

MINUTES:

Steamship Authority Members'
Public and Executive Meetings
Of Dec. 19th/91 at Woods Hole

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Dec. 19th/91
Public Meeting
Page 1

FINAL PUBLIC MEETING of 1991 of Steamship Authority Members was held this date, beginning at 10:30 a.m., at the Marine Biological Laboratory's Candle House in Woods Hole with Nantucket Member Bernard D. Grossman in the Chair.

Attending the day's session alongside Mr. Grossman were Vice Chairman E. B. Collins of Dukes County and Robert L. O'Brien, Member for the Town of Barnstable. Unable to attend was Secretary Robert A. Sayers of Falmouth: funeral services were being held this day for Mr. Sayers' wife's father.

The full Finance Advisory Board was present: William R. Andrews of Falmouth; Norman F. Beach of Nantucket; and Robert C. Murphy of Dukes County.

Management personnel present: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Operations Manager Robert Canha; Personnel Manager Phillip J. Parent; Marketing/Service Planning Manager Diane M. Speers; Maintenance/Engineering Manager Raymond L. Shaffer (and, for his staff, John D. Tuckwood and James P. Swindler); Customer Services/Reservations Manager Gina Barboza; Planning Manager Wesley Ewell; and Ray Martin, public information officer and recording secretary to the Members.

Also present were Woods Hole Terminal Manager Kevin Smith and Counsel Steven Sayers.

Just three persons were in the general audience, in addition to area newsmen. They were: Murray Scudder of Hy-Line (Hyannis); Gary Fauteux of the Cape Organization for the Rights of the Disabled; and Richard Sherman of Falmouth/Vineyard Haven.

THE PUBLIC AGENDA:

- 1: Action on minutes of Nov. 21st and Dec. 3rd
- 2: Action on bills--\$8,085.96 to Foley, Hoag & Eliot, Boston (legal services)
 --\$1,982.50 to Carter Browne, Boston (computer services)
 --\$1,312.50 to Van Riper Associates, Hanson (computer aid)
 --\$10,996.86 to Fordham & Starrett, Boston (legal services)
 --\$10,762.50 to Cosgrove et al, Boston (legal services)
- 3: Action on bids, proposals
- 4: Report of the Treasurer
- 5: Report of the General Manager
 --on Seaman's Bethel
 --on 1992 inter-island agreement
 --on Hy-Line docking agreement
- 6: Election of 1992 officers
- 7: New business
- 8: Public comment; press queries

(more)

MR. GROSSMAN BEGAN the public meeting by expressing regret at the passing of Mr. Sayers' father-in-law, Manuel Freitas, long-time Steamship Authority paymaster who retired some 18 years before Mr. Sayers became Authority Member for Falmouth this year.

IT WAS VOTED (on Mr. Collins' motion, seconded by Mr. Grossman) that for this day the Barnstable Member, Mr. O'Brien, be acting Secretary to fulfill a requirement of the bylaws.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

ITEM #1 (minutes):

IT WAS VOTED (on two separate motions by Mr. Collins, each seconded by Mr. Grossman) to accept the prepared minutes of the Members' public meetings of Nov. 21st and Dec. 3rd.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

ITEM #2 (bills):

IT WAS VOTED (on Mr. Collins' motion, seconded by Mr. Grossman) to pay \$8,085.96 to the Boston law firm of Foley, Hoag & Eliot for October services.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

IT WAS VOTED (on Mr. Collins' motion, seconded by Mr. Grossman) to pay Carter Browne Consulting Services (Boston) \$1,982.50 for computer assistance during November.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

IT WAS VOTED to pay Van Riper Associates (Hanson) \$1,312.50 for computer services during November. Mr. Collins moved for payment, seconded by Mr. Grossman.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(more)

IT WAS VOTED (on a motion by Mr. Collins, seconded by Mr. Grossman) to pay Fordham and Starrett of Boston \$10,996.86 for legal services during October.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

IT WAS VOTED on Mr. Collins' motion (seconded by Mr. Grossman) to pay \$10,762.50 as final payment for legal services provided by the Boston law firm of Cosgrove, Eisenberg and Kiley through November.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(The General Manager was instructed by the Members to advise the law firm its services now are no longer required.)

ITEM #3 (bids, proposals):

IT WAS VOTED to accept the bid price of \$30,512.03 submitted by Cirelli Foods of Brockton to supply processed foods. Mr. Collins moved management's recommendation. Mr. Grossman seconded the motion.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(The Cirelli firm was the previous supplier. Of 16 bid packages sent to various managements, Cirelli's was the only one that responded. Supplies will flow in from Jan. 1st through July 1st, it was reported.)

IT WAS VOTED, as recommended by management, to have Linberg Marine (Fairhaven) reconstruct--for \$27,445-- the catwalk at the Oak Bluffs terminal that was among facilities destroyed by the Aug. 19th hurricane. Mr. Collins moved the award, seconded by Mr. Grossman.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(The Treasurer presently is "negotiating" with government officials --the Federal Emergency Management Agency--as to the extent the Authority might recover disaster relief funds. The destroyed Oak Bluffs catwalk

(more)

was on the list of damaged Steamship Authority properties in the wake of Hurricane Bob. The Treasurer, Mr. Lamson, has been negotiating with FEMA representatives on still-undecided reparations.

(Linberg's price--\$27,445--while lower than three other bidders' prices, nevertheless was considerably higher than expected. Mr. Collins agreed with Mr. Grossman: the catwalk is necessary for safe operation of the terminal and work should be undertaken regardless of what insurance may come later.)

IT WAS VOTED (on Mr. Collins' motion, seconded by Mr. Grossman) to have Joseph Gazeault & Sons of East Weymouth re-roof the hurricane-damaged Oak Bluffs walkway for \$11,130.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(Other bids ranged up to \$22,150. Runnerup bidder, at \$13,823 was Cape Cod Roofing & Siding of Wareham.)

IT WAS VOTED to have Great Eastern Marine Service of Gloucester replace two damaged head dolphins in Slip #1, Woods Hole, for \$97,740. Mr. Collins' motion was seconded by Mr. Grossman.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(Four other bidders sought as much as \$143,000 for the work. Runnerup to Great Eastern was AGM Marine of Mashpee which asked \$103,994.)

IT WAS VOTED that Franklin Contracting, Inc., of New Bedford was low responsive bidder--at \$77,559--to do widening of Cowdry Lane as it enters the Woods Hole terminal area. Mr. Collins moved the award, seconded by Mr. Grossman.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(Nine other firms bid. Their prices ranged up to \$132,300--except for one firm--Hugo Key & Son, Inc.--which underbid Franklin but because Hugo Key's bonding was through a remote British West Indies "firm", management recommended Franklin as a more legitimate bidder.)

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ITEM #4 (Treasurer's report):

On credit cards:

IT WAS VOTED (on a motion by Mr. Collins, seconded by Mr. Grossman) to defer action on a recommendation of management to begin accepting American Express and Discover credit cards in addition to Mastercard and Visa cards presently accepted for advance reservations.

VOTING AYE: Messrs. Grossman and Collins

VOTING NAY: None

(Mr. Beach said the Finance Advisory Board unanimously opposes the management recommendation for cost reasons.

(The Treasurer said "the incremental cost associated with American Express--including a higher discount rate, transaction charges and a delayed access to funds--is estimated at \$27,000 per year."

(Cost of reprogramming the computer system to accept more credit cards was put at \$2,100.

(Members asked the Treasurer to attempt to learn if the credit card firms could make handling their cards more attractive to the Authority.

(Still on the subject of credit cards, Mr. Grossman asked management to come up with a report and recommendation on the use of credit cards on day of sailing. Presently, only cash or checks are accepted by ticketsellers on day of sailing.)

On annual parking permits:

IT WAS VOTED (on Mr. Grossman's motion, seconded by Mr. Collins) to charge parking permit-holders \$30 a month for the next two months--beginning in January--while management develops a more permanent rate and parking program for Members to consider.

VOTING AYE: Messrs. Grossman and Collins

VOTING NAY: None

(Parking permits on an annual basis sold for \$365 for all of 1991. Management recommended the charge rise to \$400 but, in deference to those who only use permits part of the year, the following program be followed: (1) Present permit-holders could continue parking at no

(more)

charge until May 14th, 1992, at which time (2) the yearly rate for parking between May 15, 1992, and May 14, 1993, would be \$400; (3) permits would be offered for \$200 for those parking from October 15th through May 14th.

(At Mr. Collins' urging, management said it would round up more facts on parking experience--particularly at Woods Hole and Falmouth lots) and present them at the Members' January public meeting.

(Meanwhile, because 1991 permits will have expired by the time Members meet in January, the monthly permit issuance will be in effect, as voted.)

On Vineyard-Woods Hole commuter books:

IT WAS VOTED, on Mr. Collins' motion which was seconded by Mr. Grossman, to follow management's recommendation and leave unchanged the current 46-ride monthly coupon book used widely by commuters between Martha's Vineyard and Woods Hole.

VOTING AYE: Messrs. Grossman and Collins

VOTING NAY: None

(Mr. Lamson's research, he reported, showed 497 such 46-coupon booklets were sold between August, 1990, and July of this year--for a total of 22,862 potential users. However, he said, just 18,271 such coupons were collected and "average revenue (to the Authority at \$2.27 per coupon turned in) appears reasonable in comparison with other rates."

(The 1992 operating budget, adopted by the Members in November, had not counted on a revenue increase from the sale of commuter books.)

On contract renewal with GISC:

IT WAS VOTED, as recommended by the Treasurer, to renew for another year the administrative services agreement with Group Insurance Service Center of Marshfield in conjunction with the Steamship Authority's self-insured health plan. Mr. Collins moved to extend the agreement at no increase in annual administration charges or annual claim fee. Mr. Grossman seconded the motion.

VOTING AYE: Messrs. Grossman and Collins

VOTING NAY: None

(more)

Dec. 19th/91
Public Meeting
Page 7

(GISC has held the important role of health plan administrator the past 15 years. The plan covers all non-union employees as well as licensed deck officers and unlicensed vessel personnel--exempting only (by union members' choice) members of the Marine Engineers Beneficial Assn.

(Mr. Lamson said GISC's agreement also states there will be no increase for either the aggregate or the specific stop-loss coverage.)

On current finances:

The Treasurer reported November ended with a monthly net operating loss some \$44,000 greater than counted on in 1991's revised operating budget.

But, Mr. Lamson said, it would appear the year's first 11 months closed with the Authority netting some \$165,000 more in revenue than budgeted for enabling him to predict the full year would close--for the 29th consecutive year--without need for a deficit assessment on area taxpayers.)

ITEM #5 (report of the General Manager):

On Seaman's Bethel at Vineyard Haven:

IT WAS VOTED (on a motion submitted by Mr. Collins, seconded by Mr. Grossman) to declare the chapel portion of the Seaman's Bethel at Vineyard Haven surplus and unnecessary to Authority operations.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(Members voted to declare the Bethel--less the chapel portion--surplus in August 1987 and to donate it to either the Town of Tisbury and/or the Boston Seaman's Friend Society, depending on the outcome of town-society negotiations then underway. Those talks produced nothing substantive.)

IT WAS FURTHER VOTED (on Mr. Collins' motion, seconded by Mr. Grossman) to donate the chapel section of the Bethel structure to the Martha's Vineyard Hospital, to be moved at the hospital's expense.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(more)

(Members agreed the hospital should complete the moving by June 30th--at which time the Vineyard Haven terminal area will be a beehive of summer activity--or advise the Authority by April 1st of next year that the hospital is unable to meet the June 30th moving deadline.

(The chapel will become part of the planned construction of a long-term health care unit alongside the hospital in Oak Bluffs. Hospital officials had asked that the chapel be donated at several public meetings during 1991.

(No vote was taken but Mr. Collins did urge that "the Authority go forward with the planning of the rearrangement of the Vineyard Haven terminal area as quickly as we can (making) best use of that property without regard for the location of any facility that may presently be on that property--the Bethel, the terminal, whatever."

(Mr. Collins called for working with "appropriate planning boards and with civic groups" as to an ultimate new location for the Bethel building itself.)

On inter-island service licensing:

IT WAS VOTED (on Mr. Collins' motion, seconded by Mr. Grossman) to award Hy-Line renewed rights to operate between Martha's Vineyard and Nantucket during Summer 1992 in accordance with negotiated terms.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(Hy-Line vessels operated the inter-island route the past three summers, under license from the Steamship Authority. Management recommended the new licensing arrangement.)

IT WAS VOTED to renew 1991's docking arrangement with Hyannis Harbor Tours Inc. in connection with Hy-Line's inter-island service at terms similar to those in effect during 1991. Mr. Collins moved management's recommendation, seconded by Mr. Grossman.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

(Docking would be at Nantucket. For 80 day's use, Hy-Line paid the Authority \$2,400. The Authority will receive \$2,250 for 74 days' usage during 1992.)

(more)

Dec. 19th/91
Public Meeting
Page 9

ITEM #6 (election of officers):

At each public meeting in December, Members elect officers for the next year. By law, the Chair rotates automatically making election of Chairman unnecessary.

Vice Chairman E. B. Collins becomes Chairman for 1992. It will be his first Chair. He became the Dukes County Member on July 1, 1990, replacing a then-ailing Robert Stutz.

IT WAS VOTED (on Mr. Collins' motion, seconded by Mr. Grossman) that Falmouth Member Robert A. Sayers move up to Vice Chairman from Secretary; that Mr. Grossman become Secretary; that Mr. O'Brien become Assistant Secretary; that Wayne C. Lamson continue as Treasurer; and that Ray Martin continue as recording secretary.

VOTING AYE: Messrs. Grossman and Collins
VOTING NAY: None

ITEM #7 (new business):

The General Manager said the Falmouth Member (Mr. Sayers) had intended to report today on the three-month experiment that he (Mr. Sayers) initiated: having Steamship Authority personnel escort and the Authority provide transportation for second-graders in Falmouth schools to visit Martha's Vineyard.

Tightened school budgets had all but eliminated field trips for the youngsters but Mr. Sayers found teachers and principals "delighted" at the Steamship Authority's offer to step in with a stimulating program for the children.

The Vineyard Member--Mr. Collins--said he was present when some Falmouth children visited Edgartown School, a visit that soon had the Edgartown school principal, Edward Jerome, asking if the program could be done in reverse: Island children visiting Falmouth schools.

The program was broadened and, said Mr. Collins, "the enthusiasm was just as great for the Vineyard students...They've even developed pen-pal relationships."

At 11:57 a.m., Mr. Grossman accepted a motion to close the public session. An executive session would follow, he announced.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Public Meeting of Nov. 21st/91
In Woods Hole

FILE FILE FILE FILE

Nov. 21st/91
Page 1
Public Meeting

STEAMSHIP AUTHORITY MEMBERS met this date in public session--beginning at 10:31 a.m.--at the Marine Biological Laboratory's Candle House in Woods Hole with the announced intention of going into executive session immediately following the open meeting.

The four Members attended: Chairman Bernard D. Grossman of Nantucket; Vice Chairman E. B. Collins of Dukes County; Secretary Robert A. Sayers of Falmouth; and Robert L. O'Brien, Member for Barnstable.

The three Finance Advisory Board members attended: William R. Andrews of Falmouth; Norman F. Beach of Nantucket; and Robert C. Murphy of Dukes County.

Management personnel on hand: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Service Planning/Marketing Manager Diane M. Speers; Maintenance/Engineering Manager Raymond L. Shaffer (and, for his staff, John D. Tuckwood and James P. Swindler); Personnel Manager Phillip J. Parent; Operations Manager Robert Canha; Reservations/Customer Services Manager Gina Barboza; Planning Manager Wesley Ewell; and Ray Martin, public information officer and recording secretary to the Members, along with Terminal Manager Kevin Smith.

In addition to area newsmen, recognizable in the audience of 26 were: Dukes County Commissioners Betty Ann Bryant and John S. Alley; Oak Bluffs Selectman Linda Marinelli; Ms. Harriet Langley of Falmouth League of Women Voters; John Moore and Elizabeth Isherwood of New Bedford; Skip Nelson and Gary Fauteux of CORD; Mr. and Mrs. Ivor Cornman of Woods Hole; Mrs. Frank Shephard and Stuart Baker of Falmouth; Murray Scudder of Hy-Line, Hyannis; Robert Schneider of Falmouth; Authority Employees Capt. William Austin and Engineer William Hibbard; James Rothschild of Tisbury; Daniel Feeney of Oak Bluffs and Richard Steeves, president of Martha's Vineyard Chamber of Commerce.

THE PUBLIC AGENDA:

- 1: Action on minutes of Oct. 29th and Nov. 1st public meetings
- 2: Action on bills
- 3: Report, action on bids and proposals
- 4: Report of the Treasurer
 - on 1992 rate adjustments
 - on current finances
- 5: Report of the General Manager
 - on 1992 Members' meeting dates
 - on Hy-Line license request
 - on 1992 spring, summer and fall schedules

(more)

Nov. 21st/91
Page 2
Public Meeting

Agenda continues:

- 5: --on guaranteed standby policy for 1992
--on new vessel planning
--on notices to shipyards
--on 1992 advertising budget
- 6: New business from the Members and/or Finance Advisory Board
- 7: Public comment; press queries

MR. GROSSMAN opened the public session at 10:31 a.m.

ITEM #1 (minutes): IT WAS VOTED, on a motion by Mr. Collins, seconded by Mr. Sayers, to accept the prepared minutes of the public meetings of Oct. 29th and Nov. 1st.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

ITEM #2 (bills): IT WAS VOTED to pay Fordham & Starrett (Boston) \$5,432 for most recent legal services on a motion by Mr. Collins, seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS VOTED, on a motion by Mr. Collins, seconded by Mr. Sayers, to pay \$7,451 to Nutter, McClellan & Fish (Hyannis) for legal services during August and September.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS VOTED on Mr. Sayers' motion, seconded by Mr. Collins, to pay Cosgrove, Eisenberg & Kiley (Boston) \$4,442 for legal services during October.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS VOTED to pay Carter Browne Consulting Services (Boston) \$1,365 for computer assistance during October. Mr. Collins so moved, seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(more)

Nov. 21st/91
Page 3
Public Meeting

IT WAS VOTED to pay Towers/Perrin (Boston) \$3,160 for actuarial services in connection with the non-union pension fund. Mr. Collins' motion was seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

ITEM #3 (bids, proposals):

Mr. Fuller announced Dec. 3rd has been set for a special public meeting of the Members to decide on a lunchcounter concessionaire for the next five years--beginning Jan. 1st.

(King Neptune Caterers, Inc., of Woods Hole, has held the service contract the past nine years. It, reportedly, is among the seven businesses contending for the new contract.)

The General Manager said a Food Service Committee, chaired by Captain Edward Jackson of Falmouth, will have a recommendation for the Members.

IT WAS VOTED, on Mr. Collins' motion, seconded by Mr. Sayers, to have Linberg Marine Contractors of Fairhaven, MA carry out dolphin repair work at Vineyard Haven for \$80,450.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(At \$88,000, Great Eastern Marine Service of Gloucester was runnerup to Linberg. Four other bidders ranged up to \$149,900 in price.)

IT WAS VOTED--on Mr. Sayers' motion, seconded by Mr. Collins--to purchase four "SCSI drives" aimed at speeding up the accounting and reservations computer systems as offered by TLC of Hopedale, MA for \$18,500.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(No one could explain what "SCSI" stood for. For that matter, no one could explain what "TLC" stood for. In any event, five firms responded with bids as high as \$20,538, offering specified equipment needed to generate greater computer speed in present systems.

(more)

Nov. 21st/91
Page 4
Public Meeting

(The bidding saw an apparent "first": no one could remember two bidders before filing identical price figures. BL Associates of Hanover, MA also asked \$18,500 but management noted, in recommending the award to TLC, that TLC's warranty was longer than that offered by BL Associates--five years as against two years--and disc capacity was greater.

(Instalation should be completed before mid-December.)

IT WAS VOTED--on a motion by Mr. Collins, seconded by Mr. Sayers--to add \$2,500 to the contract awarded earlier to BSS Inc. of Falmouth, design engineers on a street-widening project in Woods Hole near the Authority's terminal.

*VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None*

(Members were told that BSS has already been paid \$5,672.50 for its work but that additional engineering became necessary to calm a protest from an abutter.)

ITEM #4 (Treasurer's report):

IT WAS VOTED to put into effect, beginning Jan. 7th, tariff changes urged by management to raise some \$1,588,000 in additional revenue to meet the cost of service and all obligations for 1992, with slight changes in the management-suggested program. Mr. Collins moved the program, seconded by Mr. Sayers.

*VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None*

(Members voted the 1992 operating budget at their Oct. 29th public meeting. At the time, Members knew an additional \$1.5 million income would be required; 60.4 percent of that increase will be generated on Vineyard runs, 39.6 percent on Nantucket runs.

(According to the Treasurer, Mr. Lamson, 7.5 percent of the increase will come from passenger rates on Hyannis-Nantucket runs, 13 percent of the increase from trucks and 79.5 percent from automobiles under a new "three-tier system": the lowest increase fixed to the off season (Dec. 1 through March 14), the highest increase fixed to in-season travel (May 15 through Oct. 14) and mid increases for "shoulder seasons"--the weeks just before and just after in-season travel.

(more)

Nov. 21st/91
Page 5
Public Meeting

(To be started--possibly by April--will be a different method for assessing freight charges. Goal of the revised freight-charging system will not be to raise revenue but to encourage more complete loading of trucks in a way that should mean fewer trucks need be carried--thereby creating more space for automobiles.

(As long urged by Mr. Grossman--since his days on the Finance Advisory Board--truckers will begin to pay by truck length, plus a possible undetermined extra based on load weights.

