

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

August 4, 2021

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

Port Council Members present: Chairman Edward C. Anthes-Washburn of New Bedford (who joined the meeting at 9:04 a.m.); Vice Chairman Eric W. Shufelt of Barnstable; Secretary Robert S.C. Munier of Falmouth (who joined the meeting at 9:03 a.m. following the recording and remote participation announcements); Mark H. Rees of Fairhaven (who joined the meeting at 9:03 a.m. following the recording and remote participation announcements); Nathaniel E. Lowell of Nantucket; Joseph E. Sollitto Jr. of Oak Bluffs; and John Cahill of Tisbury (all of whom participated via Zoom videoconferencing).

Authority Board Members present: Chair Kathryn Wilson of Falmouth and member Robert R. Jones of Barnstable (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; Reservations and Customer Relations Manager Angela C. Campbell; Woods Hole Reconstruction Project Manager William J. Cloutier; 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 9:01 a.m.

2. Mr. Davis announced that, pursuant to the Section 20 of Chapter 20 of the Acts of 2021 and in line with social distancing guidelines followed during 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.
3. Mr. Davis announced Mr. Driscoll was making a video and audio recording of today's meeting.
4. Upon a motion by Mr. Sollitto and a second by Mr. Lowell, the Port Council **voted** 7-0 to approve the minutes of their meeting on July 14, 2021.
5. Mr. Rozum reviewed via a PowerPoint presentation the June 2021 business summary, which showed the Authority carried fewer passengers (down 11.1%), more automobiles (up 1.5%), and fewer trucks (down 5.1%) than it did in June 2019, the month used for budget purposes. Year-to-date figures versus budgeted estimates show the Authority has carried fewer passengers (down 11.9%), more automobiles (up 4.0%) and fewer trucks (down 0.9%) than anticipated.

In June 2021, the Authority had approximately \$15,176,000 in income and \$9,915,000 in expenses for a net operating income of \$5,261,000, which was \$194,000 higher than budgeted. Year-to-date figures show the Authority has a net operating loss of \$2,674,000, approximately \$2,831,000 less than the budgeted amount. Mr. Rozum said several maintenance expenses planned for the spring were delayed until the fall when the full effects of COVID-19 on the Authority's finances could be determined.

Mr. Lowell said the traffic statistics should be publicized as people believe Nantucket is "above capacity," but it is not. Mr. Sollitto said the Vineyard traffic patterns seem to point to more people coming to the island earlier, as he noticed traffic getting heavier earlier in the season. Mr. Rozum said traffic statistics from 2020 did show a net increase of cars on the islands but it was possible some of those vehicles had since departed.

Mr. Munier thanked Mr. Rozum for his presentation and said it helps the Port Council better understand the Authority's financial situation.

6. Mr. Rozum said traffic for the first three (3) weeks of July show passengers were down 15.5%, automobiles were flat, and trucks were up 1.2% compared to budget. Given the poor weather around the Independence Day holiday, Mr. Rozum said the figures were relatively good. In response to a question from Mr. Lowell, Mr. Rozum said the fast-ferry traffic was down approximately sixteen percent (16%) compared to budget.

Mr. Munier said the Authority's traffic numbers tend to be leading indicators for the islands; Mr. Davis noted the Authority was close to its budget projections on vehicles and slightly below its projections for passengers. He said the dynamics of the pandemic are continually changing and the Authority's performance in the upcoming month would be a telling period for its ability to put aside revenues needed for the summer months.

Mr. Sollitto asked if Hy-Line Cruises' numbers were down as well; Mr. Rozum said the data on the business summary did not compare the current figures to pre-pandemic data, but he could get that information for the members and report back to them.

7. Mr. Davis provided the following updates on the Woods Hole Terminal Reconstruction Project:

- Lawrence Lynch Corp. poured concrete around the steel castings in the ground and installed the concrete foundations for the vehicle bollards. Lawrence Lynch Corp. then prepared the work site for the finish course of pavement and completed the paving. Lawrence Lynch then began installing the vehicle bollards.
- The electricians connected the permanent power to the transfer bridge and pulled the lighting cables and communication cables.
- Jay Cashman Inc.'s crew installed the fender and mooring bollard on the north head dolphin. Cashman worked on the north head dolphin access platform and grouted the north bulkhead railing in place. Cashman's crew then completed the north head dolphin access platform and installed the ticket booth.
- The canopy carpenters completed the canopy trim woodwork. The canopy glass contractor completed installation of the glass hardware and started installing the glass roof panels.
- The plumber installed the piping for the water meter on the utility pad and the fuel oil contractor worked on and completed the fuel oil distribution panel. The plumbing contractor completed the landside potable water work.
- The railing contractor installed the bulkhead railing on the north side of the site.

Mr. Davis noted the Authority has sent 158 community email updates for the project.

