

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

April 7, 2021

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

Port Council Members present: Vice Chairman Eric W. Shufelt of Barnstable; Secretary Robert S.C. Munier of Falmouth; Mark H. Rees of Fairhaven; Nathaniel E. Lowell of Nantucket; Joseph E. Sollitto Jr. of Oak Bluffs; and John Cahill of Tisbury (all of whom participated via Zoom videoconferencing).

Port Council Members absent: Chairman Edward C. Anthes-Washburn of New Bedford

Authority Board Members present: Chair Kathryn Wilson of Falmouth; and members Robert R. Jones of Barnstable and James M. Malkin of Dukes County (all of whom observed the meeting via Zoom videoconferencing).

Authority Management present: General Manager Robert B. Davis; Treasurer/Comptroller Mark K. Rozum; General Counsel Terence G. Kenneally; Communications Director Sean F. Driscoll; Director of Marine Operations Mark H. Amundsen; Woods Hole Reconstruction Project Manager William J. Cloutier; Director of Shoreside Operations Alison A. Fletcher; Director of Human Resources Janice L. Kennefick; and Health, Safety, Quality, and Environmental Manager Angela M. Sampson.

1. Mr. Shufelt called the meeting to order at 9:02 a.m.
2. Mr. Shufelt announced Mr. Driscoll was making a video and audio recording of today's meeting.

3. Mr. Shufelt announced that, in response to Gov. Charlie Baker’s executive orders concerning the necessity to conduct public meetings in line with social distancing guidelines during the current state of emergency involving the COVID-19 pandemic, all of the Port Council members were participating remotely in the day’s meeting because their physical attendance would be unreasonably difficult. All the members were participating via Zoom videoconferencing and were clearly audible to one another. As a result of the members’ remote participation, all votes taken were to be by roll call vote.
4. Upon a motion by Mr. Lowell and a second by Mr. Sollitto, the Port Council **voted** 6-0 to approve the minutes of their meeting in public session on March 3, 2021.
5. Mr. Davis provided an update on the Authority’s activities and performance regarding the COVID-19 pandemic, including the following:
 - The Authority has continued its cleaning and sanitization efforts, including the use of electrostatic sprayers along with backpack foggers on a daily basis to dispense hospital-grade disinfectant, along with a prolonged antimicrobial agent for longer protection.
 - Since Gov. Baker’s COVID order requiring masks and President Biden’s issuance of Executive Order 13998 requiring mask usage, an overall improvement with compliance has been observed, although mask wearing compliance remains a challenge. An amendment was later issued to the federal executive order allowing masks to be lowered when individuals are eating or drinking.
 - Vessel crews, before the beginning of their watch, are given a wellness screening by a trained medical professional. Shoreside personnel are given the wellness questionnaire, which they need to complete and provide to their supervisor in order to be given clearance to report to work or be sent home.
 - Employees have been told that under no circumstances should they be coming to work while they are sick, for their own safety, the safety of their fellow crewmembers and for the safety of passengers. If any employee comes to work sick, they will be sent home – period.
 - Staff continues to monitor demand for vehicle space, but at this point, it is anticipated that the schedule that began on April 1, 2021, will remain in place through its scheduled end on May 18, 2021.
 - The Authority has created a dedicated landing page on its website for coronavirus updates (www.steamshipauthority.com/2019coronavirus), as well as its Facebook and Twitter pages, its eNews and local media outlets. Mr. Davis noted that, since its inception, the landing page had seen more than 138,000 visits, with approximately 3,600 visits in the last thirty (30) days and more than 1,000 visits in the past seven (7) days.
 - As transportation workers became eligible to receive a COVID-19 vaccine effective March 22, 2021, the Authority has been working with the Massachusetts Department of Public Health, Cape Cod Healthcare and the Barnstable County Department of Health and Environment to arrange vaccine distribution for its personnel. Cape Cod Healthcare offered two (2) days of vaccine clinics at the Cape Cod Melody Tent, and

the county is holding three (3) days of vaccinations for local transit workers next week at the Authority's Hyannis Terminal, Cape Cod Gateway Airport and the Authority's administrative office in Falmouth. Mr. Davis said a significant amount of the Authority's employees have already been vaccinated on their own or will be vaccinated at one of those sessions.