(Among the changes to the management program suggested by the Members: (1) one-to-eight-day excursions become one-to-nine-day excursions (thus ending the 1-16-day year-long trial on Nantucket runs); elimination of the one-day auto excursion rate is limited to Nantucket runs but remains in effect on Vineyard runs; new auto rates in off-season and shoulder seasons on Vineyard runs will change slightly but net to the Authority shouldn't change.

(Saved for their Dec. 19th public meeting: final decisions on annual parking permit rates--now \$365 for the year--and a suggested change in price for 46-ride passenger coupon books used mainly by walk-on commuters on Vineyard runs. Together, these possible changes represent a small percentage of the sought \$1.5 million increase in overall revenues.

(Mr. Grossman proposed an in- and off-season parking permit rate which Accounting promised to study and report on in time for the Dec. 19th public meeting.

(Mr. Murphy, speaking for the Finance Advisory Board, went on record endorsing management's proposed rate changes. He added that his board also suggested an off-season parking permit rate be considered.)

On proposed commuter books for children:

Members accepted--without voting--management's recommendation rejecting, at this time, creation of another discount rate category: that for Island children (five to 15) who commute to mainland facilities.

It was pointed out that just three parties requested such a reduced rate in the year in which the suggestion was given fairly prominent newspaper publicity.

It was also pointed out that most Island children travel free as part of auto excursion rates or already-discounted group rates covering schoolchildren. Computer reprogramming and booklet print charges would likely mean a cost of upwards of \$2,100 a year to accommodate a relative handful of youngsters who already travel on their own at half rate.)

(more)

On current finances:

Mr. Lamson reported the estimated net operating loss for October was some \$139,000 higher than the loss projected in the revised operating budget.

But, he said, the Authority's net operating income for the 10 months--January through October--is still some \$209,000 ahead of the revised budget's projection.

ITEM #5 (General Manager's report):

On 1992 meeting dates:

IT WAS VOTED, on Mr. Collins' motion, seconded by Mr. Sayers, to accept Members' tentative public meeting dates for 1992 as arranged by management.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

(Each of 12 public meetings are planned for the following Thursdays: Jan. 16th, Feb. 20th, March 19th, April 16th and May 21st in Woods Hole; June 18th on Martha's Vineyard; July 16th on Nantucket; Aug. 20th in Barnstable; Sept. 17th, Oct. 15th, Nov. 19th and Dec. 17th in Woods Hole.)

On Hy-Line license request:

IT WAS VOTED to allow Hy-Line's expanded service license to also include for 1992 increased passenger capacities for its four vessels as well as four more round trips during the year to and from Martha's Vineyard and--by amendment to the main motion--three more round trips during the year on runs between Hyannis and Nantucket. Mr. Collins moved the main motion recommended by management. Mr. Sayers seconded the motion, adding the amendment.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

(Since 1989, Hy-Line--based in Hyannis--has operated on a licensing arrangement that went beyond service levels permitted in the so-called Judge Dolan decision of 1984 which pared Hy-Line's service back to 1973 levels. The negotiated agreement is felt to protect the Steamship Authority financially.

(more)

Nov. 21st/91
Page 7
Public Meeting

(Steamship Authority management, in its recommendation, whittled down Hy-Line's latest requests to reasonable levels. More round trips between Hyannis and Nantucket during summer months was rejected by management but four more round trips on weekends just before Memorial Day to Martha's Vineyard were recommended.

(Also recommended was an increase in passenger capacities to levels already certified by the US Coast Guard: An increase of 125 to 800 for M/V GREAT POINT, of 75 to 600 for M/V BRANT POINT, of 25 to 500 for M/V EAST CHOP and of 25 to 450 for M/V POINT GAMMON.

(Mr. Sayers' amendment would allow three more round trips--one more per day--over the three-day Memorial Day weekend.

(Management stipulated: "First, that we recognize Hy-Line's essential role in providing adequate transportation for the Islands... that this service--as well as other grandfathered services--must remain financially viable in order for the entire marine transportation system to work effectively...and that the Authority must be protected against any undue loss of revenues through a license-fee arrangement."

(Hy-Line owners had requested much more. Its license, before amendment, covered 254 round trips over Hy-Line's May 9th-to-Oct. 25th operating season. It wanted another 75 round trips. Members granted seven more.

(Hy-Line made no mention in its written request that passengers included in increased capacities be subject to fees to the Authority. Management's recommendation was that the Steamship Authority should receive 10 percent of all revenue--if any--generated as a result of vessel capacity increases.

(Mr. O'Brien, the Barnstable Member, read into the record an urging by Barnstable Town Manager Warren J. Rutherford that Hy-Line's requests be met.)

On 1992 spring-through-fall schedules:

IT WAS VOTED, on Mr. Collins' motion, seconded by Mr. Sayers, to adopt management-recommended operating schedules through spring, summer and fall of 1992 (March 19th through Nov. 4th).

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(more)

Nov. 21st/91
Page 8
Public Meeting

(Messrs. Grossman and Collins--the Members most concerned with operating schedules--found little fault with management's suggested service commitments over this critical seven-and-a-half-months schedule--described as "little changed" from 1991's service.

(With freight shipments to the Islands in the third year of contraction, there'll be more frugal use of freight boats--M/Vs Gay Head and Katama--but still enough to meet truckers' demands. One benefit from slightly reduced freight boat runs from Woods Hole to Nantucket in summer months will be better use of KATAMA to help shorten standby lines at both Woods Hole and Vineyard Haven.

(Nantucket, Vineyard Haven and Woods Hole terminal managers have endorsed the redesigned freight schedules, it was reported.

(Mr. Grossman raised an interesting question that could lead to better marketing: he asked why M/V UNCATENA couldn't leave Hyannis--on its summer schedule--15 or 20 minutes later so as to better compete with later-leaving Hy-Line vessels. He was told if UNCATENA departed Hyannis at 8:15 a.m., instead of 7:45 a.m., M/V EAGLE would have to have a departure time from Nantucket of 7 a.m., instead of 6:30 a.m., to avoid meeting an 8:15-departing UNCATENA in narrow Hyannis harbor.

(Mr. Grossman asked for UNCATENA's passenger figures on its first daily run from Hyannis this past summer.)

On guaranteed standby policy:

IT WAS VOTED--on motion by Mr. Collins, seconded and amended slightly by Mr. Sayers--"to continue the guaranteed standby policy in effect this year" with the understanding that the Steamship Authority will not advertise the policy in any of its publications or paid advertisements.

*VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None*

(The policy--in effect during the summer sailing schedule between Woods Hole and Martha's Vineyard--would remain in effect some three weeks longer: up through the busy Columbus Day Weekend.

(The Vineyard Member said the policy has divided his island for years--long before he became a Member in mid-1990. Mr. Collins said for every proponent, the question has an opponent. He has talked at length to all sides right up until today's meeting.

(more)

(Mr. Collins said he has studied Accounting Dept. summer traffic figures going back through the '80s, together with figures on vehicle ownership by islanders and off-island taxpaying homeowners who keep a spare vehicle on the island, and 'have concluded that guaranteed standby has become a much larger issue in relation to (summer) traffic congestion on the Vineyard than it should be."

(He urged the Vineyard Chamber of Commerce to take the lead in profiling summer visitors along with the range of accommodations: where visitors originate, their length of stay, identify all hotels, motels, homes and apartments for rent--and the occupancy rate by type per week.

("With appropriate data," said Mr. Collins, "the components of the (traffic congestion) problem can be identified and their relative importance determined. Then effective action can be planned to achieve the desired results."

(Without such a range of facts, he said, the pro and con sides will make the Authority's guaranteed standby policy an agonizing issue every year while, possibly, the real cause goes unchallenged.

(On the mainland side, Mr. Sayers--the Falmouth Member--said the Falmouth Board of Selectmen is convinced that advertising the policy encourages and rewards determined island visitors to flood the Woods Hole area even though they've been told reservations are impossible to obtain. The result: waiting lines that add traffic pressure to the village.

(From the floor, Richard Steeves, president of the Martha's Vineyard Chamber of Commerce said his chamber would cooperate in any study that leads to "an island plan to control growth."

(Dukes County Commissioners Betty Bryant and John S. Alley were joined by Linda Marinelli--president of the All Island Selectmen's Association--thanking the Members, particularly Mr. Collins, for their vote retaining the guaranteed standby policy.

(Woods Hole Terminal Manager Kevin Smith said that, during Summer '91, when Woods Hole traffic backed up and was troublesome, it was minimal. With the '92 sailing schedule--please see page 8--and the more available M/V KATAMA, he said there should be no traffic problems in '92.)

(more)

Nov. 21st/91
Page 10
Public Meeting

On 1992 advertising budget:

IT WAS VOTED--on a motion by Mr. Sayers, seconded for discussion by Mr. Collins--to approve the management-recommended, Finance Advisory Board-endorsed \$141,000 advertising budget for 1992.

VOTING AYE: Messrs. Grossman and Sayers
VOTING NAY: Mr. Collins

(The budget figure is the same as for 1991.

(The Vineyard Member said he had not had time to study the proposed advertising program because of time he'd spent on other issues, such as rates, the fate of the Seaman's Bethel and the guaranteed standby controversy. Before the successful motion by Mr. Sayers, Mr. Collins moved to earmark, instead, \$50,000 for 1992 advertising, subject to possible increase at the Members' December or January meetings.

(Mr. Collins' motion failed 2-1 with Messrs. Grossman and Sayers voting in opposition.

(Mr. Sayers pointed out that Members' meetings are lengthening due to discussed and then postponed issues and that, if Mr. Collins determines the advertising budget should be reduced, he can move to do so at a later meeting by voting for the budget today. Mr. Grossman pointed to the fact that each member of the Finance Advisory Board had spoken up in favor of the management-recommended budget figure.

(The FAB's Mr. Murphy said his board "recommends the budget as a minimal effort to accomplish what is necessary." He pointed out that an earlier-in-the-day vote--page 6--gives a competitor an even greater edge in appealing to travellers. Messrs. Andrews and Beach backed up Mr. Murphy's remarks.

(Mr. Collins said: "It's very unfortunate that this is two years in a row management has not had that (advertising program) forthcoming earlier as promised.)

On new vessel construction:

IT WAS VOTED, on management's recommendation, to expend up to a maximum of \$183,000 with Rodney E. Lay and Associates (Jacksonville, FL) and combine what remains of Phase I engineering work with all drawings entailed in Phase II. Mr. Collins so moved, seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(more)

Nov. 21st/91
Page 11
Public Meeting

(Assistant Maintenance/Engineering Manager James P. Swindler told Members that several drawings have already been forwarded to U.S. Coast Guard officials for approval. Phase II, he said, calls for complete detail contract construction drawings and, by combining Phase II with what remains of Phase I preliminary drawings, there should be a sizeable time and money saving for the Authority.

(With the Phase II expenditure, Mr. Swindler said, engineering cost will be at or near \$278,000 as opposed to the capital budgeted \$295,000 and as opposed to engineering and design costs for M/V EAGLE five years ago of almost \$500,000.)

On shipyard pre-qualification:

Members approved--without voting--forms to be filled in by shipyards in advance of bidding on construction of a new vessel aimed at eliminating firms that couldn't possibly qualify as legitimately sound and reliable.

Engineering/Maintenance Manager Raymond L. Shaffer said the form was developed in conjunction with the vessel's architect (Rodney E. Lay and Associates) and cleared by counsel. Such a "pre-qualification" is common in the marine industry, he said.

On Horizon Marine Transport:

Officials of Horizon Marine (Fairhaven, MA) appeared before the Members in October to say they would be seeking a license to carry freight between New Bedford and the Islands of Nantucket and Martha's Vineyard.

Since then, the General Manager reported, Horizon's officials have written asking for a temporary or trial license "pending the results of the planned traffic study by the Martha's Vineyard Commission and the Cape Cod Commission next year."

Mr. Fuller said subsequent press reports prompted him to write a management position paper on the entire issue of resumed service out of New Bedford. Members accepted the General Manager's report without comment.

Mr. Fuller said Horizon's proposal has not been rejected but management has these "concerns": Horizon's proposed use of Authority docking facilities, Horizon's ability to secure necessary permits, its ability to live within its proposed rate structure--plus the fact that such licensing would have to go out to bid if the Inspector General's office is to be respected for its opinion.

(more)

Nov. 21st/91
Page 12/
Public Meeting

ITEM #7 (Public comment, press queries):

There being no new business from the Members of the Finance Advisory Board, the Chairman heard from the floor.

One speaker--Bryan Toomey, director of social work at Martha's Vineyard Hospital--urged that Members make an early decision on the hospital's request that it be given the chapel portion of Seaman's Bethel, now located at the center of the Authority's Vineyard Haven terminal property.

The Vineyard Member said he intends taking a little more time questioning islanders before he's prepared to vote on the hospital's request. The vote could come, he said, in December.

AT 12:39 p.m., the Chairman accepted Mr. Sayers' motion to adjourn the public session and to reconvene in executive session in five minutes.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Public Meetings of
Oct. 29th/91 and
Nov. 1st/91 at Woods Hole

FILE FILE FILE FILE

Oct. 29th/91
Page 1
Public Session

STEAMSHIP AUTHORITY MEMBERS met this date, following a brief executive session, at the Marine Biological Laboratory's Candle House in Woods Hole with Vice Chairman E. B. Collins of Dukes County in the Chair.

Missing from the day's session because of adverse weather were Chairman Bernard D. Grossman and Norman F. Beach of the Finance Advisory Board--both of Nantucket. Also unable to attend was Robert C. Murphy, Dukes County's member on the Finance Advisory Board.

Present with Mr. Collins were Secretary Robert A. Sayers of Falmouth and Robert L. O'Brien, Member for the Town of Barnstable. William R. Andrews of Falmouth was the lone member of the finance board able to attend.

Management personnel present were: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel Manager Phillip J. Parent; Maintenance/Engineering Manager Raymond L. Shaffer (along with John T. Tuckwood and James P. Swindler of M/E); Reservations/Customer Services Manager Gina Barboza; Planning Manager Wesley Ewell; and Ray Martin, public information officer and recording secretary to the Members.

Legal Counsel Steven M. Sayers attended as did Woods Hole Terminal Manager Kevin Smith.

Identifiable in the audience of 35, including area newsmen, were: Murray Scudder of Hy-Line; Captain James C. Boyce of Woods Hole Tug Service; Richard Steeves and Angeljean Chiaramida of Martha's Vineyard Chamber of Commerce; Ms. Abbie Taylor of Martha's Vineyard Hospital; James Manchester of Falmouth; Captain William Austin of Masters, Mates and Pilots Union; Chief Engineer Howard Foster of Marine Engineers union; Robert Schneider, Mr. and Mrs. Ivor Cornman and Mr. and Mrs. Frank Shephard of Falmouth/Woods Hole; Richard Sherman of Tisbury and Warren Nelson and Gary Fauteux of Cape Organization for the Rights of the Disabled.

The public agenda**:

- 2: Action on bills--\$2,730.13 to Fordham & Starrett, Boston (legal services)
--\$3,528.39 to Foley, Hoag & Eliot, Boston (legal services)
--\$1,170 to Carter Browne, Boston (computer aid)
--\$2,588.50 to Van Riper, Hanson (computer aid)
--\$2,637.45 to Cosgrove et al, Boston (legal services)
- 3: Action on bids
- 4: Report of Treasurer Wayne C. Lamson
--on losses attributable to Aug. 19th hurricane
--on proposed 1992 capital budget

**Other agenda items: please see minutes of Nov. 1st/91

(more)

Public agenda continues:

- 5: Report of General Manager Barry O. Fuller
 - on future of Bethel building
 - on guaranteed standby policy
 - on license request of Horizon Marine Transport
 - on additional service (pre-Christmas) to Vineyard
 - on new vessel plans
 - on ruling of State Fire Marshal
- 6: New business from Members, Finance Advisory Board
- 7: Public comment, press queries

THE VINEYARD MEMBER, Mr. Collins, told his audience the day's proceedings would be somewhat abbreviated because of the absence of Nantucket delegates--Chairman Bernard D. Grossman and Norman F. Beach of the Finance Advisory Board. Weather grounded them on their island.

Portions of the day's agenda, he said, would be picked up on Friday, Nov. 1st, when both of today's scheduled executive and open meetings would be resumed.

Mr. Collins reported that, in executive, there was a unanimous vote of the Members not to renew the option that exists in the drydocking contract with Newport Offshore, of Newport, RI. New bids will be sought, he announced, adding that the Steamship Authority still seeks an agreement with a shipyard that would cover needed work--over a year's time--on the Authority's entire fleet.

ITEM #2 (bills):

IT WAS VOTED (motion by Mr. Sayers, second by Mr. Collins) to pay Fordham and Starrett (Boston) \$2,730 for legal services during August.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

IT WAS VOTED (motion by Mr. Sayers, second by Mr. Collins) to pay Foley, Hoag & Eliot (Boston) \$3,528 for legal services during August.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

IT WAS VOTED (motion by Mr. Sayers, second by Mr. Collins) to pay Carter Browne Consulting Services (Boston) \$1,170 for computer assistance during September.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

(more)

Oct. 29th/91
Page 3
Public Session

IT WAS VOTED to pay Cosgrove, Eisenberg & Kiley (Boston) \$2,637 for legal services during September on Mr. Sayers' motion, seconded by Mr. Collins.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

FINALLY, IT WAS VOTED to pay Van Riper Associates (Hanson) \$2,589 for computer assistance during September, on a motion by Mr. Sayers, seconded by Mr. Collins.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

ITEM #3 (bids, proposals):

On inter-island agreement:

The General Manager (Mr. Fuller) reported Hy-Line has requested changes in the current license under which Hy-Line vessels provide summer season passenger transportation between Martha's Vineyard and Nantucket.

Such changes, said Mr. Fuller, require the Steamship Authority to advertise the license and evaluate proposals received. Any award, he said, possibly could take place at the Members' November meeting, although timing is a factor.

On emergency repairs:

IT WAS VOTED (on Mr. Sayers' motion, seconded by Mr. Collins) to have AGM Marine (Sandwich) carry out emergency repair work on Woods Hole dolphins for the bid price of \$13,900.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(AGM was low bidder of three bids received. Repairs to a revetment wall in Woods Hole, damaged during the hurricane of Aug. 19th, had to be made on an emergency basis, it was reported.)

IT WAS VOTED to allow the Maintenance/Engineering Department to seek to buy two new forklifts as part of the 1991 capital budget, on Mr. Sayers' motion, seconded by Mr. Collins.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(more)

(Also badly damaged in the Aug. 19th storm were two well-used forklifts at Woods Hole, used by both maintenance and terminal employees. They were partially covered by sea water driven ashore by high winds and tidal surge. Bid prices will be sought from suppliers.)

IT WAS VOTED to follow management's recommended plan to remove and replace three underground fuel oil storage tanks--at the Woods Hole, Vineyard Haven and Hyannis terminals. Mr. Sayers put the motion. It was seconded by Mr. Collins.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Removal and replacement of the underground tanks was atop the capital budget list for 1991, approved by the Members last Nov. 15th. Removal and replacement at a fourth site--alongside a structure at the Authority's "Archibald" parking lot--will be considered at another time, at the request of Mr. O'Brien.

(Natural gas could replace fuel oil at the "Archibald" site, it was pointed out.)

ITEM #4 (Treasurer's report):

On "disaster assistance":

Hurricane Bob--the storm of Aug. 19th--caused \$168,000 in property damage, primarily at Woods Hole and Hyannis, Mr. Lamson reported. Of that amount, he said \$113,000 is recoverable from property and flood insurance.

The Treasurer said he has filed for some \$59,000 in disaster relief with Federal and State authorities.

On 1992 capital budget:

IT WAS VOTED--on Mr. Sayers' motion, seconded by Mr. Collins--to approve a 1992 capital budget totalling \$15,049,700 with the understanding that each project on management's list must have Members' approval as occasions arise.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Topping the list, in terms of size, is \$10 million as the anticipated cost of a new vessel now on the drawing boards and \$4.4

(more)

million as the estimated cost for acquiring necessary property in the planned expansion of the Authority's Hyannis terminal.

(Noting that several items involved the Authority's computer system, Mr. Collins asked for "a complete writeup on our data processing system as it exists today, what we do with it, what is its function...and then let us know what the long-range plan is for the data processing system: what we expect to get to down the road... what equipment will be required, what kind of timetable we're looking at, what the estimated cost (will be) and what needs are going to be served."

(The General Manager said such a history will be prepared.)

On current finances:

Mr. Lamson reported September's net operating income was off some \$130,000 from budget projection, a drop primarily due to post-hurricane revenues being down.

After three quarters, he said, the Authority's net operating income was about \$290,000 greater than expected.

ITEM #5 (General Manager's report):

On Seamen's bethel at Vineyard Haven:

Mrs. Abbie Taylor, president of Martha's Vineyard Hospital, appeared to acknowledge published reports that the hospital is interested in accepting the chapel portion of the Seaman's Bethel building--located in the center of the Vineyard Haven terminal area--and moving it, at no cost to the Steamship Authority, to a site alongside the hospital.

She said it would "preserve the historical value of the chapel... bring us a sense of community to the hospital." She said the idea has received "broad support" in island communities.

Further, she said, "a professional house-moving" and several building tradesmen have volunteered their services to the moving effort--"so we think we can move it for virtually nothing."

Mrs. Taylor said hospital officials, in their planned construction next year of a nursing home, had to delete--for cost reasons--plans to include a chapel in the nursing home complex. The availability of the Seaman's Bethel chapel, she said, had to be "divine guidance".