Mr. Cloutier shared a PowerPoint presentation of recent activity from the site, including a cost update showing change orders of \$9,701,251, or 23% of the original contract, for a total cost to date of \$52,844,531, or \$845,369 below the original waterside cost estimate. Mr. Munier asked where the project would end up financially; Mr. Davis said the Authority was continuing to work on those figures but stated there were several larger items that still had to be dealt with, including monopile No. 31, which will require drilling inside the monopile to reinforce it with concrete, and monopile No. 24.

Mr. Shufelt asked if the slip would be available for use in the fall; Mr. Davis said there will still be work ongoing there this fall, but it was hoped that it would be available to some degree by the end of the year.

8. Regarding the landside design, Mr. Davis said the project’s design team, led by BIA.studio, continues to discuss design criteria and objectives. As the team begins moving into the Design Development phase, the mechanical systems subcontractor has been developing the specifications for the HVAC system. As part of that evaluation, a life-cycle cost study is being performed to identify initial capital cost and annual operating costs to determine the benefits of a conventional HVAC system versus the geothermal/photovoltaic system being considered in order to make the terminal and utility building a “Net Zero” energy project. The evaluation is expected to be completed later this month.

Mr. Lowell asked if the subcontractor had experience in this field; Mr. Davis said they did, and the initial indicators are looking very favorable for the Authority. He further noted that the project would have both geothermal and solar installations at the site.

9. Regarding the Safety Quality Management System (SQMS) project, Ms. Sampson said the project’s consultants from Safety Management Systems LLC (SMSLLC) would be on-site later in the month with the intention of rolling out hard implementation of the Vessel Operations Manual (VOM) and Terminal and Facility Operations Manual (TFOM). In response to a question from Mr. Anthes-Washburn, she stated this phase takes thirty (30) to sixty (60) days to make sure personnel understand all the policies, procedures and checklists.

10. Mr. Driscoll then provided the following updates on the website redesign project:

- More than thirty (30) agencies have requested, and been sent, the RFP after it was issued June 1, 2021.
- Four (4) addenda have been issued to the RFP as questions have come in from potential bidders.
- The due date remains August 16, 2021.
- The project team expects to then review the proposals and bring a recommendation to the Board at its September or October 2021 meetings.

11. Mr. Amundsen presented a PowerPoint with an update on the dry docking of the *M/V Gay Head* at Thames Shipyard in New London, Connecticut. The highlights of the work performed included the port propeller shaft alignment and blasting and coating the port side of the vessel, along with the installation of a new fire detection system, blasting and coating of potable water and ballast tanks, and an overhaul of the anchor windlass. The current project cost with credits and change orders is currently \$1,139,945, he said. Mr. Amundsen noted the vessel would now be at the shipyard until August 13, 2021, due to the shaft and alignment work.

Mr. Munier asked about the useful life of the ship; Mr. Amundsen noted that extensive steel gauging and life assessment was being done to evaluate that question. Mr. Davis further noted that a fleet survey is being conducted, which would provide additional

information on the condition of not only the *M/V Gay Head* but the rest of the Authority's vessels.

12. Mr. Davis then presented the 2022 Summer and Fall Operating Schedules for the Nantucket route. He noted that, in March, the Authority placed newspaper advertisements of its proposed 2022 Winter, Spring, Summer and Fall Operating Schedules for both its Martha's Vineyard and Nantucket routes for the period from January 5, 2022, through January 2, 2023. Notices of the proposed schedules were also published for public comment on the Authority's website. After receiving a petition regarding its proposed schedules signed by 103 residents of the Town of Falmouth, a public hearing was held May 3, 2021. At and since that hearing, the only comments received regarding the proposed 2022 Summer and Fall Operating Schedules for the Authority's Nantucket route sought an increase in trips or vehicle allocations.

Mr. Davis said the proposed Summer Operating Schedule would run from May 17, 2022, through October 19, 2022, starting two (2) days earlier and one (1) day later than in 2021. The proposed schedule is essentially the same as 2021 with the exception of the assigned vessels and the start and end dates of those vessels. Additionally, staff is proposing to triple crew the *M/V Sankaty* during the Early Summer Operating Schedule (May 17, 2022 through May 25, 2022 and June 1, 2022 through June 21, 2022) and to do the same for the *M/V Gay Head* for the late summer schedule (September 8, 2022, through October 19, 2022). Mr. Davis noted that extra service was needed on that route more often than not, so preparing to triple-crew the vessel will better allow the Authority to assign crews to the trips in advance of their sailings.

The Fall Operating Schedule, as proposed, would run October 20, 2022, through January 2, 2023, starting one (1) day later and ending two (2) days earlier than in 2021. The proposed schedule is essentially the same as 2021 with the exception of the assigned vessels and the start and end dates of those vessels, Mr. Davis said.

