U.S. Coast Guard hull examination, machinery inspections, underwater hull cleaning and

painting, exterior sandblasting and painting, freight deck steel replacement, rescue boat davit replacement, and passenger seating modifications.

13. The Board also awarded Contract 18-2017 for site work improvements to the SSA's upper School Street parking lot next to the Hyannis terminal to the lowest eligible and responsible bidder for the contract, Edward Paige Corp. of Norwell, Massachusetts, for a Total Contract Price of \$134,377. Under the contract, the contractor will install a new stormwater management system, a new gravel base, bituminous pavement, pavement markings and curbing, as well as new lighting, fencing and landscaping. After the work is finished, the SSA will have thirteen more parking spaces at this location.
14. Finally, the Board authorized Mr. Davis to negotiate directly with accounting system providers for the SSA's new accounting system. Earlier this year, after many months developing all of the specifications for the new system, the staff issued a Request for Proposals (RFP) from vendors for a new system. Unfortunately, the SSA received only two proposals in response to that RFP, and both proposals were nonresponsive to the RFP's requirements. Accordingly, it appears that, as a practical matter, the SSA will need to negotiate directly with one or more accounting system providers to obtain the accounting system that it needs, and the Board therefore voted to waive the SSA's Procurement Policy's requirement that this contract be awarded pursuant to an RFP. The staff hopes to be able to present the Board with a proposed contract for a new accounting system within the next few months.

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

The next special meeting of the SSA's Board is currently scheduled for 10:00 a.m. on Tuesday, December 5, 2017, in the second floor conference room of the SSA's Woods Hole terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts. The next regular monthly meeting of the SSA's Board is currently scheduled for 9:30 a.m. on Tuesday, December 19, 2017 in the mansion of Highfield Hall and Gardens, located at 56 Highfield Drive, Falmouth, Massachusetts. However, the time, date and location of both meetings are all subject to change, so please look for the formal notice for the meetings 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 5, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held a special meeting at 10:00 a.m. on December 5, 2017, 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: Vice Chairman Robert F. Ranney (Nantucket) (who participated remotely by telephone conference); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth). Chairman Moira E. Tierney (New Bedford) was absent.

The SSA reached another important milestone today with respect to its Woods Hole Terminal Reconstruction Project when the SSA's Board awarded Contract No. 16-2017 for the Phases 2-4 Waterside Work of the project to Jay Cashman, Inc., of Quincy, Massachusetts, the lowest eligible and responsible bidder for the Contract, for the Total Contract Price of \$43,143,280. The SSA issued the invitation for bids for the contract on September 21, 2017, and received seven bids by the November 28, 2017 deadline. The second lowest bidder was MIG Corporation, Inc., of Acton, Massachusetts, whose bid was in the amount of \$46,337,300, and the highest bidder was Cianbro Corporation of Pittsfield, Maine, whose bid was in the amount of \$65,702,020.

Jay Cashman, Inc. has been in business since 1994, has more than 300 full-time employees, and is pre-qualified by MassDOT to perform up to \$250,000,000 of marine construction work. The company typically performs most, if not all, of the major components of its marine construction work itself, and it owns and maintains its own fleet of specialized equipment, including dredges, scows, barges, tugs, cranes and other heavy equipment, through its affiliate company, Sterling Equipment, which allows it to act as a single-source provider on complex marine construction projects that would otherwise require multiple subcontractors. Jay Cashman, Inc.'s recent marine construction work includes the structural repairs to Pier 1 to provide a safe mooring for the USS Constitution at the Charlestown Navy Shipyard in Boston; the land reclamation project at the site of the 2017 America's Cup in Bermuda; the Marine Commerce Terminal in New Bedford; and the reconstruction of a major pier in Sunny Point, North Carolina for the U.S. Army Corps of Engineers.

With Jay Cashman, Inc. as its marine contractor, the SSA will continue with its multi-year, phased construction project to completely rebuild its Woods Hole ferry terminal over the next six years. The overall project entails the phased demolition of all of the existing waterfront structures and supporting utilities to be replaced with three new ferry slips, two passenger loading piers, and comprehensive utility and stormwater management improvements. Following the waterside construction, landside improvements include site regrading, a new ferry terminal building and equipment storage building, bus berths and overall reconstruction of site utilities and vehicle accommodations. The phases of the project are:

- Phase 1 Construction of a temporary terminal building (completed); and construction of a new administrative office building at our Palmer Avenue parking lot (under construction and currently scheduled to be completed in January 2018).
- Phases 2-4 All waterside construction, which is the work to be completed under this Contract No. 16-2017 (except for the demolition of the existing terminal building down to its slab under a separate contract by J.R. Vinagro Corporation of Johnston, Rhode Island, which was awarded that contract in October 2017).
- Phase 5-6 Future contract for the new terminal building and equipment storage building, and final site work, which will be completed by other contractors under separate contracts.