Mr. Munier asked who would be included in the upcoming vaccination clinics, and Mr. Davis stated it would include the Cape Cod Regional Transit Authority, Cape Air, Hy-Line Cruises, and similar agencies. Additionally, employees in all aspects of the Authority's organization would be able to take part.

Mr. Cahill asked if the Authority was requiring vaccines for its employees. Mr. Davis said that was an ongoing conversation and clear guidance had not yet emerged on the issue, but he said he was hopeful that everyone would want to get a vaccine if they are eligible. He said he anticipated a high percentage of the Authority's employees would be vaccinated. Mr. Munier asked how the vaccination status would be tracked; Mr. Davis said the Authority runs a fine line with privacy issues in that regard, but most employees have volunteered their vaccination status, although some may have privacy concerns.

Mr. Davis noted the Port Council had been provided with an update as to advance reservation activity, which shows the Authority was essentially on par with vehicle bookings compared to pre-COVID-19 data.

6. Mr. Rozum then reviewed via a PowerPoint presentation the February 2021 business summary, which showed that the Authority carried fewer passengers (down 21.4%), automobiles (down 4.7%) and trucks (down 3.2%) than it did in February 2020. Year-to-date figures show the Authority has carried fewer passengers (down 20.4%) and automobiles (down 1.7%) but more trucks (up 0.4%) than it had during the same time period in 2020.

In February 2021, the Authority had approximately \$4,492,000 in income and \$8,597,000 in expenses for a net operating loss of \$4,105,000, which was \$549,000 less than budgeted. Year-to-date figures show the Authority has a net operating loss of \$7,479,000, approximately \$1,506,000 less than the budgeted amount.

In February 2021, the Authority's vessels made a combined 1,268 trips, of which three (3) were canceled for mechanical reasons on the Vineyard route and zero (0) were canceled for mechanical reasons on the Nantucket route

Mr. Lowell noted the hazardous material trips on the Nantucket route contributed a large amount of revenue in the off-season and asked if the precise amount could be calculated for the benefit of the other Port Council members; Mr. Rozum said he could determine that figure.

7. Mr. Cloutier shared a PowerPoint presentation of recent activity from the Woods Hole Terminal Reconstruction Project. Mr. Munier thanked him for including a financial update on the project per his earlier request.

Mr. Cahill noted the project was currently eighteen percent (18%) over the bid total and asked how far away it was from completion. Mr. Cloutier noted this was the last phase of the marine work and that this construction season has presented challenges, so additional change orders are likely.

Regarding the timeline for the remaining work on the marine project, Mr. Davis said the south passenger pier has not been a priority given the challenges posed by several of marine contractor Jay Cashman Inc.'s work force being out due to COVID-19. It is still anticipated that, when Slip No. 1 is completed, the passenger pier will not be finished so passengers will have to load over the transfer bridge.

Regarding the south head dolphin, which Mr. Cloutier mentioned in his presentation, Mr. Davis said the Board recently approved the purchase of materials as part of a plan to install a gravity structure due to obstructions encountered while pile driving. In response to a question from Mr. Munier, Mr. Cloutier said that dolphin was supposed to be supported by ninety (90) foot piles driven to forty-five (45) feet deep.

Mr. Cahill asked how much more the work would cost before it was completed; Mr. Davis said it would depend on the material and time costs to address the remaining monopiles that had not been driven to their designed depth. Mr. Davis reviewed the terms of the contract with Jay Cashman Inc. and said it was likely it would come in twenty percent (20%) to twenty-two percent (22%) over that amount. In response to a question from Mr. Rees, Mr. Davis said the project was being funded from bond sales and the Authority's Replacement Fund. He noted that those funding sources would be sufficient to complete the project, and added that the reason for the project as a whole was the poor state of the existing facilities and that the Authority must care for its shoreside facilities as well.