(more)

Oct. 29th/91
Page 6
Public Session

The Vineyard Member, Mr. Collins, thanked Mrs. Taylor for her offer to take over and move the Bethel's chapel but said there have been a number of proposals on the Bethel's fate--and that of the chapel--that must be weighed. He said he preferred a "slow, deliberate process (before any final decision by the Steamship Authority) so that the people of Martha's Vineyard will have an opportunity to express themselves so that the final decision 'will be the appropriate one."

He told Mrs. Taylor her suggestion "is very appealing to a lot of people."

On guaranteed standby policy:

Richard Steeves, recently elected president of the Martha's Vineyard Chamber of Commerce, rose to urge the Steamship Authority to carry its 1991 guaranteed standby policy into the 1992 season.

"In a down economy, statewide," he said, "Martha's Vineyard's hospitality industry did very well (this summer season). He said the return to the policy was "a large factor" in the island's improved business picture.

The General Manager said his management team is prepared to recommend the policy be followed in 1992 (through the summer schedule) "on through the Columbus Day weekend which has become one of the most heavily travelled weekends of the year."

On license application:

Messrs. David Thompson and Henry Zalewski, principals in Horizon Marine Transport, Inc., were present to ask Members to consider licensing Horizon to hauling freight between the islands and New Bedford.

The General Manager said: 'Management's recommendation at this point is to table this and any future license proposals of this nature that might be forthcoming until completion and evaluation of the freight traffic study which is planned in cooperation with the Martha's Vineyard Commission and the Cape Cod Commission."

Such a study of islanders' feelings and shippers' intentions--should New Bedford become an active port--was urged at an April symposium on area water transportation. Since April, Members have awaited a report from the two planning commissions on the scope of such a survey. Whatever the scope, Members have contended summertime is the best time to conduct a thorough study.

(more)

Oct. 29th/91
Page 7
Public Session

Capt. Thompson said Horizon hoped to begin as "an alternative freight system," starting with carrying hazardous materials (gasoline, etc.) to the islands and returning to New Bedford with trash or refuse from Martha's Vineyard. Carriage of more conventional freight could follow.

Falmouth Fire Chief George Packish supported Horizon's intended service. It would, he said, remove some of the gasoline-carrying trucks along the Woods Hole Road.

Captain William Austin is a member of Masters, Mates and Pilots union, one of three maritime unions certified to bargain collectively with the Steamship Authority. Captain Austin said union members are prepared to man Authority vessels should they be assigned to runs to New Bedford--a port unused by the Steamship Authority since December 1960.

Mr. Fuller said management must first get a clear signal from the islands' residents that (a) they want service to New Bedford and are prepared to use it and (b) the Authority itself must determine if it can or cannot provide the service, over and above present commitments.

Additionally, the General Manager said if it is determined islanders want the New Bedford service and that the Steamship Authority cannot provide the service, then it isn't a simple matter of giving Horizon a license. That license must be advertised for proposals.

On Christmas season service:

The General Manager assured Vineyard residents and businesses that the Steamship Authority is prepared to offer additional vessel runs to and from the Vineyard during the Dec. 13th-15th weekend--a time when Edgartown has special festivities.

In addition to regular service, M/Vs KATAMA and GAY HEAD will be in operation and--if need be--M/V NANTUCKET (then in for repair) can be pressed into service, said Mr. Fuller.

On ruling of the State Fire Marshal:

Mr. Fuller reported State Fire Marshal Joseph O'Keefe held a public hearing in recent days in Falmouth on his order that, in effect, blocked Falmouth Fire Chief Packish from severely curtailing use of Woods Hole Road to gasoline trucks bound for Martha's Vineyard.

(more)

Oct. 29th/91
Page 8
Public Session

No more is expected from the fire marshal until sometime in December. Meanwhile, said the General Manager, the schedule for "hazardous trips" to the Vineyard from Woods Hole will be moved up to 6 a.m. (from 8:30 a.m.) beginning Nov. 5th and will remain at that early hour until early January when the run with gasoline-carrying and propane-carrying trucks will begin at 7:15 a.m., well before traffic heightens on the Woods Hole Road.

On extra service by Hy-Line:

IT WAS VOTED--on Mr. Sayers' motion, seconded by Mr. Collins--to permit Hy-Line to run a post-season trip on Nov. 23rd from Nantucket to Martha's Vineyard and return to accommodate expected crowds at the annual Nantucket-Martha's Vineyard High Schools' football showdown.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

ITEM #7 (press, public comment):

Reporters' questions centered on 1992 operating budget figures and the likelihood of early New Bedford service--either by the Steamship Authority or a licensed operator.

Frank Shephard of "Citizens for Sound Planning" said his organization supports the license application of Horizon Marine Transport or any other carrier willing to operate out of New Bedford. He said the Steamship Authority shouldn't use the absence of a lengthy survey of truckers to force Horizon to wait another year when all Horizon wants to do is carry hazardous materials to the Vineyard and return with island trash destined for processing at a large plant near New Bedford.

NOTE: Mr. Collins recessed the public meeting at 12:23 p.m., pointing out Members would return to the public agenda in three days' time--at 10 a.m., Nov. 1st.

(more)

Nov. 1st/91
Page 1
Public Session

A RECONVENED PUBLIC SESSION of Steamship Authority Members was held at Marine Biological Laboratory's Candle House in Woods Hole at 10 a.m., that date, with Nantucket Member Bernard D. Grossman in the chair.

(Several items on the regular Oct. 29th public agenda were continued to this date in hope Mr. Grossman and Norman F. Beach of the Financial Advisory Board could make the meeting. Their aircraft was grounded by fierce weather on Oct. 29th.)

With Mr. Grossman were the other three Members: Vice Chairman E. B. Collins of Dukes County; Secretary Robert A. Sayers of Falmouth; and Robert L. O'Brien, Barnstable's Member. All three members of the Finance Advisory Board were present: William R. Andrews of Falmouth; Mr. Beach; and Robert C. Murphy of Dukes County.

Management personnel on hand: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel Manager Phillip J. Parent; Operations Manager Robert Canha; Maintenance/Engineering Manager Raymond L. Shaffer (together with John D. Tuckwood and James P. Swindler); Customer Services/Reservations Manager Gina Barboza; Planning Manager Wesley Ewell; and Ray Martin, public information officer and recording secretary to the Members.

Attorney Steven M. Sayers attended.

In the much smaller audience of nine--including two newsmen from the area--were Woods Hole Terminal Manager Kevin Smith, John Moore of Moore & Isherwood Advertising Agency, Angeljean Chiaramida of Martha's Vineyard Chamber of Commerce, Robert Schneider of King Neptune Caterers and Falmouth Citizen Richard Sherman.

Unfinished agenda of Oct. 29th:

- 1: Action on public minutes of Sept. 19th
- 3: Action on bids, proposals--on engine purchase
--on lunchcounter concession
- 4: Report of the Treasurer
--on proposed 1992 operating budget
--on proposed rate adjustments
--on capital projects
- 5: Report of the General Manager
--on new vessel
- 6: On new business
- 7: Press queries; public comment

(more)

MR. GROSSMAN began the public meeting by apologizing for missing Tuesday's public meeting--three days earlier. He noted Members likely will go into executive session after the public meeting and suggested--henceforth--that public meetings precede executive sessions, as they did for many years.

IT WAS VOTED, on a motion by Mr. Sayers, seconded by Mr. Collins, to schedule future public meetings for 10:30 in the morning, with a notation that any executive session--if voted by the Members--would follow the open meeting.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

ITEM #1 (minutes):

IT WAS VOTED to accept the prepared minutes of the Members' public meeting of Sept. 19th with a language change (page 4) broadening the intent of the motion to include recently agreed upon factors in cost center allocations. Mr. Collins offered the motion, seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Mr. Collins pointed out the language on cost center allocations in the draft minutes of Sept. 19th was too limited. Though Members talked that day only of "allocating interest monies paid on bonds in the same manner as other cost centers are allocated to each island's service," clear intent of the Members was to include other factors agreed to at earlier meetings.

(For example: on June 20th, Members voiced support to raising the Vineyard's share of Woods Hole terminal costs to 91.4 percent from 80 percent and to reduce Nantucket's share of Woods Hole terminal costs from 20 percent to 8.6 percent. Another example: on Aug. 15th, Members agreed vessels, as cost centers, should be costed out based on routes served by those vessels. "Allocating interest monies paid on bonds..." would remain part of the motion.)

#3 (bids, proposals):

IT WAS VOTED, on Mr. Collins' motion as seconded by Mr. Sayers, to follow management's recommendation and purchase for installation into M/V ISLANDER two rebuilt EMD diesel engines from MKW Power Systems (Rocky Mount, NC) for \$476,935 and two new Reintjes' gears units from Karl Senner, Inc., of Kenner, LA for \$177,600.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

Nov. 1st/91
Page 3
Public Session

(Aim of management is to keep the 41-year-old popular ISLANDER in service at least another decade. Its present Fairbanks/Morse engines, installed in the late 1960s, have been kept going by chief engineers and Maintenance/Engineering at increasingly high cost. Needed engine parts have had to be tailor-made because available parts no longer exist.

(Last June 20th, at the request of management, Members voted to include replacement engines and auxiliary machinery at a then-estimated cost of \$780,000, including installation by the Maintenance/Engineering workforce.

(The Karl Senner firm was the lone bidder offering two new Reintjes' reduction gears and related equipment. MKW Power Systems had competition from Southworth-Milton Power Systems of Milford, MA which asked \$466,000 for two rebuilt EMD diesel engines but which fell short of MKW in its five-year warranty and a range of accessories.

(Steven M. Sayers, counsel, assured the Members the Office of the Inspector General has been advised of the bid procedure and the responses from MKW and Southworth-Milton. As far as that office is concerned, Mr. Sayers said, the Members are on sound ground in awarding the engines contract to MKW Power System.

(Mr. Grossman: "Do I understand you correctly that...the Southworth-Milton bid was not responsive in all respect to our requirements?"

(Attorney Sayers: "That is correct as well."

(The engine-replacement and all related work will take place during February and March while ISLANDER is off its Woods Hole-Vineyard run for annual repairs.)

On lunchcounter concession contract:

IT WAS VOTED--as recommended by management and counsel--
to substitute "Addendum 3" for two pages already
included in the published invitation for proposals
to take over vessel lunchcounters for the next
five years. Mr. Sayers' motion was seconded by
Mr. Collins.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(The language change in the bid packages sent to 21 would-be concessionaires calls on bidders to submit two separate proposals: one
(more)

Nov. 1st/91
Page 4
Public Session

sealed description of services to be offered and opened Nov. 8th and a separate sealed proposal on economics to be opened by the chief procurement officer (Raymond L. Shaffer) and the food service committee, tentatively on Nov. 15th.

(The recommendations of Mr. Shaffer and the food service committee will be weighed and decided by the Members at a special public meeting in Woods Hole--at the Candle House, beginning at 11 a.m., Dec. 3rd.

(The work of the food service committee came in for praise from the Members. Messrs. Grossman and Collins thought so well of the committee that they said it should become a standing committee, increased in size by two or four regular travellers from Nantucket and Martha's Vineyard. That enlarged committee's year-round duty would be to assess the concessionaire's services and continually solicit the opinions of the travelling public.

(Mr. Collins asked that suggestion boxes for passengers be located near vessel lunchcounters.)

On 1992 proposed operating budget:

IT WAS VOTED, on a motion by Mr. Collins, seconded by Mr. Sayers, to eliminate the proposed \$141,363 dedicated to "advertising" from consideration of the full 1992 operating budget at this time.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS FURTHER VOTED to endorse the proposed operating budget for 1992--less that portion assigned to advertising. Mr. Sayers put the motion which was seconded by Mr. Collins.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Mr. Lamson's budget was supported by the full management team, the General Manager said. It foresaw waterline operating revenues reaching \$32,738,682 as against waterline operating expenses of \$29,636,789 and a net income from operations for 1992 of \$1,123,956.

(Total operating expenses are expected to increase 3.1 percent

(more)

Nov. 1st/91
Page 5
Public Session

or approximate \$879,052. An operating loss for 1992 of \$435,000 could be expected, the Treasurer informed the Members, if 1992 traffic levels mirror the first eight months of 1991 and the last four months of 1990--unless revenues increase.

(Mr. Lamson said \$1,558,548--or five percent--more revenue is required to meet next year's cost of service, including the additional bond interest requirements expected with a new bond issuance in 1992 to meet capital projects immediately ahead.

(Five percent more revenue from rate adjustments would give the Authority a net income from operations of \$1,123,956.

(With the proposed bond issue sometime around mid-1992, total outstanding bonds by the close of 1992 will have increased to \$35,475,000 which would raise the reserve fund to \$1,773,750.

(Mr. Collins questioned some \$410,000 in "scheduled overtime"--mostly charged to the maintenance department. He was assured by the Maintenance/Engineering manager--Mr. Shaffer--that "there will be no abuse of overtime...I believe scheduled overtime has been best used by management, to management's benefit."

(Messrs. Grossman and Sayers agreed with Mr. Collins: manpower costs must be watched carefully in all departments. "We just can't keep passing along our cost increases to the travelling public who are the justification for our existence," said Mr. Grossman.

(Mr. Collins was firm on advertising: he said he'd like to see the budget halved from \$141,363 and every element of advertising assessed and then reassessed by the Members.

(Said Mr. Collins: "I think that we have gotten completely beyond the scope of the Steamship Authority and the purpose for which the Authority was created. The Authority was not created as a device to stimulate tourism for the Islands but to serve the needs of the Islands. And I don't think it's appropriate that we expend this kind of money which goes beyond the matter of making the Authority known and keeping our rightful share of the market, in competition with the common carriers who also operate.

("I think that can be done on substantially less expenditure of funds than we're doing currently."

(Mr. Grossman said advertising budgets have been voted in recent years 'with our eyes open, in recognition of the pretty sad state

(more)

state of the economy of the Islands...(and) if the economy is better on the Islands, it's better for us. We get more revenues, too, all the way along which helps our operations so, from that point of view, I think it was a worthwhile investment and from what I see of our economy today, it's still desirable to helping our Island shoulder business which, in turn, is helping the revenues of the Authority.

(Still, Mr. Grossman said, the advertising program needs constant examination.

(The Falmouth Member, Mr. Sayers, said he found himself "in a difficult position": he said he realizes the Steamship Authority needs the additional revenue that would come from additional traffic but--on the other hand--many in Falmouth don't want additional traffic, therefore would hope for less promotion of tourism.

(The General Manager said management would go through its advertising plans for 1992 with the Finance Advisory Board 'next week or so"--ahead of Nov. 21st, at which time Members will return to advertising, the unfinished portion of the 1992 operating budget.

(Speaking for the Finance Advisory Board, Mr. Beach said it was unfortunate his board and management had not gone over the 1992 advertising plans and budget "back in August when we thought we would."

(The Barnstable Member, Mr. O'Brien, asked if the Finance Advisory Board if its members endorse the proposed 1992 operating budget. He was told: yes--except for the advertising allowance because "we haven't had a chance to go over the program.")

On rate adjustments:

Members touched briefly on management-proposed rate increases and set Nov. 21st--the next regularly scheduled public meeting--for their final decision.

The Treasurer did say management recommends a new, three-tier price system for automobiles (in-season, off-season and a new rate that would cover the "shoulder seasons" leading immediately up to and away from the peak summer season.

Also in the planning stage: a change from present truck rates in combination with freight carried to one more heavily weighted toward a truck's length. It is not a change that can be accomplished overnight, Mr. Lamson said.

(more)

Mr. Grossman said he has long favored a system whereby freight is assessed more on a truck's length. "Deck space is really all we have to sell," he said. There could be "an excess charge if freight tonnage for a given length of truck is above a certain level."

The Treasurer said his department would try to develop a more complete report on the effect of various other suggested rate tariffs in time for the Members to make a Nov. 21st decision on 1992's rate structure.

On capital projects:

IT WAS VOTED--on Mr. Collins' motion, seconded by Mr. Sayers--to give final approval to two computer projects as part of the 1992 capital budget.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Mr. Lamson said two disc drives and a memory expansion board--with an estimated value of \$42,700--would allow improved computer operation for the accounting system.)

ITEM #5 (General Manager's report):

On new vessel:

IT WAS VOTED (on the motion of Mr. Sayers who voted earlier in the affirmative) to rescind the motion of Sept. 19th stipulating the new vessel now being designed have a freight deck with two truck lanes. Mr. Collins seconded the motion.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS VOTED (on the motion of Mr. Sayers, seconded by Mr. Collins) that the freight deck of the proposed new vessel be designed to accommodate three lanes of trucks.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Mr. Sayers explained he wished to change his Sept. 19th vote

(more)

Nov. 1st/91
Page 8
Public Session

upon watching trucks come and go on and off vessels at Woods Hble and realizing trucks would be less a traffic problem with a three-lane vessel.

Mr. Sayers also pointed out that a new vessel with three trucks lanes could more easily substitute--without reservations hassle for truckers--for other Authority vessels.

The Sept. 21st vote was a 2-1 decision. Parliamentary procedure necessitated an aye vote to move for reconsideration.

#

ONE NEWSMAN asked a question from the floor after which Mr. Grossman accepted Mr. Collins' motion to adjourn the public session. It was announced an executive session would follow.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Public Meeting of Sept. 19th/91
At Woods Hole

FILE COPY FILE COPY

to Members 10/11/91

Sept. 19th/91
Page 1
Public Meeting

STEAMSHIP AUTHORITY MEMBERS convened in open session at 11:15 a.m. on this date at the Marine Biological Laboratory's Candle House in Woods Hole. The meeting came within minutes of the conclusion of an executive session at the same location.

Attending the public meeting were the four Members: Chairman Bernard D. Grossman of Nantucket; Vice Chairman E. B. Collins of Dukes County; Secretary Robert A. Sayers of Falmouth; and Robert L. O'Brien, Member for the Town of Barnstable.

Also present were the Finance Advisory Board's three members: William R. Andrews of Falmouth, Norman F. Beach of Nantucket and Robert C. Murphy of Dukes County.

Management personnel present: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel Manager Phillip J. Parent; Operations Manager Robert Canha; Maintenance/Engineering Manager Raymond L. Shaffer (and, from his staff, John D. Tuckwood and James P. Swindler); Marketing/Service Planning Manager Diane M. Speers; Planning Manager Wesley J. Ewell; Reservations/Customer Services Manager Gina Barboza and Ray Martin, public information officer and recording secretary to the Members. Woods Hole Terminal Manager Kevin Smith also attended.

In addition to area newsmen, 13 persons attended the public meeting. Recognizable were: Warren Nelson and Gary Fauteux of CORD (Cape Organization for Rights of the Disabled); Rev. William R. Baran of Centerville; Angeljean Chiaramida of Martha's Vineyard Chamber of Commerce; Robert Douglas of Tisbury; Mrs. Susan Shephard and Ms. Sandra Hill of Falmouth; and Captain Fred A. Bennett of West Tisbury.

The public agenda:

- 1: Action on minutes of Aug. 15th
- 2: Action on bills--\$4,136.87 to Fordham & Starrett (Boston)--legal
--\$1,267.50 to Carter Browne (Boston) computer aid
--\$6,209.57 to Nutter, McClenen & Fish (Hyannis)--legal
--\$2,543.67 to Palmer/Dodge (Boston)--legal
--\$1,068.75 to Van Riper Associates (Hanson)--computer aid
- 3: Action on bids
- 4: Report of the Treasurer--on cost center allocations
--on authorized agent to FEMA
--on proposed 1992 capital budget
--on current finances

(more)

Agenda continues:

- 5: Report of the General Manager--on Christmas Stroll service
 - on fall/winter schedules
 - on new vessel planning
 - on Bethel at Vineyard Haven
 - on presentation by CORD officials
- 6: New business
- 7: Public comment; press queries

MR. GROSSMAN opened the public meeting at 11:15 a.m., first taking time to explain a vote taken in executive session and then to commend the efforts of Steamship Authority employees ("often heroic") during the hurricane of Aug. 19th.

The Chairman pointed out there has been year-round service between Hyannis and Nantucket since 1986. Of the two ports, only Nantucket has two transfer systems (slips). Hyannis, with its solitary slip makes the Hyannis-Nantucket connection vulnerable to prolonged, costly disruption in the event of severe damage to the slip itself or in the event of a vessel breakdown in the slip.

The 1984-5 reconstruction of the Nantucket terminal remedied one half of the tenuous situation, giving the island its first-ever twin-slip operation.

Mr. Grossman said Members today reaffirmed their position taken Aug. 15th (please see minutes of that date): that a second slip is crucial to the Hyannis-Nantucket connection and that the Authority publicly seek approval of the Town of Barnstable's Town Council to acquire property adjacent to the Hyannis terminal necessary for construction of a second slip.

Storm damage to Authority property and that of travellers entrusted with the Authority was held to a minimum, Mr. Grossman said, largely due to the efforts of employees during and after the savage five-hour storm.

With that, Members turned to the regular agenda:

ITEM #1 (minutes):

IT WAS VOTED to accept the public minutes of the Members' meeting of Aug. 15th with inserts and corrections suggested. Mr. Collins moved, Mr. Sayers seconded the motion.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(more)

Sept. 19th/91
Page 3
Public Meeting

* Mr. Andrews of the Finance Advisory Board, referring to Page 11, noted Members had rejected the offer of McDonough & Scully (Framingham) to conduct a study of vehicles entering Woods Hole from Falmouth for \$16,000. Mr. Andrews felt the record should show the same firm offered to do the study a few months ago for under \$8,000.

Mr. Grossman felt any such study should be done in the summer, not in the present slowdown period. Further, that management is working with both the Martha's Vineyard Commission and the Cape Cod Commission to determine the scope of such a study.

* Mr. Sayers, referring to Page 10, said the minutes should more clearly state that Members on Aug. 15th approved the full late fall/winter schedule with the exception of winter freight service to the Vineyard from Woods Hole.