The Board today also approved two change orders to the SSA's design contract with Bertaux + Iwerks Architects (BIA) in connection with the waterside work (Phases 2-4) of the Woods Hole Terminal Reconstruction Project. Under the first change order, BIA will provide construction phase testing services for these three phases of the project, including dynamic pile load testing (PDA) on the steel pipe piles that will support the passenger loading platforms, transfer bridges, and selected dolphins, in an amount not to exceed \$938,665. Under the second change order, BIA will provide construction administration services during these phases with respect to all disciplines involved in the project (architectural, marine engineering, geotechnical engineering, civil engineering, environmental engineering, structural engineering, electrical/telecommunications/plumbing engineering, and landscape architecture). The SSA anticipates that BIA's construction administration services for these phases will cost \$3,157,000 over the course of the next five years.

The SSA previously has established budgets for the construction of the temporary terminal building (which opened yesterday) and the new administrative office building. Today the SSA also established a budget of almost \$55,000,000 for the waterside work (Phases 2-4) of the Woods Hole Terminal Reconstruction Project. The budget includes:

Design and Engineering

Original Contract	\$ 1,357,000	
Contract Adjustments		
Evaluation of hydrostatic/hydrodynamic loads, study of canopy options, and additional support services	\$ 127,142	
Construction administrative services	\$ 3,157,000	
Construction phase owner testing services	<u>\$ 938,665</u>	\$ 5,579,807

Construction

Terminal building demolition contract	\$ 155,000	
Contract No. 16-2017 (Phases 2-4 Waterside)	<u>\$ 43,143,280</u>	\$ 43,298,280

Owner's Additional Costs

Owner-supplied materials	\$ 100,000	
Owner representation during construction	<u>\$ 1,000,000</u>	<u>\$ 1,100,000</u>
		\$ 49,978,087

Contingency (10.0%) \$ 4,329,828

Total Estimated Cost of Phases 2-4 \$ 54,307,915

Because the SSA wants to minimize the potential impact of the project's construction activities on its own operations and adjacent property owners and local businesses, the reconstruction of the ferry terminal will be accomplished in phases during "off-seasons." During this entire project, the SSA also needs to make certain that it has two slips available for ferry operations at all times in order to maintain regular ferry operations between Woods Hole and Martha's Vineyard. Therefore, Jay Cashman, Inc. will reconstruct only one slip at a time and, while a slip is being reconstructed, ensure that both of the other two slips are operational. In addition, during each "summer" season, the SSA will need to be able to berth three vessels at the terminal. Accordingly, during each "summer" season, Jay Cashman, Inc. will ensure not only that two operating slips are available for the SSA's use to maintain its regular ferry service between Woods Hole and Martha's Vineyard, but also that the third slip is also available to be used to berth one of the SSA's ferries. As a result, all construction activity at the terminal site will effectively cease during each "summer" season unless the SSA expressly authorizes Jay Cashman, Inc. to undertake limited construction activity during a "summer" season to the extent it does not have a material impact on either the SSA's ferry and terminal operations or the Woods Hole community.

The first slip that will be reconstructed is Slip 3, which will be repositioned southwest during Phase 2 of the project so that its transfer bridge is located pretty much where the northwest side of the current terminal building is. In order to accomplish this, the SSA will first need to demolish the existing terminal building and excavate the western portion of the wharf. The current

schedule calls for J.R. Vinagro Corporation to begin the demolition of the existing terminal building in February 2018. Prior to that demolition, Jay Cashman, Inc. will:

- remove the existing ramp, platform and gangway passenger loading/unloading systems on the wharf to the north of existing Slip 1;
- reroute the primary electrical service for the terminal's existing ferry slips, which is currently distributed from the existing building, so that it is no longer distributed from the building; and then
- cut off electrical service to the building so that the building can be demolished down to the first floor slab by J.R. Vinagro Corporation.

Next spring, Jay Cashman, Inc. will construct a temporary ramp, platform and gangway passenger loading/unloading system between existing Slips 1 and 2 using some of the materials of the existing loading/unloading systems that are currently on the wharf north of Slip 1. After the existing terminal building is demolished, Jay Cashman, Inc. will also demolish the foundation of the building and begin excavating a portion of the wharf to allow for the docking of the SSA's ferries at that location. By the commencement of the 2018 "summer" season, the SSA expects that Jay Cashman, Inc. will have excavated the building's foundation but will not have had sufficient time to complete the excavation of the wharf. To the extent possible, Jay Cashman, Inc. will leave soils, concrete and other clean, heavy materials that have been excavated at specified locations in the work area during that summer season for the purpose of pre-loading certain subsurface soils, and then remove them at a later time. The excavation will then continue next fall and all of the remaining work in Phase 2 of the project to construct the new Slip 3 will be completed during the two following off-seasons (September 2018 through May 2019 and September 2019 through May 2020).