8. Mr. Davis said the first community input session on the landside design phase of the project had been held on March 23, 2021, via Zoom. The project's design team, led by BIA.studio, was on the call to discuss design criteria and objectives, and subsequent sessions will be held when the project's schematic design phase reaches approximately ninety percent (90%) completion and when the subsequent design development phase hits the forty percent (40%) and ninety percent (90%) thresholds.

Mr. Davis said the biggest changes to the plans have been a reconsideration of site circulation given his concerns about bicycles coming down the Shining Sea bike path and crossing traffic to park a bike at what was going to be a bike park adjacent to Railroad Avenue. Instead, the Authority will establish bicycle parking along the northern terminus of the site, where approximately 200 bicycles could be accommodated, and would provide for a safer situation. It also gives the Authority the opportunity to do something more inviting with Cahoon Park, including restoring the granite and plaques that had been there.

Mr. Davis said the Authority is investigating having the landside facilities achieve “Net Zero” energy status. To that end, several sites have been identified as ones where solar panels could be installed, including over the bike lanes, the pick-up and drop-off areas, and the employee parking lot.

Mr. Davis said staff have identified a list of community concerns and that, by the time of the next community meeting, they will be addressed in some manner.

9. Mr. Amundsen shared a PowerPoint presentation regarding the dry docking of the *M/V Governor* at Thames Shipyard in New London, Connecticut. The highlights of the project include an ultra-high pressure blast of the main deck; repair of a damaged rudder taper; shaft repairs; and an overhaul of the emergency diesel generator and alternators. The contract price with credits was \$808,183; following change orders, the updated price stands at \$1,096,401.
10. Regarding the Safety Quality Management System (“SQMS”) project, Mr. Davis provided the following updates from project vendor Safety Management Systems LLC (SMSLLC):
 - Vendor SMSLLC completed onsite training March 15-26, 2021, to introduce personnel to Phase 2 and Phase 3 documentation – the SQMS Guide, the Vessel Operations Manual (VOM) and Terminal and Facilities Operations Manual (TFOM) – They were able to reach all appropriate personnel in a combination of in-person and online training.
 - SMSLLC will return to the Authority in the next week to present hard copies of the VOM and TFOM to each vessel and facility and to see if there are any concerns regarding the products. The goal remains to have the SQMS certified by June as soon as the Support Operations Manual is complete.
 - The Authority is working on a digital incident-reporting program that can be used in the event of an injury or accident on board a vessel that will allow staff to directly upload photographs and necessary documentation to record the incident.

Mr. Munier asked what the sense was as to the impact and value of the project, and Mr. Davis said he was pleased with the reception it received at the recent training sessions from vessel crew and terminal employees, all of whom reported seeing great value to the project. He added this is definitely the direction the industry is going in so the Authority will be ahead of the curve.

11. Mr. Driscoll then provided the following updates on the website redesign project:
 - An online survey to gather customer feedback about what works and what does not on the Authority’s current website closed on March 21, 2021, after being open to the public for thirty (30) days. A total of 1,886 participants completed the survey, far above the threshold for a statistically viable sample that was set at 1,000 survey responses.

- Consumer Insight Associates also conducted telephone interviews to get more in-depth input on the website redesign from key stakeholders. Of the list of twenty-eight (28) individuals provided to them, they completed interviews with twenty-three (23).
- Consumer Insight Associates will present the full results to the project team this afternoon. From there, the project team, along with consulting firm Regan Digital Studio, will use the results to help develop the request for proposal (RFP).
- Four of the qualified participants of the online survey were randomly selected to receive a \$500 gift card, either from Amazon.com or a local merchant of their choice.
- The project team expects to issue the RFP in May 2021, and bring a recommendation to the Board for a vote in September 2021.