ITEM #2 (bills):

IT WAS VOTED (on the motion of Mr. Collins, seconded by Mr. Sayers) to pay \$4,136.87 to Fordham & Starrett (Boston) for legal services during July.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS VOTED (on Mr. Collins' motion, seconded by Mr. Sayers) to pay \$1,267.50 to Carter Browne Consulting Service (Boston) for computer assistance during August.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS VOTED to pay Nutter, McClellan & Fish (Hyannis) \$6,209.57 for legal services during the May-July period, on Mr. Collins' motion, seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

IT WAS VOTED, on Mr. Collins' motion seconded by Mr. Sayers, to pay Palmer & Dodge (Boston) \$2,543.67 for legal services in connection with the July issuance of bond anticipation notes.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(more)

IT WAS VOTED, on Mr. Collins' motion, seconded by Mr. Sayers, to pay \$1,068.75 to Van Riper Associates (Hanson) for computer assistance during August.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

ITEM #3 (bids, proposals):

IT WAS VOTED (on Mr. O'Brien's motion, seconded by Mr. Collins) to reject all bids to replace four underground fuel oil tanks and instead seek quotes for removal of tanks plus prices for both above-ground and underground replacements, using in-house talent wherever possible.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Bid prices came in ranging from \$86,655 to \$113,399--far above the budgeted \$31,000 for the work. Low bidder was Enpro Services Inc., of Newburyport, MA.

(Mr. Tuckwood of Maintenance/Engineering explained the price escalated when Members seemed to prefer underground replacements at Vineyard Haven and Woods Hole rather than the recommended above-ground installations. Mr. Grossman said he saw nothing wrong with an above-ground tank (capacity just 275 gallons) at Hyannis.

(Mr. Tuckwood said there is no evidence of leakage from any of the tanks--but they are old, he cautioned, and leakage could prove costly.)

ITEM #4 (Treasurer's report):

IT WAS VOTED (on the motion of Mr. Collins, seconded by Mr. Sayers) to follow the Treasurer's recommended formula for allocating interest monies paid on bonds in the same manner other cost centers are allocated to each Island's service.

VOTING AYE: Messrs. Grossman, Collins and Sayers
VOTING NAY: None

(more)

(Bond interest was never a factor in computing cost centers--first undertaken in the late 1970s. Earlier this year, Mr. Collins asked: why not? If a formula could be found and agreed upon, he contended it would lead to more precise allocation of costs.

(Mr. Lamson said, henceforth, bond interest as a cost of operations will be identified as vessel costs are identified: according to which Island is served by an asset acquired through the sale of bonds and the payment of interest thereon.

(Members congratulated Mr. Lamson and his department for developing the formula.)

On assigning aide to FEMA:

IT WAS VOTED to designate the Treasurer, Mr. Lamson, as the Steamship Authority's official agent in dealings with the Federal Emergency Management Agency (FEMA). Mr. Collins so moved, seconded by Mr. Sayers.

VOTING AYE: Messrs. Grossman, Collins and Sayers

VOTING NAY: None

(Mr. Lamson explained that such a designation is necessary in order to obtain Federal assistance under the Disaster Relief Act for uninsured costs incurred "during the preparation, emergency and recovery phases relating to Hurricane Bob on Aug. 19th.")

On 1992 proposed capital budget:

Members agreed with the Treasurer who asked that the subject be put over to the Members' October meeting. By then, said Mr. Lamson, he will have more precise economic data.

On current finances:

Despite a dropoff in traffic traceable to the mid-August hurricane, the Treasurer said: 'We're actually closer to the original operating budget than we are to the revised budget figures, as far as the bottom line is concerned."

August's estimated net operating income is expected to be about \$42,000 less than the amount projected in the 1991 revised operating budget.

(more)

ITEM #5 (General Manager's report):

On Christmas Stroll service:

IT WAS VOTED (on a motion by Mr. Collins, seconded by Mr. Sayers) to follow management's recommended service between Hyannis and Nantucket during the Island's Dec. 6-8 Christmas Stroll weekend.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Extra service and time changes from previous years were made at the request of Nantucket officials to better accommodate visitors to the Island's pre-Christmas festivities.

(M/Vs EAGLE and NANTUCKET--the Authority's two largest vessels--will provide service that weekend. There'll be an additional roundtrip both Saturday and Sunday--the 7th and 8th--with best departure times as coordinated through Stroll officials.)

On winter schedule freight to Vineyard:

IT WAS VOTED to accept management's recommended freight vessel sailing schedule between Woods Hole and Martha's Vineyard during the winter period (Jan. 6th through March 18th). Mr. Collins' motion was seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Members endorsed the fall/winter schedules--covering Nov. 5th through March 18th--at their August public meeting, with the exception of freight sailing to and from the Vineyard. At the time, Mr. Collins asked that the wintertime schedule of freight vessels be re-examined in view of the falloff in freight shipments the past two years.

(Management figures assured Mr. Collins the recommended schedule is sound and tailored to meet demand. Speaking of winter, Mr. Grossman (1) urged heating of the mezzanine deck area of EAGLE be improved during this winter's drydocking period and (2) asked that EAGLE drydocking and repair work in coming years be undertaken after Nantucket's Christmas Stroll weekend. The Chairman was assured by the General Manager it would be.

(more)

On new vessel freight deck configuration:

IT WAS VOTED to reaffirm the Members' earlier decision that the planned new passenger-vehicle ferry be based on the hull and dimensions of M/V NANTUCKET. Mr. Collins so moved, seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

IT WAS VOTED to design the new vessel's freight deck to accommodate two lanes of trucks rather than the three lanes of M/V NANTUCKET and, in that way, take advantage of an opportunity to expand the mezzanine deck and provide more indoor seating, especially needed during foul weather periods. Mr. Sayers' motion was seconded by Mr. Grossman.

VOTING AYE: Messrs. Grossman and Sayers

VOTING NAY: Mr. Collins

(Mr. Collins felt a three-lane configuration would give the new vessel total flexibility in replacing either EAGLE or NANTUCKET, without reducing truck space or juggling reservations.

(Messrs. Grossman and Sayers said their main concern is the comfort of passengers during inclement weather. By eliminating one truck lane on the freight deck, space could be created on the mezzanine deck for at least another 50--perhaps 75--passenger seats. Also, there'd be more room for truck doors to swing open as opposed to the crowding that now occurs.

(The General Manager said his management team was divided on the two-or-three-lane question: those favoring three lanes pointed to a more versatile vessel, easily replacing EAGLE or NANTUCKET while those favoring two lanes pointed to the Nantucket Member's long concern for passenger comfort and protection during foul weather.

(Mr. Fuller also pointed out that he, personally, along with most captains on the line, believe a two-lane vessel would cause the Authority to make better use of its two freight vessels, KATAMA and GAY HEAD, so as to accommodate more automobiles on regular ferries where a single truck can occupy space for three or four automobiles.

(more)

Sept. 19th/91
Page 8
Public Meeting

(Messrs. Beach and Murphy of the Finance Advisory Board were outspoken in support of the three truck lane concept.

(Mr. O'Brien's opinion: "...It comes down to a question of: do you want to carry three trucks lanes squeezed in or do you want two lanes that are more adaptable and (allow for) more comfort for passengers? I would come down on the side of two truck lanes.)

IT WAS VOTED, at management's request, to expend approximately \$3,000 on engineering studies of the effect of equipping the new vessel's hull with a bulbous bow to achieve greater fuel efficiency.

Mr. Collins moved the request, seconded by Mr. Sayers.

VOTING AYE: Messrs. Collins and Sayers

VOTING NAY: None

(The testing, Members were told, would not only indicate fuel cost savings but to what degree the new vessel's wake could be reduced.)

On the Bethel building:

The Rev. Dr. William R. Baran of Centerville was present to express regret that Boston Seaman's Friend Society's lease on the Bethel building, in the center of the Authority's Vineyard Haven terminal area, is expiring Sept. 30th.

The Society sold the site to the Steamship Authority in 1973 and since has leased it back for \$150 a month, considerably less than the Authority spends each week to berth crew members overnight on the Vineyard. The General Manager hoped crew members could use the Bethel's second floor but, Mr. Fuller said, the Society has insisted it be the sole occupant of the building.

The Vineyard Member, Mr. Collins, assured Vineyard residents that "as long as I am a Member of this Authority representing Martha's Vineyard, the Bethel will be preserved." How and where Mr. Collins said 'will be explored on the Vineyard by Vineyard people.

"Once the exploration has been done and people have an opportunity to examine the options available and make a judgment, then we can move forward with the next phase--which is doing whatever is appropriate."

High on management's wish list for the near future is a safer terminal area at Vineyard Haven together with improved passenger waiting quarters and ticket-handling. Passenger shelter is some 100 yards from vessel slips, a stretch criss-crossed by autos and trucks.

(more)

Sept. 19th/91
Page 9
Public Meeting

No money has been spent on the present Vineyard Haven ticket office since the late 1960s during which time the number of passengers moving through the terminal yearly has gone from 580,000 to some 1.4 million. Vehicle traffic has also risen some 130 percent.

The Bethel building sits in the middle of all that activity.

On CORD presentation:

Officials of CORD (Cape Organization for the Rights of the Disabled), Gary Fauteux of Vineyard Haven and Warren (Skip) Nelson, were present to honor Authority Members and management for their creation of a Special Services Access Committee and, in particular, to present the Marine Log Plaque to John D. Tuckwood of Maintenance/Engineering for his address earlier this year on the subject of greater access to accommodations for disabled persons.

Mr. Tuckwood was a speaker in January at the Ferries '91 Convention in San Francisco. Attending were owners and operators of ferry systems worldwide.

It was noted that the Steamship Authority's access capabilities were in place before Federal laws were passed compelling transportation entities to commit to vastly improved access for the handicapped.

ITEM #6 (new, old business):

IT WAS VOTED to approve a pilot program wherein the Steamship Authority cooperates with Town of Falmouth second grade schoolteachers on field trips that will see students (and accompanying parents) learn more about the Steamship Authority. Motion by Mr. Sayers, seconded by Mr. Collins.

VOTING AYE: Messrs. Collins and Sayers
VOTING NAY: None

(Since raising the idea briefly in August, the Falmouth Member has seen secured the approval for the program of the superintendent of schools, Dr. Antonucci. If successful, said Mr. Sayers, the program in future years could be extended to schoolchildren of the islands.)

On vessel caterer:

The Steamship Authority's current three-year agreement with

(more)

Sept. 19th/91
Page 10
Public Meeting

King Neptune Caterers, Inc., of Woods Hole, expires the end of this year. Members indicated they'd like to see the bid information before it's published.

King Neptune has held the contract to provide food and beverage service on the vessels since December 1982.

ITEM #7 (public comment):

Richard Sherman of Falmouth and Vineyard Haven rose to thank management for presenting data on the proposed new vessel to a small audience of Vineyarders the past week. He apologized for the low public turnout and wanted the record to show he still hopes a M/V ISLANDER lookalike will be produced someday.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

THERE WAS A NEW LOOK to the Steamship Authority Members' meeting in Hyannis on this date as Robert L. O'Brien joined the board as representative for the Town of Barnstable.

The fourth post of Member was enacted by the legislature earlier in the year. Chairman Bernard D. Grossman of Nantucket welcomed Mr. O'Brien as did Vice Chairman E. B. Collins of Dukes County and Secretary Robert A. Sayers of Falmouth.

Discussion was so prolonged that a third executive session had to be reconvened in Woods Hole later in the month (Aug. 23rd).

Attending public and executive sessions on Aug. 15th in the public hearing room of Barnstable Town Hall were the four Members (Messrs. Grossman, Collins, Sayers and O'Brien) as well as the full Finance Advisory Board: William R. Andrews of Falmouth, Norman F. Beach of Nantucket and Robert C. Murphy of Dukes County.

Management personnel on hand for the public meeting included General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel Manager Phillip J. Parent; Operations Manager Robert Canha; Maintenance/Engineering Manager Raymond L. Shaffer (and Design Engineer James P. Swindler from his staff); Marketing and Service Planning Manager Diane M. Speers; Planning Manager Wesley J. Ewell; Reservations/Customer Services Manager Gina Barboza; and Ray Martin, public information officer and recording secretary to the Members. Legislative Counsel John Murphy was present throughout.

In addition to area newsmen, seven persons from the public were present. Identifiable were Richard Scudder of Hy-Line (Hyannis), Mrs. Susan Shepherd of Falmouth and Ms. Cynthia Riggs of Nathan Mayhew Seminars, Tisbury.

THE PUBLIC AGENDA:

- 1: Action on minutes of July 17th
- 2: Action on bills
- 3: Report on maintenance/engineering matters
- 4: Report of the Treasurer
 - on cost center allocations
 - on non-union pension plan
 - on licensed officers pension plan
 - on long-term disability insurance
 - on preliminary 1992 capital budget
 - on Deloitte/Touche audit fee

(more)

(Public agenda continues):

- 5: Report of General Manager Barry O. Fuller
 - on commuter rates for children
 - on late fall/winter schedules
 - on Woods Hole traffic study
 - on disposal of walk-in freezer
 - on purchase of tow motors
 - on 1991 capital projects/purchases
 - on Bethel at Vineyard Haven
- 6: Public comment; press queries

MR. GROSSMAN called the public meeting to order at 10:30 a.m. for the purpose of accepting Members' vote to adjourn immediately into executive session for half an hour. To be discussed in executive session, Mr. Grossman announced, would be union negotiations, personnel and legal matters.

ANSWER

10 of 10

ANSWER

APPENDIX B

ANSWER

A 10x10 grid of black and white squares, likely a binary image or a specific pattern for a test or calibration. The pattern consists of several horizontal bands of black and white squares. The top band is black with white squares at the top and bottom. The second band is white with black squares in the center. The third band is black with white squares at the top and bottom. The fourth band is white with black squares in the center. The fifth band is black with white squares at the top and bottom. The sixth band is white with black squares in the center. The seventh band is black with white squares at the top and bottom. The eighth band is white with black squares in the center. The ninth band is black with white squares at the top and bottom. The tenth band is white with black squares in the center. The pattern repeats every two rows.

Aug. 15th/91
Page 4

MR. GROSSMAN brought the Steamship Authority Members' open meeting to order at 11:05 a.m., first reporting that no votes had been taken in the immediately prior executive session.

He welcomed Robert L. O'Brien to his first public meeting as the Town of Barnstable's first Member on the Steamship Authority's policy-making board.

ITEM #1 (minutes): *Mr. Sayers moved adoption of the prepared minutes of the Members' July 17th meeting with the correction of one typographical error noted by Mr. Murphy of the Finance Advisory Board and the insertion of a thought expressed by the Chairman.*
Mr. Collins seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Mr. Murphy noted--on page 5--the award of a bid accepted from ARC Corp. of Nantucket to demolish and remove the remains of Skipper's Wharf, Nantucket, was in the amount of \$7,502, not \$2,502 as typed in the minutes.

(Mr. Grossman--referring to Fleet Marine's proposed service to Nantucket from New Bedford--asked that the minutes show the Members want management "to incur no expenses in connection with (Fleet Marine's) ambitions until such time as we have assurance that he (Robert Johnson) has the financial wherewithal to perform.")

ITEM #2 (bills): *Mr. Collins moved, seconded by Mr. Sayers, to pay Fordham and Starrett (Boston) \$4,717 for legal services during June. The VOTE:*

AYES: Messrs. Collins and Sayers

NAYS: None

Mr. Sayers moved to pay Carter Browne Consulting Services (Boston) \$2,503 for computer services during July. Mr. Collins seconded the motion.

The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The Chairman asked that the minutes show the Members want "economic justification before any new computer program" is put into effect.)

(more)

Aug. 15th/91
Page 6

Mr. Collins moved, seconded by Mr. Sayers, to pay \$2,145 to the law firm of Roxie/Huffman/Viator of Orange, TX for services during the March-through-June period. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Mr. Collins was upset because the law firm's services extended beyond mid-April, at which time Members took positions that indicated the Steamship Authority was no longer interested in acquiring an oil exploration supply vessel the law firm had been tracking for the Authority. The vessel--INSIGNIA--was in management's plans as a possible reserve vessel that could be converted into something grander.

(The law firm is a close observer of Gulf of Mexico shipping and is experienced in dealing with Federal agencies that acquire vessels then resell them.)

Mr. Sayers moved and Mr. Collins seconded to pay The Beal Companies (Boston) a balance-due \$5,000 for appraising Hyannis property at the request of Planning Mgr. Wesley J. Ewell. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Mr. Ewell's memo to the Members pointed out that, by telephone, they had approved use of The Beal Companies' appraisers for \$7,500. The \$5,000 is now due following payment of a \$2,500 retainer fee.)

Mr. Sayers moved payment of \$3,030 to Towers/Perrin (Boston) for actuarial work in connection with the licensed deck officers' pension plan. Mr. Collins seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

Mr. Collins moved payment of \$9,373 to the Boston law firm of Cosgrove, Eisenberg & Kiley for services during July. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

ITEM #3 (M/V ISLANDER repowering):

Maintenance/Engineering Manager Raymond L. Shaffer reported that three engine manufacturers have responded to his department's request for proposals to supply new engines for M/V ISLANDER.

Mr. Shaffer said the proposals are still being studied. He also indicated the prices sought are lower than expected in the capital budget for 1992. A vote to purchase likely will be sought at the Members' September meeting.

ON NEW VESSEL PLANNING:

Design Engineer James P. Swindler reported on the long series of meetings he had had with ships' officers and engineers as well as what expressions he's had from the general public as a result of (1) his publicized request for mailed-in ideas and (2) the showing of drawings to the public on the Vineyard and on Nantucket.

Since appropriate changes are still being made in design, Mr. Collins asked that a record be kept as to the cost of suggested changes. "I'd like to relate cost and change together so that we can properly evaluate all the things that are being considered," said Mr. Collins.

Mr. Swindler said he had in mind another round of public displays of updated drawings sometime during September.

ITEM #4 (report of the Treasurer):

On cost center allocations:

As promised, Mr. Lamson gave Members yet another formula--complete with thick documentation--for more precisely allocating expenses to the cost of service for each of Martha's Vineyard and Nantucket.

Mr. Collins said he wasn't prepared to vote today on any new allocation of Woods Hole terminal costs (currently shared 80-20 toward Martha's Vineyard). He asked for "one or two refinements" which would include allocation of bonding expenses.

The Dukes County Member congratulated the Treasurer, saying: "You're close. Just a little more refining."

Preliminarily, Woods Hole terminal cost-sharing would swing from 80-20 to 91.4 percent Vineyard, 8.6 percent Nantucket, according to Mr. Lamson's present formula.

(more)

Agreement on an cost allotment change could be reached at the Members' September meeting, much to the satisfaction of the Nantucket Member. Mr. Grossman complimented the Treasurer "for all the thinking you have done on this subject" over the years.

Mr. Collins said he hoped for a living formula that could change yearly with traffic and expense changes and save Members having to deliberate every three or four years as to the accuracy of cost allocations.

On non-union pension fund:

Members agreed with Mr. Lamson: the subject should be brought up again at the September meeting when more information will be on hand.

On licensed deck officers' pension plan:

Mr. Sayers moved the Treasurer's recommendation restating the pension plan covering all licensed deck officers to reflect changes and improvements previously approved by the Members as a result of negotiations with the Masters, Mates and Pilots Union. Mr. Collins seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

On long-term disability insurance:

As recommended by the Treasurer, Mr. Sayers moved to transfer the Authority's group long-term disability insurance program coverage from Mutual Benefit (Wellesley, MA) to UNUM Life Insurance (Boston), effective Sept. 1st. Mr. Collins seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

(Mr. Lamson said his recommendation is in response to financial problems Mutual Life reportedly is facing as well as to the fact that first-year premiums will be some \$15,000 lower than at present.)

On preliminary 1992 capital budget:

Mr. Lamson said management plans to air its proposed 1992 capital budget before the Finance Advisory Board in early September--well ahead of the Members' planned Sept. 19th public meeting.

(more)

A September preliminary hearing would still give the Members a clear 60 days to study the advance budget before a November meeting at which time passage would be due.

Mr. Beach of the Finance Advisory Board said he would "like to be assured that zero budgeting is the principle on which these budgets are assembled. Let's not just add five percent to everything."

The Treasurer said: "Ninety-five percent of it ^{is} zero-based budgeting. There are some miscellaneous expenses that we do add a percentage onto but most if it--the salaries, wages, fringe benefits, fuel, insurance, are all started from the ground up. From zero."

On auditors:

On Mr. Lamson's request, Mr. Collins moved--seconded by Mr. Sayers--to retain Deloitte & Touche (Boston) as outside auditors to go over 1991 operations for a fee of \$35,700. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Mr. Beach said the Finance Advisory Board agrees with continuing the Deloitte/Touche relationship.)

On current finances:

July's net operating revenue was expected to be about \$260,000 higher than the 1991 operating budget as revised by Members' vote on June 20th. And, over the first seven months, the estimated net operating loss is expected to be some \$350,000 lower than the budget foresaw.

Mr. Collins said he'd like to see such comparisons made with the original, preliminary operating budget voted by the Members last November as well as against the revised budget. The Treasurer indicated his monthly reports from now on could make the dual comparisons.

ITEM #5 (report of the General Manager):

On commuter rates for children:

Children travel at half the adult passenger rate and have done so the past 31 years. A Vineyard woman asked the Steamship Authority to establish a commuter rate book for the same five-to-12-year-olds to further reduce their travel costs.

(more)

Mr. Collins said there could be a number of island families that would benefit from such a new rate. He asked--and was joined by Mr. Sayers--that management study the likely effect of such a new program on Authority economics in advance of any rate-setting in November.

Mr. Sayers said the management study should include the likely effect of Falmouth and Barnstable families being included in the new program.