The proposed 2022 high-speed ferry schedule would run March 30, 2022, through January 2, 2023, starting two (2) days earlier and ending two (2) days earlier than in 2021. The vessel would be triple-crewed from May 19, 2022, through October 18, 2022; it would be double-crewed otherwise.

Mr. Lowell said the triple-crewed vessels may be "too much" service for the Nantucket route and that the Authority may need to see how it plays out. Mr. Davis said, based on the traffic in fall 2020, the *M/V Gay Head* triple-crewing is warranted, but staff would look at the traffic demands this year as well. If an adjustment needs to be made, trips can be consolidated as warranted, he said.

Mr. Lowell asked if the Authority needed to continue to run its traditional Memorial Day "flip" of vessels on the Nantucket route; Mr. Davis said there are different elements to that short schedule change, including passenger traffic increases and the spruce-up period for the *M/V Eagle*.

Mr. Sollitto asked if crews would be on stand-by in cases where trips were consolidated; Mr. Davis said they would be but there would be savings realized by not using fuel for those trips. Additionally, calling in a crew is less efficient than having a crew assigned in advance.

Then, after a motion by Mr. Sollitto and a second by Mr. Shufelt, the Port Council **voted** 7-0 to recommend approval of the 2022 Summer and Fall Operating Schedules for the Nantucket route to the Board.

13. Mr. Rozum stated the Hy-Line passenger figures Mr. Sollitto asked about showed the company's Vineyard service was up about 1,100 passengers, or 4.6%, compared to 2019, while their Nantucket service was down approximately 17.5%, which was a similar amount to the Authority.
14. Mr. Rozum then reviewed the proposed transportation agreement with the Martha's Vineyard Regional High School District, which each year establishes a fixed-price contract for the transportation of student groups, teachers, administrators and game officials on school-approved travel. The agreement runs concurrently with the school year; in this case, the 2021-2022 school. The current agreement establishes a fixed price of \$55,000 for the year; for the upcoming year, staff is recommending a fixed price of \$33,000, which reflects the lower amount of travel occurring in light of COVID-19. The agreement also includes additional language for travel related to special education for out-of-district placements.

Mr. Davis noted the Vineyard schools have taken this approach for certainty in regards to its budget process; on Nantucket, the same discount of fifty percent (50%) is offered, but the district is billed for actual travel instead of for a flat fee.

Then, upon a motion by Mr. Sollitto and a second by Mr. Cahill, the Port Council **voted** 7-0 to recommend approval of the agreement to the Board.

15. Mr. Davis then presented his proposed goals for July 1, 2021, through June 30, 2022, as follows:
 - 1) Complete Phase 4 of the reconstruction of the Woods Hole Terminal (marine work) before the start of the 2022 Summer Operating Schedule on May 17, 2022.
 - 2) Complete 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 the solicitation of proposals and award of a contract for the update/redesign of the website and/or development of a mobile app to begin in fall 2021.

- 5) Oversee the solicitation of proposals and the award of a contract for a qualified solar developer to develop solar array canopies at the Authority's Thomas B. Landers Road Parking Facility to begin in fall 2021.
- 6) Complete a Fleet Useful Life, Functional Obsolescence Survey as the initial stage in the Authority's vessel replacement program by December 31, 2021.
- 7) Complete an evaluation on the feasibility for alternative power technology systems for the Authority's vessel replacement program by December 31, 2021.
- 8) Complete the development and implementation of the Safety Quality Management System (SQMS) in order to achieve certification by December 31, 2021.
- 9) Issue an invitation for bids and the award of a contract to incorporate findings of the independent review conducted by HMS Consulting & Technical LLC to improve operations with regards to the Strategic Planning initiative.
- 10) Pursue capital grant funding opportunities from the U.S. Department of Transportation's Federal Transit Administration and other federal and state agencies.

Mr. Anthes-Washburn asked if Mr. Davis was monitoring the progress of the infrastructure bill in Congress for funding opportunities; Mr. Davis said earlier versions of the bill indicated there were some programs the Authority could access, and he planned to review the final bill further.

Mr. Rees noted that some projects had received funding through an earmarking process and asked if the state's Congressional delegation had done so for the state. Mr. Davis said he was not aware of any state-specific earmarks, but he said as the bill has moved forward the language in it changes quite often. He noted U.S. Rep William Keating, D-Mass., has been very active in finding funding for the Authority in the past. Mr. Rees said it is critical to make sure the Authority's interests are protected in that regard.

Mr. Rees made a motion, which was seconded by Mr. Lowell, to recommend the goals as presented.

Mr. Munier said he recognized the need for the goals to be measurable, which most of these are, but he said there are some important items that are more qualitative as well. He said one of those was the matter of community relations, and that it was important for the Authority to strive to have as good of community relations as possible. He said it is not easy to measure but one can sense the Authority's perception in the community.