During Phase 3 of the project, Jay Cashman, Inc. will construct the permanent passenger loading platforms and walkways between the new Slip 3 and the new Slip 2. These will consist of a pile-supported fixed platform connected to the shore by a walkway, and a floating platform farther into the water that will be connected to the fixed platform by a hinged prefabricated walkway. Jay Cashman, Inc. will also complete the new Slip 2 (which will be the middle slip).

In Phase 4, Jay Cashman, Inc. will construct similar permanent passenger loading platforms and walkways between the new Slip 2 and the new Slip 1, and will also complete the new Slip 1, which will be the southernmost slip. In addition, the waste storage building will be demolished and reconstructed to be able to store two double-walled, portable storage tanks, each of which is expected to be able to hold around 500 gallons of waste oil.

Following completion of the waterfront construction by May 2022, in Phase 5 the SSA will have another contractor construct the new terminal building, which will be a 2-story structure with a building footprint of approximately 6,000 square feet (sf) and an area of approximately 10,000 gross square foot (gsf). This other contractor will also extend the fill and site grading inland from the new slips to the new terminal building, relocate utilities, and reconfigure site drainage to accommodate the new layout. Then, in Phase 6, another contractor will complete all of the remaining work to be done at the site, including the construction/renovation of the parking areas and vehicle queuing lanes, demolition of the remaining existing ancillary buildings, removal of

the temporary terminal building, construction of an equipment storage building and other ancillary buildings, landscaping and final site drainage and utility improvements.

At the meeting, SSA General Manager Robert B. Davis recognized Bill Cloutier, the Woods Hole Terminal Reconstruction Project Manager, for the efficient and cost-effective manner with which he has brought the SSA this far on one of the most important and complicated projects it has ever undertaken, and he also thanked all of the members of the SSA's design team:

- Bertaux + Iwerks Architects - Project Management and Architecture
- Childs Engineering Corporation - Marine Engineering
- GZA GeoEnvironmental, Inc. - Civil, Geotechnical and Environmental Engineering
- Thornton Tomasetti - Structural Engineering
- WSP - Electrical/Telecommunications/Plumbing Engineering
- Carol Johnson & Associates - Landscape Architecture

Mr. Davis also stated that he is looking forward to working with all of them over the next several years as the SSA completes this essential project to ensure that it will be able to continue to provide its lifeline ferry service for the island of Martha's Vineyard for decades to come.

The next regular monthly meeting of the SSA's Board is currently scheduled for 10:00 a.m. on Tuesday, December 19, 2017 in the mansion of Highfield Hall and Gardens, located at 56 Highfield Drive, Falmouth, Massachusetts. However, the time, date and location 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 19, 2017

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority ("SSA") held their monthly meeting at 10:00 a.m. on December 19, 2017, in the mansion of Highfield Hall and Gardens, located at 56 Highfield Drive, Falmouth, Massachusetts. All five Board Members were in attendance: Chairman Moira E. Tierney (New Bedford); Vice Chairman Robert F. Ranney (Nantucket); Secretary Robert R. Jones (Barnstable); Marc N. Hanover (Martha's Vineyard); and Elizabeth H. Gladfelter (Falmouth).

1. SSA General Manager Robert B. Davis reported that, since the Board awarded the contract for the reconstruction of the SSA's three Woods Hole ferry slips (the Phases 2-4 waterside work of the SSA's Woods Hole terminal reconstruction project) to Jay Cashman, Inc. on December 5th, the SSA's design and project management team for the project has been preparing for the start of Phase 2 next month. Jay Cashman, Inc. has submitted a draft project schedule that calls for it to mobilize in January and re-route the electric and telecommunications lines that run between the existing General Office building and Slip 3. After that, the passenger loading ramps and platforms on the wharf behind the General Office building will be moved to between Slips 1 and 2. Excavation of the wharf will not start until the General Office building is demolished in the later part of February.
2. Mr. Davis also reported that the construction of the SSA's new administrative office building continues to progress well, noting that:
 - the building contractor, G&R Construction, has continued working on the building's mechanical systems, lighting and plumbing work, and the restroom tiling, on all three floors;
 - the third floor has been carpeted and the finish painting is being wrapped up;
 - the interior drywall and glass partitions have been installed on the second floor, and they also have poured the gypcrete flooring and installed the document room cabinets on that floor;
 - the drywall and glass partitions have also been installed on the first floor;
 - the top coat of asphalt in the parking area is being applied this week;