On 1991 late fall/winter schedules:

Mr. Collins moved to accept management's recommended late fall sailing schedule (Nov. 5th through Jan. 5th) and most of the winter schedule (Jan. 6th through March 18th) with the caveat to be prepared to make allowances for any order of the State Fire Marshall which could affect the timing and assignment of freight vessels. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(There was little discussion on Hyannis-Nantucket service other than management assurance extra service will be provided on key dates, as urged by the Nantucket Visitors' Services Assn. and other island speakers in public meeting July 17th.

(Clouding planned Woods Hole-Vineyard service is the use of freight vessels assigned to carry trucks laden with fuel on "hazardous materials" runs. Demand for deck space for fuel-carrying trucks could increase dramatically--or reduce--depending on any ruling the State Fire Marshal hands down after he conducts a public hearing in the Town of Falmouth sometime during September.

(There is a challenge to the transportation of large quantities of fuel over the Woods Hole Road leading to dockside.

(A Vineyard fuel supplier who, historically, has barged his supplies to the island has indicated he might begin using Authority vessels, depending on the State Fire Marshal's ruling.

(Law states the Steamship Authority must publicly advertise its schedules at least 60 days before schedules take effect. That puts the deadline for advertising at Sept. 5th in the case of the fall schedule, Nov. 6th in the case of the winter schedule.

(Members felt the full winter schedule could be voted at a later date--but before Nov. 6th--by which time the Marshal's decision should have been reached..

(more)

(Service Planning Manager Diane M. Speers' proposed schedules were worked out with Operations Manager Robert Canha and Maintenance Engineer James P. Swindler. On a staggered basis, all six Authority vessels will be off the line undergoing degrees of overhaul and repair.)

On Woods Hole traffic study:

Mr. Sayers moved the recommendation of management to reject the proposal of McDonough & Scully (Framingham, MA) to conduct a study of vehicles along the Woods Hole Road leading to Steamship Authority vessels and property and, instead, design a study in conjunction with the Martha's Vineyard Commission and the Cape Cod Commission.
Mr. Collins seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(The McDonough/Scully firm sought \$16,000 for its effort which management felt would be "far too limited"--a one-day survey.

(Mr. Beach of the Finance Advisory Board wondered why the Authority is spending money on any such survey when it already has the facts on traffic.

(Mr. Sayers said that, once the two commissions and the Authority reach agreement on a study, Woods Hole and Falmouth organizations be asked to participate to make the results more acceptable.)

On disposal of a walk-in freezer:

Mr. Sayers moved management's recommendation to donate a walk-in freezer--book valued at \$2,565-- to the Massachusetts Dept. of Corrections.
Mr. Collins seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(The freezer is housed in the Woods Hole "freight shed". Its removal--to make more room for other activities--is made possible by the fact that, under recent food supply contracts, deliveries are now made daily and foodstuff is immediately assigned to vessels and their own freezer systems.)

(more)

Aug. 15th/91
Page 12

On tow-motors:

Mr. Sayers moved--seconded by Mr. Collins--to allow management to seek bids on four new gasoline-powered tow-motors. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Management--more precisely the Maintenance/Engineering Dept.-- had sought permission to begin replacing six tow-motors, each now from 20 to 22 years of age. Another six were purchased within the past three years.)

On other capital budget projects:

Mr. Sayers moved and Mr. Collins seconded the following composite motion:

- * *To purchase three new typewriters for the Reservations Dept. (Estimated cost: \$3,000);*
- * *To expend an estimated \$4,100 to replace 15 light fixtures at the Palmer Avenue (Falmouth) parking lot;*
- * *To expend an estimated \$57,000 on the final phase of the two-year-old Woods Hole terminal traffic improvement plan;*
- * *To complete the fire protection, new seating and heating in the recently enclosed O-1 deck area of M/V EAGLE at an estimated cost of \$36,000; and*
- * *To develop and instal a new system for operating the bow and stern doors of M/V EAGLE and M/V NANTUCKET at an estimated cost of \$67,500.*

The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(With regard to the Woods Hole terminal traffic improvement plan, it was brought out that the more expensive portion of the intended work called for a four-foot widening of Cowdry Lane, a 40-yard stretch of a one-block-long street that leads only to Authority property and the Authority's vessels.

(more)

(Mr. Sayers said he believes local opposition to the street-widening seems to have been overcome and he expects the Falmouth Board of Selectmen to give final approval any day now.

(It was made clear before the go-ahead on bow and stern doors for EAGLE and NANTUCKET, management would give Members a more detailed price package along with a better description of the new door system and manufacturer guarantees that would come with purchase.)

(Mr. O'Brien wondered who would be doing all the engineering on the vessel projects. He was told it would be done in-house.)

Still more on capitalized projects:

Mr. Collins moved the recommendation of the Treasurer that two projects already completed--renovations to the Oak Bluffs terminal building and to an apartment at the former Archibald site in Hyannis--be made a part of the 1991 capital budget. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(To Mr. Collins' satisfaction, Mr. Lamson said the expenditures are properly defined as capital improvements in that they--the expenditures--extended the life of the structures.

(Ultimate cost of Oak Bluffs renovations will reach almost \$80,000 and eventual cost of making the parking lot apartments fit for use by crew members--to reduce lodging costs--will be about \$31,000, Mr. Lamson reported. In putting together the 1991 capital budget, the Treasurer said expected costs were much less and he planned to expense those costs. As originally planned work was underway, it became apparent additional work was necessary--thereby boosting final costs.)

On the Bethel at Vineyard Haven:

Ms. Cynthia Riggs, executive director of Nathan Mayhew Seminars, Tisbury, was present to ask Members to turn over occupancy of the Bethel building to her organization to be used as a center for the Seminars' maritimes studies program for the next two years or until the Steamship Authority undertakes removal of the Bethel as part of terminal building renovations and expansion.

(more)

Aug. 15th/91
Page 14

Boston Seaman's Friend Society is expected to vacate the Bethel building at the end of September.

Ms. Riggs said Nathan Mayhew Seminars currently offers an associate of arts degree accredited through Cape Cod Community College and the maritimes studies program would fit in with the intent of the Bethel: to assist and educate Islanders in matters of the sea, including environmental concerns.

In two years' time or so, she said, she hoped the Steamship Authority would consider moving the Bethel building to Seminar grounds, some four blocks from the terminal area.

Mr. Collins said people of the Vineyard should not "get the misimpression the Steamship Authority is under a strict timetable (wherein) something must be done within a certain period of time."

Mr. Collins went on: "I have met with several groups (on the island) who have indicated an interest (in the Bethel). It's heartening to me to get some public input and to have alternate proposals for the use of the Bethel. I think all of these things need to be put forth in the public eye so we can all take a close look and determine what appropriately should be done with that facility."

ITEM #6 (new business):

Mr. Sayers quickly outlined a community educational program he hopes can get off the ground, first by working with Town of Falmouth school teachers and later, if the program proves itself, with teachers on Martha's Vineyard and Nantucket and the Town of Barnstable.

Because school budgets have shrivelled, victims of the economy, many students have seen their usual field trips cancelled. A substitute, at little or no cost to the Steamship Authority, could be students studying the Steamship Authority's operations and its importance in linking the people of the Islands to the mainland.

Mr. Sayers said that Falmouth teachers he has talked with have endorsed the idea and seem eager to participate. The Falmouth Member was asked by Messrs. Grossman and Collins to put his ideas in writing and, if endorsed by the Falmouth superintendent of schools, to so report again at a later public meeting.

AT 1:20 p.m., NO PRESS remained to ask questions and no member of the public offered comment. On Mr. Sayers' motion, the public session was ended.

A true report

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Meeting of July 17th/91
On Nantucket

FILE COPY FILE COPY

July 17th/91
Page 1

STEAMSHIP AUTHORITY MEMBERS this month held their monthly public meeting on the Island of Nantucket, in the meeting room of the Nantucket Board of Selectmen, beginning this date at 11 a.m.

For a half-hour before the public meeting, Members met in executive session to hear a report on on-going collective bargaining with the Teamsters union and on personnel matters, both topics permissible in camera.

Present were two of the three Members: Chairman Bernard D. Grossman of Nantucket and Secretary Robert A. Sayers of Falmouth. E. B. Collins, vice chairman and Member for Dukes County, was unable attend due to an ailment.

Two of the three Finance Advisory Board members attended: Norman F. Beach of Nantucket and Robert C. Murphy of Dukes County. William R. Andrews of Falmouth also could not attend.

Management personnel present: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel Manager Phillip J. Parent; Port Captain Robert Canha; Assistant Maintenance Manager James P. Swindler; Service Planning/Marketing Manager Diane M. Speers; Facilities Manager John D. Tuckwood; Reservations/Customer Services Manager Gina Barboza; Planning Manager Wesley J. Ewell; and Ray Martin, public information officer and recording secretary to the Members.

No elected official attended. Aside from six area newsmen, 14 persons attended, among them: Robert Bowman and Mrs. Libby Oldham, officials of the Nantucket Chamber of Commerce; Nantucket Citizens Mr. and Mrs. Charles Balas, Mr. Wheldon of the Restaurant Owners' Association, Robin Yankow, Ms. Betty Glendening of the Civic League, Ms. Sandy Knox Johnston, Bryan Wiese of the Town of Nantucket planning office and Nantucket Terminal Manager Paul Harrington.

THE PUBLIC AGENDA:

- 1: Action on minutes of June 20th meeting
- 2: Action on bills--\$2,496 to Fordham & Starrett (Boston) for legal work
 --\$4,883 to Carter Browne (Boston) computer aid
 --\$3,386 to Cosgrove et al (Boston) for legal work
- 3: Report on bids, proposals
- 4: Report of Treasurer Wayne C. Lamson
 --on sale of bond anticipation notes
 --on Martha's Vineyard bus stand agreements
 --on cost center allocations
 --on current finances
- 5: Report of General Manager Barry O. Fuller
 --on Chamber of Commerce presentations
 --on Fleet Marine possible license application
 --on 1991 capital projects
 --on proposed new vessel
- 6: Public comments; press queries

(more)

July 17th/91
Page 2

MR. GROSSMAN called the meeting to order at 10:30 a.m., at which time both Messrs. Grossman and Sayers voted to go into executive session immediately. Others, aside from staff members and the Finance Advisory Board, left the room to return in half an hour for the open meeting.

A 10x10 grid of black and white squares. The top nine rows contain a repeating pattern of black and white squares, with the black squares forming a larger, irregular shape in the center. The bottom row is entirely black.

A 5x5 grid of black and white blocks, representing a 5x5 matrix. The grid is composed of 25 individual blocks, each being a 2x2 square. The pattern of black and white blocks varies across the grid, creating a visual representation of the matrix elements.

THE CHAIRMAN, Mr. Grossman, called the public meeting to order at 11:02 a.m., announcing no votes taken in the executive session and wishing the Dukes County Member, Mr. Collins, speedy recovery and the hope that Mr. Collins will be able to attend the Members' August meeting.

With that, Members proceeded to the public agenda:

ITEM #1 (minutes): *Mr. Sayers moved acceptance of the prepared minutes of the June 20th meeting subject to (1) clarification of a point raised by Mr. Beach of the Finance Advisory Board and (2) additions or changes Mr. Collins may make at a later meeting. Mr. Grossman seconded the motion.* The *VOTE:*

AYES: Messrs. Grossman and Sayers

NAYS: None

(On page 7 of the June 20th minutes, reporting on a newly renegotiated agreement with the U.S. Postal Service, the minutes had the Steamship Authority carrying "all mail to and from the Islands." Not true, said Mr. Beach. "Most mail" would be more accurate.)

ITEM #2 (bills): *Mr. Sayers moved to pay the law firm of Fordham & Starrett (Boston) \$2,496 for legal services during May. Mr. Grossman seconded the motion.* The *VOTE:*

AYES: Messrs. Grossman and Sayers

NAYS: None

Mr. Sayers moved to pay Carter Browne Consulting Service \$4,883 for computer assistance during June. Mr. Grossman seconded the motion. The *VOTE:*

AYES: Messrs. Grossman and Sayers

NAYS: None

Finally, Mr. Sayers moved--seconded by Mr. Grossman-- to pay Cosgrove, Eisenberg & Kiley (Boston) \$3,386 for June legal services. The *VOTE:*

AYES: Messrs. Grossman and Sayers

NAYS: None

(more)

ITEM #3 (contracts): *Mr. Sayers moved to confirm an earlier telephone vote of the Members taken by the General Manager to award a contract in the sum of \$2,502 to ARC Corp. of Nantucket to demolish and carry away what remains of Skipper's Wharf, Nantucket. Mr. Grossman seconded the motion. The VOTE:*

*AYES: Messrs. Grossman and Sayers
NAYS: None*

ITEM #4 (report of the Treasurer):

Mr. Lamson reported he is awaiting word from Boston on bids from financial houses on \$2.5 million in bond anticipation notes. Later in the meeting, Mr. Lamson was able to announce the outcome of that bidding.

As recommended by the Treasurer, Mr. Sayers moved that \$1 million in bond anticipation notes be through BayBank of Boston at a net interest cost of 5.48 percent and that \$1.5 million be through the Bank of Boston at a net interest cost of 5.49 percent. Mr. Grossman seconded the motion; further that the note resolution prepared by bond counsel be adopted. The VOTE:

*AYES: Messrs. Grossman and Sayers
NAYS: None*

(Mr. Lamson reported that seven banks in all entered bids. They ranged to a high of six percent net interest cost, prompting the Chairman to state: "The rates reflect confidence in our financial management as well as our overall management."

(Purpose of the issuance is to pay off bond anticipation notes now falling due.)

On bus stand agreement:

Mr. Sayers moved, seconded by Mr. Grossman, to endorse this year's bus stand agreement entered into with Martha's Vineyard Transportation Services (on behalf of three separate lines) for a rental charge of \$9,200 plus 10 percent commission on tickets sold by the Authority. The VOTE:

*AYES: Messrs. Grossman and Sayers
NAYS: None*

(Contract signing was put over from the June meeting at which time Mr. Collins asked for changes now said to be incorporated in the just-voted contract.)

(more)

On cost center allocations:

Mr. Grossman said this important subject should await the presence of the Dukes County Member, Mr. Collins, for out of cost center figures come tariffs.

Cost apportionment has been unchanged since Oct. 19, 1989 when Members voted unanimously to change the formula as it pertains to the Woods Hole terminal. The change raised the Vineyard's share of Woods Hole terminal costs to 80 percent from the previous 75 percent.

Since the late '70s (when he served on the Finance Advisory Board), Mr. Grossman has taken the lead in urging more precise cost allocations.

The Treasurer was prepared in June to recommend a new range of allocations that would include vessels as they are assigned to Island routes. At that meeting, Mr. Collins said he hadn't had time to digest Mr. Lamson's figures and methodology.

Any decisions the Members reach probably wouldn't affect rates until 1992.

On current finances:

At the half-year mark, Mr. Lamson said it appears the Authority's net operating income is running close to \$100,000 above the amount projected in the revised '91 operating budget.

Revenues are up slightly, he said, and operating expenses are down slightly--combining for the plus figure.

ITEM #5 (report of the General Manager):

Mr. Fuller said spokesmen for Nantucket businesses and tourism-related agencies had asked to speak.

The Nantucket Member, Mr. Grossman, introduced Robert Bowman and Ms. Libby Oldham of the island chamber of commerce as well as representatives of the Visitors' Services Bureau, the Civic League and the Nantucket Lodging Association.

In a nutshell, they'd like to see (a) increased service over holiday weekends and Christmas Stroll Weekend, with departure times altered to allow visitors more time on the Island, (b) "freight service be limited" on certain holidays and weekends when Islanders would like to get off island with their autos but often can't, and (c) and they suggested ways travellers could be better directed to lodging and restaurants in conjunction with services already in place.

(more)

Management assured speakers their suggestions will be given hard thought.

On Fleet Marine proposed service:

Over recent months, Tom Johnson of Fleet Marine (PO Box Boston) has had considerable publicity in Nantucket newspapers on his hopes to run a catamaran service in summer between that Island and New Bedford. He has conferred with the General Manager on his hopes and today--he said--he was following Mr. Fuller's suggestion: he would begin the dialogue to learn if Nantucket residents and businesses want the service and what they expect of the service.

Mr. Johnson made it clear from the outset that he wasn't present to ask a license. In fact, he said he was still seeking finances to purchase a vessel. He is encouraged, he said.

He said he has been assured of docking space at New Bedford. He said the Winthrop Group is "interested" in his proposed service and might provide dockage on Nantucket.

"Barry Fuller has made it painfully clear that if this thing is to fly, the interest has to come from the community," Mr. Johnson said.

The audience was divided with most business spokesmen saying service out of New Bedford should be given a try.

On 1991 capital projects:

Even though management said there was an urgency, Mr. Sayers suggested no action in Mr. Collins' absence on ~~some~~ items approved in the 1991 capital budget but requiring second approval.

The items: purchase of six new tow motors (\$78,000); purchase of six new luggage carts (\$36,000); replacement of 15 light fixtures at Palmer Avenue parking lot (\$4,091); and remove and replace underground fuel oil tanks at Woods Hole, Vineyard Haven and Hyannis (\$34,000). The costs are estimated.

Mr. Fuller said there are three projects, previously expensed, that management--including the Treasurer--now believe should be capitalized. These projects include completed renovations of the Oak Bluffs terminal building and the Archibald apartment building along with relocation of the Hyannis workshop.

Changing from expensed items to capital items also is a concern of Mr. Collins and any decision should be delayed, Mr. Sayers said.

(more)

July 17th/91
Page 8

Mr. Sayers said Mr. Collins told him recently that he has no objection to proceeding with fuel oil tank replacements.

Mr. Sayers moved, seconded by Mr. Grossman, to permit management to proceed with the removal and replacement of fuel oil tanks at Woods Hole, Vineyard Haven and Hyannis at an estimated cost of \$34,000, said replacements to be underground. The VOTE:

AYES: Messrs. Grossman and Sayers

NAYS: None

On a new vessel:

Acting Maintenance/Engineering Manager James P. Swindler led discussion on this subject, first reporting on the first round of Island public meetings at which time drawings of the proposed new vessel were displayed and explained.

Patterned after the popular M/V NANTUCKET, the new vessel--the audience was told--will incorporate many suggestions that have come from experienced NANTUCKET travellers. Still, more public ideas are solicited.

Mr. Swindler said four management team members--including the General Manager--met the public for two days, one on each Island. In advance of the showing of vessel drawings, Mr. Swindler said, paid advertisements appeared in all four Island newspapers announcing the showings and, in addition, 4,000 leaflets were circulated at Hyannis, Nantucket, Woods Hole and Vineyard Haven terminals in an effort to coax further thought from the public.

Mr. Murphy of the Finance Advisory Board said management's efforts were all well and good but, he asked, where is the duplicate of the double-ended M/V ISLANDER he said was promised the Vineyard as the Authority's next new vessel.

The General Manager said his management team isn't finished its island-by-island tour in search of public comment. Another round of public showings will follow, once more advanced drawings--required by the U.S. Coast Guard--are completed.

Keep in mind, Mr. Fuller said, that Authority vessels must be flexible and able to operate on either the Woods Hole-Vineyard or the Hyannis-Nantucket runs. Inflexibility, he said, adds heavily to the cost of all operations.

(more)

July 17th/91
Page 9

AT THIS POINT, Mr. Grossman accepted questions from the press, most of which focused on next phases of the new vessel's development as well as on Members' meeting format--the intended announcement well in advance of meetings of important decisions to come before the Members.

In the course of the discussion, the press was advised that all area selectmen and county commissioners routinely receive copies of Authority minutes once they have been cleared by the Members.

Such "reporting" to elected officials has been done over the past several years.

At this point, Mr. Grossman accepted Mr. Sayers' motion to adjourn the day's activities.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Meeting of June 20th/91
In Edgartown

FILE COPY FILE COPY

June 20th/91
Page 1

STEAMSHIP AUTHORITY MEMBERS held their first public meeting of 1991 on Martha's Vineyard (at the Town of Edgartown's new public hearingroom) on this date. The meeting began at noon. It followed a 45-minute executive session, properly voted in advance.

Present were the three Members: Chairman Bernard D. Grossman of Nantucket; Vice Chairman E. B. Collins of Dukes County; and Secretary Robert A. Sayers of Falmouth.

Two of the three Finance Advisory Board members attended: Norman F. Beach of Nantucket and Robert C. Murphy of Dukes County. William R. Andrews of Falmouth was unable to attend.

Management personnel present: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel Manager Phillip J. Parent; Maintenance/Engineering Manager Raymond L. Shaffer (and, from his staff, John D. Tuckwood and James P. Swindler); Marketing/Service Planning Manager Diane M. Speers; Customer Services/Reservations Manager Gina Barboza; Port Captain Robert Canha; Planning Manager Wesley J. Ewell; and Ray Martin, public information officer and recording secretary to the Members.

In addition to four members of the area press corps, the following identifiable persons were in the audience of 18: Edgartown Selectman Fred Morgan; Tisbury Selectman Cora Medeiros; Vineyard Haven Terminal Manager Robert Clark; Angeljean Chiaramida of Martha's Vineyard Chamber of Commerce; Steven Gallant of Michaud Bus Lines; Richard Sherman of Falmouth and Vineyard Haven; Mrs. Susan Shepherd of Falmouth; and Gary Fauteux of the Cape Organization for the Rights of the Disabled.