Mr. Munier also said he was happy to see vessel replacement activities and strategic planning reflected in the list. He said he does not see examination of freight transit from New Bedford on this list, and said Mr. Davis should continue to think about that.

Regarding the vessel replacement plans, Mr. Lowell said the Authority's vessels are not obsolete in the technical sense but rather in the useability sense. He said the Authority needs to have a realistic approach and it will not be able to afford to pay for everything at once, so the work will need to be done strategically.

Mr. Munier said a vessel replacement plan can have a vision for two decades and it is incumbent on the Authority to do that planning over a long period of time. He said he was

not suggesting the Authority should buy a boat in two years but it should have a vision and a plan, including a plan for paying for it. Mr. Anthes-Washburn said any vessel replacement plan will need to have a financial component to it in order to be thoughtful.

Regarding community engagement, Mr. Anthes-Washburn said he thought it could be measured via items like the Authority's emails to customers and other communication methods, such as the establishment of the Operations and Communications Center. He said the Authority deals in an unpredictable environment so communication is crucial, and over the course of the last several years the staff have done a great job.

Mr. Davis said there are elements of community engagement that are part of his primary responsibilities, but he said the Authority needs to do a better job of it and do more of it. One benefit of the pandemic has been giving the public access to Port Council and Board meetings without having to travel great distances, and staff are looking for mechanisms to continue that live participation. He said items such as budget open houses and the vessel replacement study will provide ample opportunities for community engagement. He further noted that his goals will not be the only things he will be working on in the coming year.

Mr. Munier said he would like to see an eleventh objective added to reflect the community relations matter that would help demonstrate improvement in that regard. Mr. Rees then amended his motion to reflect that suggestion.

Then, upon an amended motion by Mr. Rees, seconded by Mr. Sollitto, the Port Council **voted** 6-0 to recommend approval of the goals as presented with the addition of an eleventh goal regarding the improvement of community relations. (Mr. Cahill was absent from 10:15 a.m. through 10:30 a.m. from the meeting and was not present for the vote.)

16. Mr. Sollitto asked about the changes to the preferred space program discussed at the prior meeting and if they had been implemented yet; Mr. Davis said they had, so the seven-day preferred spaces no longer became available to the public three (3) days before the date of travel. Mr. Sollitto asked if any more thought had been given to staging standby cars at the Palmer Avenue lot; Mr. Davis said it was under review, but noted the traffic issues occurred on reservation-only days as well. He said the backups were happening based on when people were arriving at the terminal and were exacerbated by the Woods Hole drawbridge's opening as well. He said staff was looking at whether or not it would be appropriate to go to reservation-only travel in the near future, although he said it was not a certainty that people would not travel to the Woods Hole terminal to get on a boat without a reservation.
17. Mr. Rees asked the status of the proposed legislation to alter the voting mechanism for the Board. Mr. Davis said the bill currently stands before the Joint Committee on Transportation, which held a hearing the prior week on a number of bills. Some representatives from the local communities presented oral testimony, and the opportunity still existed for written testimony to be presented. Mr. Sollitto noted a letter was sent on behalf of himself, Mr. Cahill and Board Member James M. Malkin opposing the bill. Mr.

Davis said he would send the Port Council and Board members a link to the video of the hearing and any related documents.

18. Mr. Anthes-Washburn then asked for public comment, but none was offered.

Then, at approximately 10:39 a.m., upon a motion from Mr. Sollitto and a second from Mr. Lowell, the Port Council **voted** 7-0 to adjourn its meeting.

A TRUE RECORD

Robert S.C. Munier, Secretary

Documents and Exhibits Used at the Port Council’s August 4, 2021 Meeting

1. Agenda for the Port Council’s August 4, 2021 Meeting, posted August 2, 2021.
2. Minutes of the July 14, 2021, Port Council Meeting in Public Session (draft dated August 3, 2021).
3. PowerPoint presentation, Business Summary – June 2021, dated August 4, 2021.
4. Business Summary, June 2021.
5. PowerPoint presentation, Woods Hole Terminal Reconstruction Project, dated August 4, 2021.
6. PowerPoint presentation, *M/V Gay Head* dry dock, undated.
7. Staff Summary #SO-2021-04, Proposed 2022 Summer and Fall Operating Schedules for the Nantucket Route, dated August 2, 2021 (draft). Advanced Vehicle Reservation Activity by Month, All Routes, as of July 12, 2021.
8. Staff Summary #A-663, 2021-2022 Transportation Agreement with Martha’s Vineyard Regional High School District, dated July 30, 2021 (draft).
9. General Manager’s Goals (Proposed) for the Year July 1, 2021, through June 30, 2022 (undated draft).