- furniture for the third floor is being delivered this week, while the furniture for the first and second floors will be delivered after January 1st; and
 - the building is expected to be completed by January 26, 2018, except for the landscaping, which will be completed next spring.
3. Mr. Davis also reported that the SSA's temporary Woods Hole terminal building has been open to the SSA's customers and the public since 5:00 a.m. on Monday, December 4th, although the SSA still has a short list of open items to complete, including installing air curtains in the lobby and indoor/outdoor carpeting on the decking as a temporary measure to keep it from being slippery over the winter. While the lobby of the old ticket office will also be kept open as a waiting area until that building is demolished in February, all of the SSA's tickets sales are now taking place in the new temporary building.
4. SSA Director of Engineering and Maintenance Carl Walker reported that the *M/V Martha's Vineyard* mid-life refurbishment project continues to go well, noting that:
- the dry-docking of the vessel has been completed, including the bow thruster overhaul, hull work, and steering check, and the vessel will be floated on or about January 3rd.
 - the steel work has been completed, with the last small piece finished yesterday.
 - the passenger decks are 90% complete, with the joiner work 25% complete.
 - the exterior painting is 90% complete and the freight deck will be painted within the next week.
 - the bow and stern doors have been installed and preliminarily tested.
 - the navigation console has been installed in the pilot house, and the shipyard is currently pulling the wires so that the systems can be tested beginning in mid-January.
 - the new elevator on the port side of the vessel has been installed, although it has not yet been hooked up or tested.
 - the food concession area and the heads are 50% complete, and the shipyard will begin to install their equipment later this week.
 - the marine evacuation slide system is being installed, although it will not be deployed until the vessel returns to the SSA's Fairhaven Vessel Maintenance Facility in February so that the SSA's own crews can participate in that training.
 - the shipyard remains on track with the schedule, which now calls for the vessel to be delivered back to Fairhaven on February 16, 2018.
5. SSA General Counsel Steven Sayers reported that, last week, there had been another meeting to discuss how to proceed with the SSA's study of the feasibility of barging municipal solid waste from the island of Martha's Vineyard to New Bedford. The meeting included the SSA's consultant, Christopher Nitchie of Tetra Tech, Tisbury Town Administrator John W. (Jay) Grande, Oak Bluffs Town Administrator Robert Whritenour, Ralph Packer of Tisbury Towing & Transportation Co., and Greg Carroll of Bruno's

Rolloff, Inc., among others. In 2012, consultants for the Towns of Tisbury and Oak Bluffs had advised them that it would be financially impracticable to barge their waste compared to continuing to carry it in trucks on the SSA's ferries, but the SSA's staff has serious questions about several of those consultants' assumptions. Mr. Sayers noted that, at the meeting, Mr. Packer and Mr. Carroll stated that they should be able to provide the information the SSA's consultant needs to compare the estimated costs of the two transportation alternatives by next month and that it will probably then take another month for Mr. Nitchie to complete his analysis. At that point, the SSA plans on holding another meeting to review the results, and representatives from the other towns on Martha's Vineyard will be invited to attend that meeting as well.

6. Mr. Sayers also reported that New Bedford Port Council member Edward Anthes-Washburn, who is also the Executive Director of the New Bedford Harbor Development Commission, has introduced the SSA's staff to the staff of MassDevelopment, the state agency that is now in charge of managing the New Bedford State Pier, and that the SSA hopes to schedule a meeting with them at the beginning of January to discuss the possible use of the State Pier for freight ferry service. In August 2017, Craig Johnson of Flagship Management, Inc. issued his initial report on the feasibility of a freight ferry service between New Bedford and Martha's Vineyard, and his report was consistent with the report that the SSA's staff issued in April 2016 regarding the operating parameters for the potential service. Mr. Sayers noted that Mr. Johnson similarly had identified the New Bedford State Pier as a possible freight ferry terminal for the service, although he had also observed that it needs substantial repairs before it could be used for this purpose. Finally, Mr. Sayers reported that MassDevelopment had issued a request for proposals from maritime business and operations consultants to assist in the transition of the New Bedford State Pier's management and provide strategic analysis and advice regarding current pier operations, improving pier physical conditions, and attracting additional maritime activity and revenue. Mr. Sayers stated that proposals in response to the RFP were due by December 11, 2017, that Mr. Johnson had informed him that he was submitting a proposal in response to the RFP, and that MassDevelopment anticipated selecting one or more consultants by January 9, 2018.
7. The Board approved the staff's proposed revisions to the SSA's Customer Handbook and Rules and Regulations Governing Public Conduct on Terminal Property to prohibit the "vaping" or other use of e-cigarettes in the same manner as the SSA already prohibits smoking, and also to prohibit the smoking or other use of marijuana anywhere in or upon any SSA vessel or on any SSA property. The SSA's policies now explicitly prohibit smoking or otherwise using marijuana anywhere on SSA vessel or property. However, they only prohibit the "vaping" of e-cigarettes where the smoking of regular cigarettes is similarly prohibited. Customers are allowed to smoke cigarettes in designated areas at the SSA's terminals away from other passengers, but they are not allowed to smoke anywhere on any of the SSA's ferries, in any of the SSA's buildings, on any terminal ramps or in the vicinity of any passenger waiting queues, or in any other place on the terminal where the SSA specifically prohibits smoking.