The public agenda:

- 1: Action on minutes of May 23rd meeting
- 2: Action on bills
- 3: Action on bids and proposals
- 4: Report of the Treasurer
 - on insurance renewals
 - on 1991 revised operating budget
 - on tour bus stand agreements
 - on cost center allocations
- 5: Report of the General Manager
 - on contributions to area hospitals
 - on capital improvements to M/V ISLANDER
 - on first step toward new vessel
- 6: New business from Members and Finance Advisory Board
- 7: Public comments; press queries

(more)

MR. GROSSMAN called the Members to order at 11:05 a.m. and accepted their vote to go into executive session immediately to hear a report on Teamsters Local 59 negotiations and to discuss other personnel matters. A few members of the public left the room so the executive meeting could begin.

A 7x7 grid of black and white blocks. Each row and each column contains a different permutation of the sequence 1, 2, 3, 4, 5, 6, 7. The grid is composed of 49 individual blocks, each being 1x1, 2x2, or 3x3 in size. The pattern is highly symmetric and follows a specific rule for block placement across the grid.

MR. GROSSMAN called the public meeting to order at noon and reported no votes taken during the earlier executive session, at which time Members and management discussed current negotiations with the Teamsters union (on behalf of terminal-based employees) and other personnel matters.

With that, Members turned to the regular agenda:

ITEM #1 (minutes): *Mr. Collins moved--seconded by Mr. Sayers--to accept the prepared minutes of the Members' May 23rd meeting. The VOTE:*

AYES: Messrs. Collins and Sayers

NAYS: None

ITEM #2 (bills):

Mr. Collins moved, seconded by Mr. Sayers, to pay Fordham and Starrett (Boston) \$4,065 for legal services during April. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Mr. Collins moved to pay Nutter, McClellan and Fish (Hyannis) \$10,240 for legal services over the months of March and April. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Mr. Collins also moved to pay Carter Browne (Boston) \$1,734 for computer assistance during May. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Finally, an invoice from Van Riper Associates (Hanson) for \$4,797 for computer services during May was moved for payment by Mr. Collins and seconded by Mr. Sayers. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

ITEM #3 (bids, proposals):

As recommended by management, Mr. Collins moved to award a processed foods contract to Cirelli Foods (Brockton) as low responsive bidder. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Cirelli will be paid \$29,381. Prices were sought from 14 would-be suppliers. Closest to Cirelli's asking price: Capeway Farms (Whitman) which sought \$30,483.39.)

Mr. Collins moved to accept the offer of Commonwealth Thomas, Inc. (Milford, NH) to supply four new, medium-duty, handicapped lift-equipped buses, deliverable next March, for \$269,100. Mr. Sayers seconded the motion.

The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Eleven firms, on request, were supplied with bid packages. Only two firms responded in time for the May 23rd bid opening. One firm--Michaud Bus Lines of Salem, MA--had an asking price some \$8,500 lower than the successful bidder.

(A Michaud spokesman was present to dispute the Members' award--as recommended by management--to Commonwealth Thomas, Inc.

(In management's communication with the Members detailing the intended purchase, it was pointed out that counsel's opinion is that the Authority is acting within its rights in bypassing the Michaud bid and that "the dollar value of the difference is far exceeded by the quality of the bus that Commonwealth Thomas is proposing."

(Mr. Grossman pointed out that management has "done a very thorough job in studying these bids and commenting on the difference between the products offered as compared with the specifications set, to assure that we do have the best quality buses that will give us the longest life and the most comfortable ride and service for our patrons.")

ITEM #4 (Treasurer's report):

As recommended by Mr. Lamson, supported by the recommendations of the Authority's insurance consultant, Mr. Collins moved to renew all marine and nonmarine insurance coverage through the Paul Peters Agency of Falmouth. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Total premiums for July 1-June 30th, 1992 coverages will come to a little over \$1.1 million, an overall premium increase of \$165,000 which the Treasurer said is attributable entirely to statewide increases in workmen's compensation premiums.

(In view of fast-rising claims statewide that resulted in workmen's compensation premiums almost doubling--from \$180,000 a year ago to \$345,000 in the next year--the Chairman pointed out that an effort should be made to have insurers "give us some aggressive assistance in accident prevention.")

On proposed 1991 revised budget:

Mr. Collins moved to accept the Treasurer's revised operating budget for 1991 on condition that "management will produce an additional \$300,000 in savings from operating expenses during the course of the year."

Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The General Manager said he would try to meet the condition placed into Mr. Collins' motion. Departments, he said, will carry out "cost-saving review meetings," out of which he said he hoped to meet the intent of Mr. Collins' motion. All management can do is try, he said, without trimming service which, he added, he is sure Mr. Collins does not mean to do.

(When Members approved the 1991 operating budget last November, that budget foresaw ending '91 with a net operating income of \$776,258. But the first four months of '91 saw operating revenue lagging considerably--mainly because freight was off more heavily than expected--while operating expenses were higher than expected. This combination--lower-than-expected revenues and higher-than-expected expenses--necessitated probably the earliest-ever budget revision.

(The Treasurer said the revised budget now foresees a lessened net operating income: down from \$776,258 to \$434,000. This prompted the Dukes County Member, Mr. Collins, to urge that management attempt to reduce that \$300,000 gap.

(Mr. Sayers said he has attended management team meetings and has urged department heads to meet regularly on cost containment.

(The General Manager said he hopes to recover the \$300,000 "one bite at a time, one month at a time." The quickest route to cost saving, he said, is through reduced service to the islands "and no one wants that.")

(more)

On agreements with Island bus companies:

Mr. Collins moved to accept the one-year negotiated agreement with Nantucket bus operators but to renegotiate terms tentatively reached with owners of Martha's Vineyard sightseeing buses, on Mr. Sayers' condition that a renegotiated agreement--if close to the expressed wishes of the Members--need not wait until the Members' July meeting to take effect. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(The Nantucket agreement would earn the Authority \$6,800 plus 10 percent commission on bus tour tickets sold by Authority personnel. Payment is \$300 above that for 1990.

(Mr. Collins objected to the Vineyard Haven/Oak Bluffs agreement because he didn't want the Steamship Authority to be "the promotional arm of the tour bus company." The proposed new agreement covering Vineyard buses would have lowered payment to the Authority from \$8,500 a year ago to \$5,000 while raising ticket sale commissions from 10 percent to 15 percent.

(The Treasurer's memo indicated Authority revenue--base fee plus commissions--could result in some \$16,000 income as opposed to \$13,895 brought in last year, based on the pace of ticket sales so far this year.

(The Vineyard Member said he was not comfortable "aggressively marketing their services so that we'll get an additional revenue for ourselves...I would rather see us enhance our income by the performance level that we maintain in providing service and passenger comforts."

(Mr. Lamson said he would meet with Vineyard operators again within a few days.)

On allocation of revenues and expenses:

Mr. Collins moved to postpone for a month any action on the Treasurer's recommendations for new formulae in arriving at new cost center data as they apply to the Woods Hole terminal and to vessels. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

(Since the Treasurer's recommendations would have no immediate effect on accounting, Mr. Collins said he would appreciate a little more time to study the proposals.

(Cost center accounting has a major effect on rate-setting--and has since the program was inaugurated in the late '70s. The Vineyard, for example, is charged with the full cost of Vineyard Haven and Oak Bluffs terminals and shares with Nantucket in the cost of the Woods Hole terminal. Nantucket absorbs the full charges of operating both the Nantucket and Hyannis.

(During the '80s, as fewer and fewer vessel trips originated out of Woods Hole in Nantucket service, the Vineyard has absorbed more of Woods Hole terminal costs. Gradually, the ratio moved from 60 percent-40 percent to 75-25 and--by Members' vote on Oct. 19, 1989--to the present 80-20 formula.

(Since becoming a Member at the start of 1983--and before that as a member of the Finance Advisory Board--Mr. Grossman has contended the allocation is out of whack: Nantucket service uses Woods Hole far less than the percentage attributed to Nantucket service.

(Mr. Lamson's proposed new formula on Woods Hole cost distribution agrees with the Chairman's position: 91.4 percent would be charged to the Vineyard, just 8.6 percent to Nantucket, based on actual statistics for 1990.

(Mr. Lamson's paper also recommends something new: that the vessel expenses be allocated to each island on the basis of how each individual vessel operated to the islands, "rather than the combined aggregate basis as outlined in the memo dated June 17th."

(The Treasurer said the additional month before Members make their decision would give his department time to fill in one or two missing economic factors.)

On agreement with U.S. Postal Service:

Mr. Collins moved, seconded by Mr. Sayers, to accept the newly renegotiated four-year contract with the U.S. Postal Service. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(The final year of the agreement, Mr. Lamson pointed out, was worth \$201,823 to the Authority which carries all mail to and from the Islands. That amount will increase to \$211,308 in the first year

(more)

of the new agreement and rise abreast with any increases reported in the national Consumer Price Index.)

On current finances:

Final figures for May were much brighter than foreseen in the revised operating budget for 1991--voted earlier in the day by the Members: \$169,000 brighter.

The Accounting Department completed the heavy work of budget revision in time for today's meeting of the Members but not in time to take into account late-May surges in traffic and revenue. Final May figures, it turned out, were not known until a day or two before the Members' June 20th meeting.

Mr. Collins said he still wants to see \$300,000 worth of cost-cutting over and above the "windfall" \$169,000.

ITEM #5 (General Manager's report):

As recommended by management, Mr. Sayers moved to donate \$1,000 to each of the area's four hospitals: Falmouth, Cape Cod, Nantucket Cottage and Martha's Vineyard.

Mr. Collins seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Each Member took turns praising the work of Cape and Islands hospitals.)

On rehabilitating M/V ISLANDER:

Mr. Collins moved management's recommendation to include in the 1992 capital budget some \$1.2 million for improvements to M/V ISLANDER that should keep the vessel serving well for another decade. Mr. Sayers seconded the motion.

The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The General Manager said the budgeted amount would go toward a new engine order telegraph system, new steering gear system as well as new engines. Mr. Fuller said all work on ISLANDER would be done beginning in January when the vessel is scheduled out of service for Coast Guard inspection and annual overhaul.

(more)

(It was pointed out that, with the new commitment, some \$2.2 million will have been spent on ISLANDER over a two-year period. The ship's entire electrical system was revamped a year ago.

(The General Manager said approval now of his recommendation would give the Maintenance/Engineering Dept. time to order all needed equipment so there'd be no delay once the vessel is sidelined for overhaul in January.)

On Phase #1 of new vessel:

As recommended by management, Mr. Sayers moved to expend up to \$95,000 for design engineers to produce some 40 drawings to gain U.S. Coast Guard approval of a new vessel to be constructed along the lines of M/V NANTUCKET. Mr. Collins seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The General Manager said he only recently learned the Steamship Authority already owns some \$200,000 in NANTUCKET blueprints--a saving of that amount as long as the new vessel is patterned after that vessel. For the better part of 18 months, Mr. Fuller has said in public meetings that ships' officers and chief engineers overwhelmingly believe NANTUCKET is the Authority's best vessel, in all ways. And that the Authority's next new vessel should an improvement on NANTUCKET's basic hull and power system.

(The firm selected to produce the drawings for the Coast Guard is Rodney E. Lay and Associates of Jacksonville, Fla. Mr. Lay was involved as designer when NANTUCKET was constructed in Jacksonville 17 years ago.

(Preliminary drawings--profiles, deck arrangements, etc.--have been produced by James P. Swindler of Maintenance/Engineering. They show, generally, what the new vessel could look like and have already incorporated many ideas from the travelling public over the years.

(Mr. Fuller said he and Maintenance/Engineering personnel plan on meeting the public to coax out further ideas that, if practical, can be incorporated into plans now rather than later when the cost of changes will become burdensome.

(As planned, the new vessel would replace M/V UNCATENA in service, with UNCATENA to serve in standby readiness. The Authority's six-vessel fleet now had no vessel to substitute for one that might be knocked out of operation.

(more)

(As preliminarily designed, the new vessel would have slightly more than NANTUCKET's 1,166-passenger capacity but with inside seating increased some 70 percent. Her freight deck would still hold some 65 automobiles--fewer depending on the number of trucks confined to two center lanes rather than three to allow easier movement in and out of parked vehicles.)

On public meeting format:

As recorded in the minutes of the Members' public meeting of May 23rd, Mr. Collins put forth suggestions for more advance notice to the public on issues to come before the Members. He said his ideas were to generate more public awareness of what decisions the Members are being called upon to make and to encourage more public participation.

Mr. Collins' ideas were not in the form of a motion--and no vote was taken. A vote could be taken at the June meeting, it was said at the time.

Today, the General Manager again raised points raised a month ago by Mr. Collins. Mr. Fuller said he has attempted to follow Mr. Collins' suggestions in advance of this month's meeting.

Mr. Collins moved that his May 23rd suggestions be in the form of a motion. Mr. Sayers seconded the motion.

The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The following is repeated from the minutes of May 23rd:

('Mr. Collins proposed:

("The agenda be closed on the Friday before the regular monthly meeting--almost always on a Thursday--and supporting detail be provided the board of governors and members of the Finance Advisory Board no later than Saturday to give ample time for study.

("Invoices for approval may be added after the agenda is closed but no other matter may be added unless it is for information only or constitutes an emergency.

("Other than invoices for approval, no matter will be voted on until the next regular meeting after the initial presentation unless the board of governors by unanimous vote agree the matter should be pursued.

(more)

June 20th/91
Page 11

("The time and place of the next meeting will be sent out during the first week of each month to all appropriate groups, media, and the notice will list those matters on which a vote is expected."")

On new business:

***Mr. Grossman noted the recent passing of John J. Flaherty, the Authority's first and only port engineer.

"He will be sadly missed," the Chairman said. On behalf of the Members and Finance Advisory Board, Mr. Grossman extended regrets to Mr. Flaherty's survivors.

***David Houghton of Barnstable Town Council was introduced. He said he was "impressed with the professionalism that this board has evidenced at this meeting. The professionalism of the staff is impressive to a high degree."

Mr. Houghton said his town was looking forward to the day--quite soon--when it will have a representative on the Authority's board.

***Gary Hibbard of the engineering firm of Fay, Spofford and Thorndike (Boston) spoke as a representative of the Martha's Vineyard Transit Authority.

He said MVTA is counting on the Steamship Authority for help in "a comprehensive island-wide transit study" being undertaken with funds received from the Federal government. He said MVTA hopes to develop a transit system that can survive 'without too much public dollars.'

He said MVTA hopes the Steamship Authority can provide space on its Vineyard-bound vessels for disseminating information about the island. Working with Mr. Ewell, the Authority's planning manager, Mr. Hibbard said he also hopes to see Authority terminal offices become information centers for island businesses and services.

Mr. Grossman noted the Town of Nantucket has its own "visitors' service committee" which operates its own information center on the edge of terminal property without involving the Steamship Authority.

At this point--at 1:24 p.m.--Mr. Grossman accepted Mr. Sayers' motion to adjourn the day's proceedings.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin

RAY MARTIN, Recording Secretary

May 23rd/91
Page 1

STEAMSHIP AUTHORITY MEMBERS held their May public meeting on this date at the Marine Biological Laboratory's Candle House in Woods Hole, beginning at 11 a.m., preceded by a 30-minute executive session.

Present were the three Members: Chairman Bernard D. Grossman of Nantucket; Vice Chairman E. B. Collins of Dukes County and Secretary Robert A. Sayers of Falmouth. The three Finance Advisory Board members also attended both sessions: William R. Andrews of Falmouth, Norman F. Beach of Nantucket and Robert C. Murphy of Dukes County.

Management personnel in attendance: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel Manager Phillip J. Parent; Marketing/Service Planning Manager Diane M. Speers; Maintenance/Engineering/Procurement Manager Raymond L. Shaffer (and, from his department, John D. Tuckwood and James P. Swindler); Reservations Manager Gina Barboza; Planning Manager Wesley J. Ewell; and Ray Martin, public information officer and recording secretary to the Members.

Attending the public session were 12 persons in addition to area newsmen. Identifiable persons were: Tisbury Selectman Cora Medeiros, Mrs. Susan Shephard, Ms. Sandra Hill and Richard Sherman of Falmouth; Robert Schneider; Woods Hole Terminal Manager Kevin Smith; Gary Fauteux of CORD and Jack E. Robinson of Oak Bluffs.

THE PUBLIC AGENDA:

- 1: Action on minutes of April 18th/91
- 2: Action on bills--\$4,078 to Fordham & Starrett (Boston) for legal services
 --\$3,075 to Nutter, McClellan & Fish (Hyannis) also legal
 --\$5,797 to Van Riper Assoc. (Hanson) for computer aid
 --\$2,405 to Carter Browne (Boston) also for computer aid
- 3: Action on bids and proposals
- 4: Report of the Treasurer
 --on preliminary draft to revise 1991 operating budget
 --on wire transfers through Falmouth National Bank
 --on current finances
- 5: Report of the General Manager
 --on Hyannis harbor dredging
 --on Woods Hole Slip #2 and Nucci Vine Engineering (Falmouth)
 --on status of the fleet
 --on truck staging at Woods Hole
 --on Falmouth parking
 --on future agendas
 --on current capital projects
- 6: Public and press comments and questions

(more)

THE PUBLIC SESSION was called to order by Mr. Grossman at 11:02 a.m. at which time the Chairman announced the two votes taken in executive session (the leasing of parking space at Oak Bluffs from the Town of Oak Bluffs and the one-year lease of warehousing space in the Town of Falmouth).

Members then turned to the day's public agenda:

Mr. Collins moved acceptance of the prepared minutes of the Members' April 18th meeting. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

ITEM #2 (bills):

Mr. Collins moved to pay the law firm of Fordham and Starrett (Boston) \$4,078 for legal services during March. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Mr. Collins then moved to pay \$3,075 to Nutter, McClellan & Fish (Hyannis) for legal services rendered during February. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Van Riper Associates (Hanson), by Mr. Collins' motion, will receive \$5,797 for services having to do with the accounting computer system. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Mr. Collins moved payment of the final bill before the Members: \$2,405 to Carter Browne (Boston) for computer system maintenance services during April. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

ITEM #3 (bids, proposals):

Mr. Sayers moved, seconded by Mr. Collins, to confirm an earlier telephone vote by the Members to declare Cambridge Packing Co. (Boston) low responsive bidder to supply fresh and frozen meats. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The Cambridge price was \$17,237.03. Runnerup bidder was James J. Derba, Inc., of Chelsea which sought \$18,931.46. No responses were received from 12 other firms solicited for prices.)

ITEM #4 (report of Treasurer Wayne C. Lamson):

On revised operating budget:

The Treasurer reported that, before the Members meet again in June, he will have had discussions with the Finance Advisory Board on a proposed revision of the 1991 operating budget. He said he hoped the Members could, at their June meeting, could vote on a revamped budget.

Revision, Mr. Lamson said, was made necessary by two factors: based on operations through April, it would appear freight revenue continues to slide below projections while operating expenses are 1.8 percent higher than forecast. The combination, he said, appears to be slashing the anticipated net operating income for the year from \$776,000 to \$185,000.

The revised budget, he said, hopes to raise the anticipated net operating income back to around \$400,000.

As an aside to the Chairman, Mr. Lamson told Mr. Grossman the Members could expect data at the June meeting that could guide them in any change in the current assessment of Woods Hole terminal costs. Martha's Vineyard currently is assessed 80 percent of such costs, Nantucket 20 percent. Mr. Grossman has long been on record urging a lowered assessment against Nantucket.

On Falmouth National Bank:

At the Treasurer's recommendation, Mr. Collins moved to enter into an agreement with Falmouth National Bank authorizing wire transfers to be originated by telephone from one Authority account to another. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

(To a question from Mr. Grossman, the Treasurer said: Yes, all Steamship Authority deposits are collateralized, covered by insurance or invested in U.S. Treasury bills.)

On current finances:

April's net operating loss was some \$145,000 higher than expected, Mr. Lamson reported.

The year's first four months of operations showed a net operating loss some \$312,000 higher than projected in the budget due, in large part to sagging freight shipments and the fact that 1991 Vineyard rates--unlike Nantucket rates--won't increase until the start of the summer season in late May.

ITEM #5 (report of General Manager Barry O. Fuller):

On Hyannis harbor dredging:

Mr. Collins moved--as recommended by management--that the current \$7,500 agreement obtaining the services of Aubrey Consultants (Falmouth) in securing permits in advance of Hyannis harbor dredging be increased by \$3,500 to compensate for other work undertaken.

Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Shoaling of Hyannis harbor's twisting, sometimes narrow, channel has been a problem for some years and with tightened Federal budgets the past three years, it looked as though the lead from Nantucket Sound into Lewis Bay would remain a growing problem for years more.

(Steamship Authority Members and management thanked the offices of Senators Kennedy and Kerry as well as that of Congressman Studds--supported by Barnstable town leaders--for paving the way for earlier dredging action.

(Last Aug. 16th, Members unanimously voted to pay Aubrey Consultants \$14,000 to study the harbor entrance and speak on the Authority's needs to the U.S. Corps of Engineers. That got the ball rolling for the Authority. Last March 21st, Members voted another payment--up to \$8,568--to do the planning necessary in order to obtain necessary Federal, State and local permits.

(Six of seven needed permits have been obtained, Members were told. The latest commitment for a further \$3,500 is to cover Aubrey attending four agency meetings and for "permit oversight".

(more)

(Maintenance dredging of the channel's most troublesome spots is expected to begin in mid-June, Members were told. The abbreviated dredging operation should last upwards of three weeks and not interfere with the comings and goings of Authority vessels now making six round trips per day between Hyannis and Nantucket.)

On Woods Hole Slip #2 repairs/reconstruction:

At management's request, Mr. Collins moved--seconded by Mr. Sayers--to expand Nucci Vine Engineers' contract by \$5,880 to compensate for work over and above that encompassed by an earlier agreement. The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

(Last Aug. 16th, Nucci Vine Associates were the unanimous choice of Members and management to do all necessary engineering in advance of sizable repairs necessary to keep Woods Hole Slip #2 operational. The August agreement called for payment of \$43,950. Today's extension was for critical work beyond that believed necessary at the time the original contract was let.