Mr. Munier asked for some top-level results of the survey; Mr. Driscoll noted that many of the features requested by the respondents were already part of the current website, which indicated that the challenge was a better user experience to allow them to find those features more easily.

12. Mr. Davis presented his 2021 goals as approved by the Board at its March meeting:

1. Complete Phase 4 of the reconstruction of the Woods Hole Terminal (marine work) before the start of the 2021 Summer Operating Schedule on June 23, 2021.
2. Complete the schematic design phase, as well as the design development phase, for the Woods Hole Terminal Building and Utility Building including opportunities for community engagements and obtain the necessary permitting for the construction of the same.
3. Issue an invitation for bids and the award of a contract for the construction of the Authority's new maintenance warehouse, shops and office facility at the Authority's Falmouth Maintenance site on Bernard St. Jean Drive, subject to availability of funding.
4. Oversee a study of a website upgrade/redesign in preparation for the solicitation of proposals and award of a contract for the redesign of the website and/or development of a mobile app to begin in fall 2021.
5. Issue an RFP and the award of a contract for a qualified solar developer to develop solar array canopies at the Authority's Thomas Landers Parking Facility.
6. Complete a Fleet Useful Life, Functional Obsolescence Survey as the initial stage in the Authority's vessel replacement program.
7. Complete an evaluation on the feasibility for alternative power technology systems for the Authority's vessel replacement program.
8. Complete the development and implementation of the Safety Quality Management System (SQMS) in order to achieve certification during June 2021.
9. Pursue capital grant funding opportunities from the U.S. Department of Transportation's Federal Transit Administration and other federal and state agencies.

In response to a question from Mr. Shufelt, Mr. Davis stated the Board kept his goals on a July-June cycle, but most of his goals would likely carry over to the following year.

Mr. Lowell asked when the last Fleet Useful Life, Functional Obsolescence Survey had been done; Mr. Davis said it was in 2012, with an update in 2018. Mr. Lowell said the Authority needed to distinguish between obsolescence and age of the vessels, as well as which vessels could handle both routes to provide operational flexibility.

Mr. Rees said he thought the goals were well-stated and measurable, with the exception of No. 9, which would be an ongoing issue.

Mr. Munier asked about the status of the strategic planning project; Mr. Davis said the RFP that had been prepared in 2020 was put on hold due to the onset of COVID-19 but he expected it would be restarted this year. He said he had been hesitant to start the vessel survey given the imminence of restarting the strategic planning RFP, but he had decided the survey could not wait as the Authority could not wait much longer to determine what the needs for its next vessel are.

Mr. Lowell noted many public bodies now have strategic plans and it can be difficult to determine which set of plans each is supposed to follow, and said the Port Council and Board should be careful to distinguish what the general manager should be doing versus what the organization should be doing.

13. Mr. Davis then reviewed with the Port Council his assessment of a prior request to investigate amending the Enabling Act to allow for the creation of a “rainy day fund” to deal with unexpected losses such as those experienced during 2020 due to COVID-19. Mr. Davis reviewed the Act’s requirements as to how revenue derived from operations must be set aside each month to specific funds in a specific order, as well as the limits on how much cash can be held by the Operations Fund each month. If that limitation were to change, Mr. Davis said the Authority would have to either transfer less into the subsequent funds, which would negatively affect its ability to pay its bonds and save for capital projects, or would have to raise rates to generate the additional revenue.

Mr. Davis said the creation of such a fund would present other questions, such as how much would be in it, how it would be funded, and the potential uses of the funds.

Additionally, Mr. Davis stated the Enabling Act already provided a mechanism for relief – the ability, via Section 9 of the Act, for the Authority to either borrow money or issue revenue notes. He noted that the Board authorized the creation of a \$10,000,000 line of credit in May 2020 with Martha’s Vineyard Savings Bank, and said in his opinion that served the same purpose as a “rainy day fund.” The Authority did not have to use the line of credit, and he would not budget in anticipation of using it, but it does serve as a backstop to the Authority’s finances.