8. Barnstable Board Member Robert Jones suggested that the staff investigate whether the SSA should have Centerplate sell hats at the SSA's terminals and on its ferries with the different names of the SSA's ferries on them, observing that it would be simple to sell hats this way, there is a demand for them, and it would be good marketing. However, with everything else going on at the moment, the Board decided to wait until their April 2018 meeting to discuss this subject further.
9. The Board awarded Contract No. 08-2017 for an emergency generator for the Fairhaven Vessel Maintenance Facility to the lowest eligible and responsible bidder for the contract, Brite-Lite Electrical Co., Inc. of Weymouth, Massachusetts, for a Total Contract Price of \$302,000. During power outages, the emergency generator will be able to power not only the facility's shops, but also the vessels that are in repair there.
10. The Board also awarded Contract No. 20-2017 for dry-dock and overhaul services for the *M/V Iyanough* to the lowest eligible and responsible bidder for the contract, Fairhaven Shipyard of Fairhaven, Massachusetts, for a Total Contract Price of \$329,050. The *M/V Iyanough* will be stored shoreside in Fairhaven beginning January 5, 2018 and will then be in the shipyard from February 16th through March 20th for hull examination, cleaning and painting, superstructure painting, water jet inspections, and ride control inspection and maintenance.
11. The Board also authorized Mr. Davis to purchase four 46-passenger transit buses from Anderson Blue Bird Bus Sales of Providence, Rhode Island, for a total price of \$688,820, pursuant to a contract that was competitively solicited under the Uniform Municipal Contracting Law. The passenger seating arrangement in these new buses will be different than the perimeter seating arrangement in the SSA's current buses. Beginning in November 2016, the National Highway Traffic Safety Administration has required all new buses of this size to be equipped with lap and shoulder belts for each driver and passenger seat. To comply with this requirement, all passengers on these new buses will sit side-by-side facing forward, with rows of two seats on each side of the bus divided by a middle aisle.
12. The Port Council's current Chairman, Tisbury Port Council member George Balco, announced that, at their meeting earlier this month, the Port Council had voted to elect the following members to be their officers for the year 2018: Oak Bluffs Port Council member Robert Huss as Chairman; New Bedford Port Council member Edward Anthes-Washburn as Vice Chairman; and Barnstable Port Council member Eric Shufelt as Secretary
13. SSA Chairman Moira Tierney announced that, in accordance with the SSA's Enabling Act, on January 1, 2018, Nantucket Board Member Rob Ranney will become the SSA's Chairman for next year. Pursuant to their by-laws, the Board also elected Barnstable Board Member Robert Jones to serve as the SSA's Vice Chairman and Dukes County Board Member Marc Hanover to serve as the SSA's Secretary next year.

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

14. The Board voted to ratify a new collective bargaining agreement with Teamsters Union Local No. 59 governing the terms and conditions of employment for the SSA's unlicensed vessel employees, and Mr. Sayers noted that, the previous day, the employees in that bargaining unit also had voted to ratify that agreement.
15. The Board also voted to ratify an amendment to the SSA's collective bargaining agreement with SEIU Local 888 governing the terms and conditions of employment for the SSA's Customer Services Department employees, and a proposed participation agreement with the Massachusetts Employers/SEIU Local 888 Health and Welfare Fund, which will be providing medical coverage for those employees beginning on January 1, 2018.

The next regular monthly meeting of the SSA's Board is currently scheduled for 10:00 a.m. on Tuesday, January 16, 2018 in a yet-to-be-determined location in Falmouth, Massachusetts. The time and date of the meeting are also subject to change, so please look for the formal notice for the meeting that will appear on this website next month. Thank you.