(Slip #2 was built in the mid 1960s, the General Manager reminded the Members. It was badly in need of rehabilitation, Mr. Fuller said, and a distinct threat to service. AGM Marine worked throughout the winter restoring the slip on a \$396,500 contract voted by the Members last Dec. 20th. Another estimated \$114,000 worth of work is necessary as a result of findings of Nucci Vine engineers.

(It was first believed Slip #2 reconstruction would cost upwards of \$3 million, the General Manager said. Now, for a fraction of that amount, "we have a slip with another 20-year life." He praised the work of John D. Tuckwood of the Maintenance/Engineering Dept. who was in daily contact with AGM and Nucci Vine work crews.

(The General Manager said regular underwater inspections are now carried out at all terminals to prevent what almost happened at Woods Hole from happening elsewhere.)

On status of the fleet:

Maintenance/Engineering Manager Shaffer said--on the eve of the summer schedule when all six Authority vessels are committed to daily service--the fleet "is in the best shape it's ever been in--and that includes the relatively new EAGLE." Further, said the General Manager, "we're over the hump as far as major maintenance expenses are concerned."

(more)

The Vineyard Member, Mr. Collins, quickly inserted the fact that he'd come to the mainland that morning aboard M/V NANTUCKET "and she was absolutely beautiful. Her crew looked great because they knew they were on a boat that looked really great."

Mr. Collins said congratulations are in order to maintenance employees as well as to officers and crewmen assigned to NANTUCKET during her overhaul/repair period. The Falmouth Member added his applause.

Mr. Shaffer said NANTUCKET's starboard main engine will be tackled next for complete rebuilding. That work is scheduled for this fall.

On Woods Hole traffic improvements:

Mr. Collins moved management's recommendation to grant BSS Design Engineers (Falmouth) a further \$1,407.50 to engineer public safety zones in the midst of vehicle traffic areas at the Woods Hole terminal. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Widened streets, better lane markings for buses and other vehicles, are all part of a year-long project at Woods Hole aimed at improving the movement of traffic and, at the same time, enhancing public safety. Most work has been completed except for an enlarged truck staging area and the still-to-do public area markings.

(Stopped for now, Members were told, is the plan to widen Cowdry Lane--which leads directly into Woods Hole Slip #2--for easier staging of trucks. A single Woods Hole resident complained there had not been a public hearing on the project that he'd heard of; Falmouth officials promised him that public hearing in the fall. Members noted that put a stop for this year to a worthy project that would have benefitted Woods Hole.)

On Falmouth parking plan:

Mr. Sayers moved, seconded by Mr. Collins, that the General Manager communicate with Town of Falmouth top officials and seek from them a formal response to the report and study of Holmes & McGrath (Falmouth) of 10 potential options for improved parking to handle Falmouth/Woods Hole parking. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

May 23rd/91

Page 8

(At considerable expense, Steamship Authority Members and management have made it clear they want to do what they can--in conjunction with Town of Falmouth's elected leadership--to alleviate Falmouth/Woods Hole parking problems traceable to Authority operations.

(In two separate votes last year--on Feb. 16th and Sept. 21st--Members voted to spend \$79,000 to have the engineering firm of Holmes and McGrath study all options open to the Authority. That three-volume finding was completed last October, turned over to Falmouth Selectmen and made public.

(Falmouth's political leadership asked for a delay in responding because (a) the Town was undergoing a change in government that would mean a lesser role for what had been fulltime Selectmen and (b) a new town manager was yet to be employed to assume much of the work formerly done by Selectmen.

(Members believed enough time has passed that an official opinion of the report and its findings are due.

(Falmouth Member Sayers said: "...any suggestions from the town as to the direction we should take would be welcomed."

(Dukes County Member Collins said: "We would obviously take into very careful consideration any suggested action they might choose to make."

(The Chairman, Mr. Grossman, said: "We still have to look out for the welfare of the Steamship Authority and we want to be cooperative with the Town. A recommendation from the Town may be a basis for further discussion.")

On new business:

Mr. Collins reported briefly on a late-April marine transportation forum held in Woods Hole, co-sponsored by the Martha's Vineyard and Cape Cod Commission planning agencies. Most focus was on the Steamship Authority, what it is doing and what it could or should be doing.

One decision of the planners: they would take on a count of all freight-bearing trucks passing through the Authority's Woods Hole port with a view to possibly forcing a spread to alternate ports. Planners would interview drivers and shipping company owners.

Mr. Collins' interest in the forum and the direction any study may take is natural: it is to his Island that most Authority freight is carried.

(more)

May 23rd/91
Page 9

He asked the General Manager to attempt to learn from the Martha's Vineyard Commission "an exact definition of the study, the cost of it and all other particulars so that he can report back to us at the next (June) meeting at which time we can determine our degree of participation."

Mr. Collins also raised another point: he'd like the Members at their June meeting to decide on his suggestions with regard to the Members' regular monthly business agendas.

Mr. Collins proposed:

1: The agenda be closed on the Friday before the regular monthly meeting (almost always on a Thursday) "and supporting detail be provided the board of governors and members of the Finance Advisory Board no later than Saturday to give ample time for study."

2: "Invoices for approval may be added after the agenda is closed but no other matter may be added unless it is for information only or constitutes an emergency."

3: "Other than invoices for approval, no matter will be voted on until the next regular meeting after the initial presentation unless the board of governors by unanimous vote agree the matter should be pursued."

4: "The time and place of the next meeting will be sent out during the first week of each month to all appropriate groups, media, and the notice will list those matters on which a vote is expected."

The Chairman said the June meeting would take up Mr. Collins' proposals.

A week prior to the May 23rd meeting, the General Manager sent to the Members and Finance Advisory Board a list of nine capital projects included in the overall 1991 capital budget that he'd like reaffirmed.

Mr. Collins moved, seconded by Mr. Sayers, to proceed with three capital projects under the jurisdiction of the Maintenance/Engineering Dept. and three capital projects under the direction of Service Planning at a total estimated cost of \$168,000. The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

(more)

(Approved for undertaking:

(1: Build an oil containment/storage area at Woods Hole to hold an oil water separator;

(2: Renew navigation strobe lights;

(3: Purchase a trash compactor for use at Woods Hole;

(4: Instal a Halon fire protection system for the computer room at Woods Hole, as recommended by auditors;

(5: Erect automated parking directional sign along Route 28 for those approaching Falmouth from the north; and

(6: Replace a high-speed printer for the reservations system at Woods Hole.

(Put off for now was an estimated \$34,000 for above-ground fuel oil tanks at Woods Hole, Vineyard Haven and Hyannis to replace old underground ones.)

ITEM #6 (public, press comments and questions):

Jack E. Robinson, Oak Bluffs resident, was on hand and spoke at length demanding that the Dukes County Member, Mr. Collins, step down from his position while "the Dukes County Commissioners and the Steamship Authority complete their investigation" of Mr. Robinson's complaint.

The Oak Bluffs resident said he was unjustly treated at the Woods Hole terminal in favor of Mr. Collins when it came to fill the last open deck space on the departing M/V KATAMA in the late afternoon of May 8th. There should be no favoritism, he said, over any person in a standby line.

The Chairman, Mr. Grossman, said there has been "favoritism" of a sort for many years: terminal managers at Nantucket and all other ports have always had the right to assign preferential space in the event of medical emergencies. As far as he knows, Mr. Grossman said, the practice has never been challenged.

Mr. Collins said it was a medical urgency that prompted him to accept the Woods Hole assistant terminal manager's offer to board ahead of his reserved time: his wife, in the front seat, was taking heavy medication to restore a normal heartbeat.

Mr. Collins inserted into the record a statement from Mrs. Collins'

(more)

May 23rd/91
Page 11

Vineyard physician, supported by a Boston cardiologist. Her condition was described as "ventricular tachycardia"--a life-threatening condition that demands regular monitoring and constant medication.

"She was feeling quite ill" when he drove into the Woods Hole terminal area "and I was concerned," Mr. Collins said.

It was agreed the General Manager should carry out his own "investigation" and remain in contact with Mr. Robinson.

ANOTHER MEMBER of the public who spoke was Tisbury Selectman Cora Medeiros who, among other suggestions, said it would be helpful to the public if vessel and terminal employees wore name-tags.

Such identifications have been ordered and employees will soon be wearing them, Port Captain Robert Canha assured her.

AT THIS POINT Mr. Grossman accepted Mr. Sayers' motion to adjourn the day's session.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Meeting of April 18th/91
In Woods Hole

FILE COPY FILE COPY

STEAMSHIP AUTHORITY MEMBERS met this date in Woods Hole--at the Marine Biological Laboratory's Whitman Building--first, at 10:30 a.m. in executive session (duly voted in open session), then in public session beginning at 11:39 a.m.

Present were the three Members: Chairman Bernard D. Grossman of Nantucket; Vice Chairman E. B. Collins of Dukes County; and Secretary Robert A. Sayers of Falmouth.

The three Finance Advisory Board members were present: William R. Andrews of Falmouth; Norman F. Beach of Nantucket; and Robert C. Murphy of Dukes County.

Management personnel present: General Manager Barry O. Fuller; Assistant Treasurer John W. Finn; Personnel Manager Phillip J. Parent; Maintenance/Procurement Manager Raymond L. Shaffer (and, from his staff, John D. Tuckwood and James P. Swindler); Marketing/Service Planning Manager Diane M. Speers; Customer Services Manager Gina Barboza; Planning Manager Wesley J. Ewell; Operations Manager Robert Canha; and Ray Martin, public information officer and recording secretary to the Members.

In the audience of 14 persons--most of them were union members--were State Rep. Eric Turkington and three identifiable Falmouth residents: Mrs. Susan Shepherd, Dr. Charles Johnson and William Roslansky.

The public agenda:

- 1: Action on minutes of March 21st/91 meeting
- 2: Action on bills
- 3: Report and action on bills
- 4: Report of Treasurer Wayne C. Lamson (by Mr. Finn)
- 5: Report of General Manager Barry O. Fuller
 - on senior citizens' discount fare policy
 - on renewal of agreement with EAP Network
 - on police services for 1991 season
 - on Bethel Building at Vineyard Haven
 - on vessel acquisition status
 - on brochure distribution

It was announced publicly before the start of the executive session that labor negotiations and real estate matter would be discussed and any votes taken would be announced later in the day.

(more)

1. **What is the primary purpose of the study?**

2. **What is the study's hypothesis or research question?**

3. **What is the study's design and methodology?**

4. **What are the study's key findings and conclusions?**

5. **What are the study's limitations and potential biases?**

6. **What are the study's implications for the field and for practical applications?**

7. **What are the study's contributions to the existing literature?**

8. **What are the study's recommendations for future research?**

9. **What are the study's conclusions in plain English?**

10. **What are the study's conclusions in scientific English?**

A 5x5 grid of black and white blocks, likely representing a convolutional neural network layer. The blocks are arranged in a 5x5 grid, with some blocks being white and others black, representing binary data or weights. The pattern is as follows:
Row 1: Black, Black, Black, Black, Black
Row 2: Black, White, White, White, Black
Row 3: Black, White, Black, White, Black
Row 4: Black, White, Black, White, Black
Row 5: Black, White, Black, White, Black

THE STEAMSHIP AUTHORITY's public meeting was called to order at 11:39 a.m. and the Chairman promptly announced the votes taken earlier in the morning during executive session:

- 1: To ratify the new three-year collective bargaining agreement with MEBA (Marine Engineers Beneficial Association);
- 2: To lease for one year a Falmouth site to store inventory under control of the Authority's Maintenance/Engineering Department; and
- 3: To lease land in Falmouth--"the McGregor property"--close to the Authority's Gifford Street parking lot for additional parking space between July 3rd and Sept. 3rd.

Mr. Grossman took a moment to explain highlights of the three voted items. (Please see full minutes on executive session carried on preceding pages.)

ITEM #1 (minutes): *Mr. Collins moved that the prepared minutes of the Members' March 21st meeting be accepted.*
Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

ITEM #2 (bills): *Mr. Collins moved to pay Fordham and Starrett (Boston) \$2,565 for legal services performed during February. Mr. Sayers seconded the motion. The VOTE:*

AYES: Messrs. Collins and Sayers
NAYS: None

Mr. Collins moved--seconded by Mr. Sayers--to pay Deloitte & Touche (Boston) \$4,800 as final payment for auditing services on 1990 operations. The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

(The General Manager pointed out that Deloitte & Touche's services had been retained for the agreed amount of \$34,800.)

Mr. Collins moved to pay Van Riper Associates (Hanson) \$4,152 for services to the accounting computer system.
Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

(more)

Mr. Collins moved to pay Towers/Perrin (Boston) \$1,032 for personnel consulting services performed during February. Mr. Sayers seconded the motion.

The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(The motion passed but only after considerable discussion--mainly on points raised by members of the Finance Advisory Board with whom Towers/Perrin's Ms. Joanne Getchell worked the past five years. Mr. Andrews pointed out that the Towers/Perrin invoice made no mention of work done by Ms. Getchell other than the fact that she must have done some work for the Authority before Towers/Perrin dismissed her--along with others in a reduction of force.

(The General Manager said Ms. Getchell was helpful in setting the pay scale for the new position of planning director. The Personnel Manager, Mr. Parent, also said Ms. Getchell helped update the present compensation program.

(Mr. Andrews wondered if Towers/Perrin is worth using in the future. And Mr. Grossman said: 'With the development and improved education of many of our members in top management, I think we are not relying enough upon them for many judgments and many actions. And this applies to lawyers and other consultants--including Towers/Perrin.")

Mr. Collins moved, seconded by Mr. Sayers, to pay First National Bank of Boston \$1,430 for services in connection with the issuance of \$2.5 million in bond anticipation notes, dated Jan. 24th, 1991.

The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

An invoice in the amount of \$2,893 from Carter Browne (Boston) for computer system service during March was moved for payment by Mr. Collins, seconded by Mr. Sayers.

The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

Mr. Collins moved to pay the final bill before the Members: that for \$4,150 for engineering services carried out by BSS Design, Inc., of Falmouth in connection with improved movement of traffic at Woods Hole. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

(Vote on Mr. Collins' motion came after considerable discussion:

(First, it was explained that BSS Design's services were preliminary to carrying out a capital works project--widening of a street leading into the Woods Hole terminal area--voted by the Members last May 17th when management's plans for better traffic control were presented. Actual widening of the street--one part of the overall control program--found its way into the capital budget, endorsed by Members last November.

(Then Mr. Collins raised this point: He had been assured in voting in November for the capital budget as a whole that he and other Members still retained the right to challenge individual projects as they arose, prior to commitment of funds.

(Mr. Beach of the Finance Advisory Board agreed with Mr. Collins: because an item is in the budget should not be a clear go-ahead to proceed; it should be weighed again--later--when conditions could change.

(The General Manager assured Members that all intended projects contained in the capital budget would come before the Members before funds are committed.

(BSS Design's work could lead to the widening of Cowdry Lane, thus creating another block-long lane for Island-bound trucks from the Woods Hole terminal. The Falmouth Member, Mr. Sayers, pointed out that the Town's planning board and conservation commission have given initial approval to the road-widening. Final approval is awaited from the Board of Selectmen.

(Proceeding further, beyond BSS' engineering, will be decided later by the Members.)

ITEM #3 (bids; requests for proposals):

Members agreed with management: temporarily shelved should be the plan to instal aboard all vessels a public information electronics system geared mostly as an aid to the deaf and hard-of-hearing.

As Mr. Collins said: "The concept certainly should not be abandoned."

The General Manager said an attempt will be made to develop a suitable system using in-house talent.

Firms submitted proposals on systems that ranged up to a cost of \$143,800--far above that contemplated by management when it sought to meet the request to instal better visual aids to travellers. The hoped-for system would have provided emergency information for hearing-impaired persons as well as general information on Island accommodations, rentals, etc.

(more)

Mr. Collins wondered if, in the meantime, an area of each vessel could be set aside for travellers with hearing problems--an area to which pursers could move immediately with information if needed. That will be weighed, Mr. Collins was told.

Mr. Collins moved to table management's request for instalation of an "auto attendant/voice mail enhancement" telephone system at a cost of \$23,602. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Again, economics was a major factor in the Members' decision.

(It was pointed out the refined system could speed up incoming phonecalls plus open the way for other communication improvements: for example, a caller could dial a certain one- or two-number figure and get schedule information from recordings plus a range of other information now sought by callers from a single operator.

(Unlike the single operator now on an eight-hour day, five-day workweek--backed by a single recording to callers--the proposed system could disseminate information 24 hours a day were a caller to punch in an appropriate number as directed.)

ITEM #4 (report of the Treasurer):

Substituting for the vacationing Treasurer, Mr. Lamson, Assistant Treasurer John W. Finn reported on current finances.

Looking at first-quarter figures (Jan. 1st through March 31st), Mr. Finn said freight revenue (down 15 percent in March) continues to disappoint and upset projections. During the three-month period, he said revenue was off just under one percent while expenses were up 1.5 percent over budget.

Austerity measures are now in place, Mr. Finn said, aimed at restoring the outlook over the balance of the year. A revised budget might be prepared in time for the May meeting of the Members.

ITEM #5 (report of the General Manager):

On senior citizens' discount:

Mr. Collins moved--seconded by Mr. Sayers--to accept management's suggestion to provide recognized Barnstable County retiree centers (other than those of the Towns of Falmouth and Barnstable) with, initially, 5,000 coupons entitling bearers to a 20 percent discount on passenger tickets purchased this year. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: Mr. Grossman*

(more)

(Mr. Grossman said the offer discriminates against senior citizens who live outside Cape Cod. The 50 percent discount to seniors of the Islands and the Towns of Falmouth and Barnstable, he said, recognizes the fact they reside in Steamship Authority port communities.

(The 5,000 issuance could be increased later in the year, it was said, depending on Authority economics and close monitoring of usage. Each coupon would cover either one or two persons, so upwards of 10,000 persons could benefit.

(At their March meeting, Mr. Sayers urged the program but--at the same time--Members worried about creating another permanent fare structure within the tariff. Marketing Manager Ms. Speers developed the one-year, trial-basis coupon program as an alternative that still gave Messrs. Collins and Sayers what they wanted: something to offer senior citizens of Cape Cod towns not covered by the existing retiree discount policy.

(Ms. Speers said the new program "is trackable by our ticketing system as far as numbers purchased by the month, by the day, by the Island and by the station." A full report on experience can be given the Members, she said. She was complimented by Mr. Collins for "this innovative approach".

(Coupons are valid from Memorial Day Weekend through Nov. 4th--Mondays through Thursday--but not on holidays. It was agreed that if the 5,000 coupons went quickly, Member approval could be sought to distribute more.

(Mr. Murphy of the Finance Advisory Board thought the expanded program was a little too strict. Few of the thousands of vessel trips reach passenger capacity, so why the restrictions, Mr. Murphy asked.

(Mr. Collins said he hoped this year's trial run could be turned into "a market survey to find out what might happen if we extend a 20 percent discount...to all seniors using the boatline."

(According to most recent Census figures, those over age 65--nearly 45,000 of them--comprise almost a quarter of the Cape's population.)

On EAP Network:

As recommended by management, Mr. Collins moved--seconded by Mr. Sayers--to renew the working relationship with EAP Network, Inc., on behalf of all Authority employees and their families. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

(EAP Network, Inc., will be paid the same \$14,500 it charged for its extensive guidance services last year when, as it turned out, some 30 percent of all families received assistance.

(Personnel Manager Phillip J. Parent said the program, now in its fourth year, has worked so well that it has been held up as a model for other companies and community governments for their employees. The Steamship Authority's EAP--Employees Assistance Program--was in existence before Federal law mandated such programs for many employers.)

On police services:

Mr. Sayers moved--seconded by Mr. Collins--to approve agreements reached with communities providing police services for Summer 1991. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Cost to the Steamship Authority will be virtually unchanged from last year, the General Manager reported.

(The Town of Nantucket does not charge for police services. The Vineyard Towns of Tisbury and Oak Bluffs do. So does the Town of Falmouth. Falmouth charges are yet to be reckoned.

(Town of Tisbury will receive \$15,676. Town of Oak Bluffs will be paid \$7,800.)

On Seaman's Bethel:

Mr. Collins moved to make the Bethel Building at the Steamship Authority's Vineyard Haven terminal available to the Town of Tisbury if, at Town meeting, residents vote to accept it and the terms of donation (the Town would pay all moving expenses, leave the chapel intact and weather-tight; all pipes will be capped; the property left in proper grade; and all work will be done on a timetable initiated by the Steamship Authority). Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Town of Tisbury officials had asked that the Bethel be donated to the town last Sept. 21st and in correspondence to the General Manager since that date.

(more)

(Deadline for moving the structure would be agreeable to both town and the Authority.

(The Rev. Eugene Landry, executive director of the Boston Seaman's Friend Society, was not present for this or the two preceding discussions by Members on the ultimate fate of the Bethel. The Society has rented the building monthly for the past 15 years.)

On fleet acquisitions and improvements:

Members re-emphasized what they'd said at their March public meeting: they want nothing to do with a vessel that doesn't have bow- and stern-loading and unloading capability; they want the Authority's next vessel to be a replacement for M/V UNCATENA and be modelled closely along M/V NANTUCKET's lines.

That ruled out any consideration of possible purchase of a vessel known as M/V INSIGNIA, soon to go on the U.S. Marshall's auction block at a Louisiana port.

The General Manager raised the issue of the INSIGNIA again, as he said, "as a last shot" at getting what he--and Maintenance Department officials--called "a bargain basement opportunity. The auction could take place any day now, Members were told.