In conclusion, Mr. Davis noted that it took fifty-eight (58) years and a pandemic for the Authority to face this issue, so he was of the opinion that the Enabling Act was sufficient and authorized enough options to serve the purpose that would be accomplished by a new fund.

Mr. Lowell said he appreciated the analysis and said, when the idea was broached, there was great uncertainty about COVID-19 and its effect on the Authority.

Mr. Sollitto said he agreed with Mr. Davis' recommendation and said the less the Authority has to deal with its operations via legislation, the better off it would be. Mr. Davis noted the Authority had been having ongoing conversations with the Executive Office of Administration and Finance about the Enabling Act and that, while it took a while, officials in that office were now cognizant of how the Authority's funding worked and how long it had been able to operate without assistance from the state.

14. Mr. Davis then reviewed with the Port Council the results of the 2021 pre-season sale promotion on the Authority's high-speed ticket books. This year, the sale resulted in 3,199 ticket books sold generating \$714,541 in revenue for the Authority at a cost of \$178,708 due to the discount offering. The total represented a thirty-three percent (33%) increase in the number of books sold compared to the 2020 preseason sale.

Mr. Lowell noted he saw the sale advertised on Daybreak Nantucket and said he was pleased to see it promoted in ways other than through the newspaper. He said this was the first time he could remember that he did not have anyone ask him when the sale ended.

15. In response to a prior question about the bond rating used for the Authority's borrowing, Mr. Rozum stated it was the state's bond rating, which currently stood at AA1.
16. In response to a call for old or new business from the Port Council, Mr. Sollitto stated he recently had occasion to return to the island on the *M/V Woods Hole* and there was no luggage cart on the vessel, which made it difficult for his party to navigate with their suitcases. Mr. Davis stated the vessel typically does not use carts when it is on the Vineyard route, but it does on the Nantucket route, and stated staff was currently evaluating the use of luggage carts due to the space they took up on the vehicle deck.
17. Mr. Shufelt then asked for public comment. Dukes County Commissioner Leon Brathwaite asked if the southern head dolphin would have any protection on it so it would not be damaged by a vessel; Mr. Davis said it would have a fendering system installed. Additionally, the monopiles on the southern side of the slips typically do not take the brunt of the impacts, although the Authority needed to ensure it had established a safe approach for the vessels.

Mr. Brathwaite then stated he did not know he could set a default departure port for his trips on the website despite having a profile for twenty (20) years.

18. Mr. Davis then thanked the Barnstable County Department of Health and Environment for its support in setting up vaccine clinics for local transportation workers.

Then, at approximately 10:48 a.m., upon a motion from Mr. Sollitto and a second from Mr. Lowell, the Port Council **voted** 6-0 to adjourn its meeting.

A TRUE RECORD

Robert S.C. Munier, Secretary

Documents and Exhibits Used at the Port Council’s April 7, 2021 Meeting

1. Agenda for the Port Council’s April 7, 2021 Meeting, posted April 2, 2021.
2. Minutes of the Port Council’s March 3, 2021, Meeting in Public Session (draft dated April 5, 2021).
3. Advanced Reservation Activity by Month, All Routes as of March 21, 2021, and March 28, 2021.
4. PowerPoint presentation, Business Summary – February 2021, dated April 7, 2021.
5. Business Summary, February 2021 (draft).
6. PowerPoint presentation, Woods Hole Terminal Reconstruction Project, dated April 7, 2021.
7. Landside Design Community Forum presentation, March 2021.
8. PowerPoint presentation, *M/V Governor* dry dock, undated.
9. General Manager’s Goals for the Year 2021.
10. Staff Summary #COMM 2021-02, Results of the 2021 Pre-season Promotion for High-Speed Passenger Ticket Books, dated April 5, 2021.
11. Staff Summary #GM-756, Enabling Act Provisions for Funding, dated April 6, 2021.