Designer James P. Swindler said NANTUCKET's drawings have been shown to six shipyards for estimates on a near duplication of M/V NANTUCKET. Ultimate cost to the Authority will be between \$7.5 million and \$12.1 million, depending on modifications from the 1973-built NANTUCKET. Mr. Swindler said he doubted if such a vessel could be constructed for less than \$10 million--more than double NANTUCKET's cost in 1973.

Members agreed with Mr. Grossman: they and the public should have a month or so to examine preliminary designs before advancing into a formal design where the Steamship Authority would be more committed.

On brochure distribution:

Mr. Sayers moved management's recommendation: as a spur to passenger traffic in these uncertain economic times, to permit the Marketing Department to reward businesses properly displaying Steamship Authority brochures with--on request--up to four two-way passenger tickets. Mr. Collins seconded the motion, on the understanding he would oppose the motion. The VOTE:

AYES: Messrs. Grossman and Sayers
NAYS: Mr. Collins

(more)

(The procedure was suspended in 1984 because of allegations of abuse.

(Ms. Speers, backed by the General Manager, said the Authority's summertime competition extends complimentary passenger tickets to shops and businesses displaying their promotionals and such a gesture gives the competition an edge over the Authority.

("We'd like to compete on a level field," Mr. Fuller said.

(Ms. Speers said a 1989 survey of passengers showed up to 25 percent indicated they first heard of the Steamship Authority through brochures picked up mostly in Cape Cod shops. Those passengers turned out to be "daytrippers"--travelling for the day to the Islands without a vehicle, which means many likely parked at an Authority lot.

(Ms. Speers said the last year tickets were given to businesses, "well below 3,000" one-way tickets were given out. Usage was far from 100 percent, she said. Something like 29 percent, she recalled, were used.

(Mr. Collins said "paying to have our brochures displayed is advertising" and the cost of the suggested program should come out of this year's advertising budget. He said: "We approved an advertising budget, an expenditure for this year. I am not willing to go beyond that number because we're asking that the expense structure be reduced for this year, in light of current economic conditions and our current experience in revenue versus cost. I'm not prepared to authorize any expenditure beyond that in advertising."

(The Chairman, Mr. Grossman, responded: "I'm going to have to disagree with Mr. Collins. I think sometimes you have to spend money to make money. And you can't do business with an empty wagon...If they're--brochures--are not adequately and properly distributed, we might as well throw them down the tube."

(Members agreed with Mr. Grossman: there should be a monthly accounting of ticket distribution, the nature of each outlet--and a record of usage.)

FOLLOWING A series of questions from one person in the audience, Mr. Grossman accepted Mr. Collins' motion to adjourn for the day at 1:12 p.m.

A true record:

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Meeting of March 21st/91
In Woods Hole

FILE COPY FILE COPY

March 21st/91
Page 1

STEAMSHIP AUTHORITY MEMBERS met this day, beginning at 10:30 a.m. with an executive session followed by an open meeting that began at 11 o'clock at the Marine Biological Laboratory's Loeb Building in Woods Hole. Nantucket Member Bernard D. Grossman was in the Chair.

Attending with Mr. Grossman were Vice Chairman E. B. Collins of Dukes County and Secretary Robert A. Sayers of Falmouth.

The full Finance Advisory Board was in attendance: William R. Andrews of Falmouth, Norman F. Beach of Nantucket and Robert C. Murphy of Dukes County.

Management personnel present: Personnel Manager Phillip J. Parent filled in for the vacationing General Manager, Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Service Planning and Marketing Manager Diane M. Speers; Maintenance/Engineering/Procurement Manager Raymond L. Shaffer (and, from his staff, Port Engineer John J. Flaherty, John D. Tuckwood and James P. Swindler); Customer Services Manager Gina Barboza; Operations Manager Robert Canha; Planning Manager Wesley J. Ewell; and Ray Martin, public information officer and recording secretary to the Members.

Legislative Counsel John E. Murphy attended both sessions.

In addition to six area newsmen, audience for the public meeting totalled 31--some 20 of whom were members of the National Maritime Union and included NMU Vice Chairman Robert Healy. Others identifiable in the total audience: State Representative Eric Turkington, Tisbury Selectman Cora Medeiros; Gary Fauteux of CORD; Mr. and Mrs. Frank Shepherd, Dr. Charles Johnson and Ivor Cornman of Falmouth and Mrs. Harriet Longley of Falmouth League of Women Voters and Richard Sherman of Woods Hole and Martha's Vineyard.

Before Members voted unanimously to go into executive session, Mr. Grossman announced Members would take up collective bargaining reports as well as real estate matters in their closed meeting.

The public agenda:

- 1: Action on minutes of Feb. 21st
- 2: Action on bills
- 3: Report and action on bids and proposals sought
- 4: Report of the Treasurer
- 5: Report of the General Manager
 - on senior citizens' fares
 - on Seaman's Bethel at Vineyard Haven
- 6: New business
- 7: Comments, queries from press and public

(more)

March 21st/91
Page 2

A 7x7 grid of black and white blocks. The top and bottom rows are entirely black. The middle five rows are white, with black blocks forming a central column and a diagonal line extending from the top-left to the bottom-right. The black blocks in the central column are arranged in a stepped pattern: one block in the second row, two in the third, three in the fourth, and four in the fifth. The black blocks in the diagonal line are arranged in a stepped pattern: one block in the second row, two in the third, three in the fourth, four in the fifth, and five in the sixth. The seventh row is completely black.

March 21st/91
Page 3

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MR. GROSSMAN called the public meeting to order at 11:03 a.m., welcoming the audience and announcing the two votes taken during the Members' executive session:

* Ratification of a new four-year collective bargaining agreement with the National Maritime Union (NMU) on behalf of some 200 unlicensed vessel personnel and

* Agreement to lease from the Town of Falmouth property adjacent to the Authority's own Woods Hole parking lot for one year with payment to be the larger of \$70,000 or 20 percent of gross receipts from vehicle owners using the leased area.

The Chairman said Personnel Manager Phillip J. Parent and NMU Vice Chairman Robert Healy would meet newsmen at the conclusion of the public session. At the request of the union, details of the settlement would not be announced until all union members hear a report from their negotiators and vote on ratification.

ITEM #1 (minutes): *Mr. Collins moved acceptance of the prepared minutes of the Members' Feb. 21st meeting with the insertion of points requested by the Chairman.*

Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Referring to Members' Feb. 21st discussion on a seventh vessel in the fleet, Mr. Grossman asked that the second paragraph on page 10 be strengthened with the following words: "Planning for such a vessel should also include an assurance that there would be comfortable in-door seating for a higher-than-usual percentage of passenger capacity and thought should be given to a shallower draft, perhaps restricting deck space to automobiles and small trucks only."

(Remainder of the prepared minutes reminded Mr. Collins that he had asked for more information on insurance carried by Clipper Cruise Lines which, by lease, will use Oak Bluffs facilities this summer. And Mr. Andrews of the Finance Advisory Board--who had missed the Feb. 21st meeting--said he was "astounded" that Members had voted a \$36,000 printing contract to an out-of-state firm that was not the lowest bidder. Mr. Andrews was told that the recommendation came from the Authority's advertising agency.)

ITEM #2 (bills): *Mr. Collins moved to pay Fordham & Starrett (Boston) \$4,459.22 for legal services. Mr. Sayers seconded the motion. The VOTE:*

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

Mr. Collins moved--seconded by Mr. Sayers--to pay \$3,167.22 to Nutter, McClellan & Fish (Hyannis) for recent legal services. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Mr. Collins said he was "almost speechless," that legal bills continue following the December purchase of what was known as "the Archibald property" in Hyannis. It was pointed out that the Nutter work was undertaken as a result of inquiries from the Office of the Inspector General.

(Mr. Grossman said the General Manager, on his return from vacation, should explain the Archibald-associated legal bills.)

*Mr. Collins moved to pay \$1,118.56 to Cosgrove, Eisenberg & Kiley (Boston) for legal services.
Mr. Sayers seconded the motion. The VOTE:*

*AYES: Messrs. Collins and Sayers
NAYS: None*

(The Chairman explained that this bill, also, is a result of inquiries by the Inspector General.)

*Mr. Collins moved to pay Van Riper Associates (Hanson) \$7,064.50 for the firm's most recent assistance to the computer operation. Mr. Sayers seconded the motion.
The VOTE:*

*AYES: Messrs. Collins and Sayers
NAYS: None*

An invoice in the amount of \$1,105 from Carter Browne (Boston) also for computer assistance was moved for payment by Mr. Collins, seconded by Mr. Sayers. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

ITEM #3 (bids, proposals): Mr. Collins moved, seconded by Mr. Sayers, to employ Aubrey Associates (Falmouth) for up to \$8,568 to do the planning/consulting necessary in obtaining permits prior to dredging Hyannis harbor channel. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

(Members hope the dredging, essential to uninterrupted Hyannis-Nantucket service, can be underway before August. First, though, the tangle of permit-processing with half a dozen Federal, State and local communities, must be negotiated.

(Mr. Andrews wondered why Authority staff wasn't doing the permit processing itself. Mr. Grossman pointed out costly and lengthy permit-processing has cost Nantucket residents dearly "and where time is of the essence, I can see where we do need the work of an expert such as Aubrey.")

ITEM #4 (Treasurer's report):

As recommended by Mr. Lamson, Mr. Collins moved to extend Pacific National Bank's lease to operate its automated teller machine at the Nantucket terminal building. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Mr. Lamson said gross yearly fee would rise from \$1,050 to \$2,000 a year plus five cents per transaction in excess of 2,500 transactions per year. The new lease payment should mean some \$3,500 a year to the Steamship Authority, the Treasurer said.)

On current finances:

Mr. Lamson reported that January-February operations have resulted in both operating revenues and operating expenses falling below budget but all signs are such that "caution" is needed if the year's outcome is to be anywhere near foreseen operating income.

ITEM #5 (General Manager's report):

On senior citizens' fares:

Members agreed to make a decision at their April meeting that could broaden the Authority's present senior citizens' fares program to cover elderly residents throughout Barnstable County but at less a reduced rate than that existing for seniors of the Islands and the Towns of Falmouth and Barnstable.

By April 18th, it was felt management could better analyze the possible impact on Authority finances were the program expanded as proposed by Mr. Sayers' original motion. Also, the possible discriminatory aspect of the proposal might be better weighed: for example, can the Authority draw the line at the Cape Cod Canal in setting reduced passenger fares for senior citizens?

(more)

It was a letter from Rep. Tom Cahir, vice chairman of the Joint Transportation Committee of the Legislature, to General Manager Barry O. Fuller that asked the Members to consider program expansion.

Management supported the proposal: seniors across Barnstable County would be permitted to travel as passengers at 80 percent of full fare on a year's trial basis except for seniors of the Towns of Falmouth and Barnstable as well as Island residents who would continue to enjoy half fares, under the current program.

Both Messrs. Grossman and Collins said they were sympathetic to the intent of Mr. Sayers' motion but they voiced their worries: Mr. Grossman on perceived discrimination against other seniors away from Barnstable County and Mr. Collins on financial impact and the fact that, if a year's trial showed revenues actually would be reduced, "it's very difficult then to change (the fare reduction) unless you increase it."

More information was promised the Members for their April meeting.

On Seaman's Bethel:

Mr. Collins moved to declare as surplus the Seaman's Bethel, located at the center of the Steamship Authority's Vineyard Haven terminal, as recommended by management.

Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The vote clears the way to respond to a request from officials of the Town of Tisbury to donate the building--minus the chapel portion--to the Town if, at an upcoming town meeting it is voted to accept the building and pay to have it moved off Authority property.

(The Acting General Manager, Mr. Parent, pointed out that Rev. Gene Landry of Boston Seaman's Friend Society had been informed that Members would be discussing the Bethel at today's meeting. Dr. Landry was not present.

(Expansion of terminal facilities is high on the Authority's capital improvement list. The Bethel building, remaining in place, would hamper expansion. The General Manager earlier told Members that he had in mind including the chapel portion of the Bethel into future terminal facilities.

(more)

March 21st/91
Page 8

(Some 1.4 million passengers go through the Vineyard Haven terminal yearly. The present ticket office/passenger waiting area is largely unchanged from the early '60s when passenger totals were a third of what they are today.

(Mr. Collins said that today's action on the Bethel "is the first big step" toward facing up to other problems, such as the impact of Authority traffic on Town of Tisbury traffic congestion.

(Tisbury Selectman Mrs. Cora Medeiros' first word commenting on the Members' action: "Hallelujah!" She added that, in advance of town meeting, the town's finance committee has unanimously approved acceptance of the Bethel structure and the cost of moving it.

(Mr. Collins said it was important that a month go by between declaring the building surplus and actually turning it over to the Town "to give the people of Martha's Vineyard ample opportunity to express themselves.")

ITEM #7 (press, public comments):

Questions from newsmen centered mainly on recent reports out of Boston that the Joint Transportation Committee seems certain soon to (a) approve raising the Authority's bond limit by \$15 million (to a new total of \$40 million) and (b) permit the Town of Barnstable to have a seat on the board as a non-voting Member but with the Barnstable Council having veto rights over new construction and expansion projects in Hyannis.

Mr. Grossman said he believes the Town of Barnstable should have full representation rights and he hopes it will come about.

The Chairman accepted Mr. Sayers' motion to adjourn at 11:59 a.m.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

MINUTES:

Steamship Authority Members'
Meeting of Feb. 21st/91
In Woods Hole

FILE COPY FILE COPY

STEAMSHIP AUTHORITY MEMBERS met this date in Woods Hole--at the Marine Biological Laboratory's Candle House--in both executive and public sessions, chaired by Nantucket Member Bernard D. Grossman.

Vice Chairman E. B. Collins of Dukes County and Secretary Robert A. Sayers of Falmouth were in attendance, as were two members of the Finance Advisory Board: Norman F. Beach of Nantucket and Robert C. Murphy of Dukes County. William R. Andrews of Falmouth was unable to attend.

Management present: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Operations/Personnel Manager Phillip J. Parent; Reservations Manager Gina Barboza; Marketing/Scheduling Manager Diane M. Speers; Port Captain Robert Canha; Maintenance/Engineering/Procurement Manager Raymond L. Shaffer (and, from his staff, Port Engineer John J. Flaherty, John D. Tuckwood and James P. Swindler); Planning Manager Wesley J. Ewell; and Ray Martin, public information officer and recording secretary to the Members.

Legislative Counsel John E. Murphy attended both sessions.

In addition to area newsmen (William Platt of Vineyard Gazette, Joseph Williams of Radio WMVY, Ann Phaneuf of Nantucket Inquirer Mirror, William Harrison of Falmouth Enterprise, Paul Anderson of Cape Cod Times and Paul O'Neill of Cape Cod News), others identifiable in the audience were: Woods Hole Terminal Manager Kevin Smith, Falmouth Chamber of Commerce President Alan Cassidy, Gary Fauteux of Cape Organization for the Rights of the Disabled, Angeljean Chiaramida of Martha's Vineyard Chamber of Commerce. Among three Falmouth residents in attendance were Richard Sherman and Dr. Charles Johnson.

It was announced that a report on union negotiations would be given to Members during the executive session.

The public agenda:

- 1: Action on minutes of Jan. 17th meeting
- 2: Action on bills
- 3: Report and action on bids and proposals
- 4: Report of Treasurer Wayne C. Lamson
- 5: Report of General Manager Barry O. Fuller
 - on Clipper Cruise Line agreement
 - on shuttlebus replacements
 - on agreement with Van Riper Associates
 - on status of the fleet
- 6: New business
- 7: Press, public comments and questions

(more)

IN OPEN SESSION, at 10:28 a.m., Members voted unanimously to go immediately into executive session in advance of the public session, billed to begin at 11 a.m.

1. **What is the primary purpose of the study?**
The primary purpose of the study is to evaluate the effectiveness of a new treatment for hypertension. The study is a randomized controlled trial comparing the new treatment to a standard treatment.

2. **What are the inclusion and exclusion criteria for the study?**
The inclusion criteria are: age 18-65 years, systolic blood pressure ≥ 140 mm Hg, and diastolic blood pressure ≥ 90 mm Hg. The exclusion criteria are: history of stroke, history of myocardial infarction, history of congestive heart failure, and history of renal disease.

3. **What are the study endpoints?**
The primary endpoint is systolic blood pressure at 12 weeks. Secondary endpoints include diastolic blood pressure, heart rate, and quality of life.

4. **What is the study design?**
The study is a randomized controlled trial. Participants are randomly assigned to either the new treatment group or the standard treatment group. Both groups receive the same diet and exercise regimen.

5. **What is the study duration?**
The study duration is 12 weeks.

6. **What is the sample size?**
The sample size is 1000 participants.

7. **What is the study setting?**
The study is conducted in a single center.

8. **What is the study protocol?**
The study protocol includes a baseline visit, a 12-week treatment period, and a follow-up visit at 12 weeks. Participants are monitored for adverse events throughout the study.

9. **What is the study funding?**
The study is funded by a pharmaceutical company.

10. **What is the study timeline?**
The study timeline is as follows: baseline visit (1 week), treatment period (12 weeks), and follow-up visit (12 weeks).

MR. GROSSMAN called the public meeting to order at 11:10 a.m. and reported no votes were taken during the half-hour executive session.

He voiced the hope that hostilities against Iraq would soon end and that "our near and dear ones over there" would soon begin their long journey home.

Mr. Fuller put into the record the fact that seven Steamship Authority seamen--since August--have been on leave to serve in various capacities with the merchant marine, moving supplies into Persian Gulf ports.

He identified the seven: Captain John V. Connor; Pilot David Dandridge; Chief Engineers John Connell, Matthew Flaherty and Steve Paglierani; and Crewmen Joseph Keefe and Rod Scace.

The General Manager wished them "Godspeed and a quick return home to their families."

ITEM #1 (minutes): *Mr. Collins moved acceptance of the prepared minutes of the Members' meeting of January 17th. Mr. Sayers seconded the motion. The VOTE:*

*AYES: Messrs. Collins and Sayers
NAYS: None*

AT THIS POINT, Mr. Collins asked if he might interrupt to introduce Thomas Hale of Vineyard Haven.

The retired former owner of a Martha's Vineyard marina presented a weighty, yard-long, encased scale model of M/V ISLANDER, hoping--he said--it would be displayed permanently on the real vessel.

Said Mr. Hale: "I've had a lot of contact with the Authority, just as an individual passenger...and, just from a personal viewpoint, I have always been impressed with the efficiency, friendliness, dependability and safety of all the employees of the Steamship Authority.

"This is strictly a token of my appreciation. And I think I speak for the vast majority of Vineyarders in saying that we sincerely appreciate everything the Authority does for us. It is our lifeline."

Mr. Collins thanked Mr. Hale on behalf of the Authority--not just for the ISLANDER replica but for his no-buts appreciation of the service the Authority strives to perform.

(more)

ITEM #2 (bills): *Mr. Collins moved to pay Towers/Perrin (Boston) \$2,698 for its most recent service in connection with the licensed deck officers' pension fund. Mr. Sayers seconded the motion. The VOTE:*

*AYES: Messrs. Collins and Sayers
NAYS: None*

Mr. Collins moved, seconded by Mr. Sayers, to pay Fordham & Starrett (Boston) \$8,959 for December legal services. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

Mr. Collins moved to pay Nutter, McClellan & Fish (Hyannis) \$4,078 for legal services during November and December. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Both Messrs. Grossman and Collins had hard questions about the invoice, which mainly dealt with the late December purchase of Hyannis land known as the "Archibald property". They wanted to know why legal bills--from two law firms--keep coming in for payment when, they said, the General Manager had done most of the negotiating of price.

(Mr. Ewell, the planning manager, said "two sets of lawyers" were necessary: one a "closing specialist," the other a "specialist in procurement".)

Mr. Collins moved to pay Van Riper Associates (Hanson) \$7,714 for computer assistance during January. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

*Mr. Collins moved to pay Carter Browne (Boston) \$1,885 for computer assistance during January.
Mr. Sayers seconded the motion. The VOTE:*

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

Mr. Collins moved, seconded by Mr. Sayers, to pay Cosgrove, Eisenberg & Kiley (Boston) \$2,339 for legal services during January. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

Mr. Collins moved to pay Palmer & Dodge (Boston) \$2,785 for legal services related to the Authority's most recent issuance of bond anticipation notes.

Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

Last invoice before the Members, a request for \$15,000 from Deloitte & Touche (Boston) in connection with the 1990 audit, was moved for payment by Mr. Collins, seconded by Mr. Sayers. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(It was pointed out that Deloitte & Touche's final report is expected sometime late in March.)

ITEM #3 (bids, proposals): Mr. Collins moved management's recommendation to award a fresh and frozen meats contract --in the sum of \$13,480--to Cambridge Packing Co. (Boston). Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Cambridge was low, responsive bidder of four who sought the contract. A close second was South Shore Packing of Boston which asked \$13,891.17.)

By Mr. Collins' motion--seconded by Mr. Sayers--Brentwood Construction (Hyannis) was awarded a \$14,489 contract to effect drainage improvements at the Hyannis terminal. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

(Mr. Fuller pointed out that the Brentwood offer came in at less than half the anticipated cost for the work. Sixteen firms supplied quotes that ranged up to \$33,100. Runnerup bidder was T. W. Nickerson, Inc., of South Chatham, which asked \$15,718.)

Mr. Collins moved management's recommendation to purchase a 1983 Ford van, equipped to raise and lower persons in wheelchairs, for general usage but mainly between parking lots and terminals.
Mr. Sayers seconded the motion. The VOTE:

AYES: *Messrs. Collins and Sayers*
NAYS: *None*

(Purchase, at \$8,000, would be from New England Transit Sales of Waltham. The firm had had a State contract to transport handicapped persons. Four other firms offered similar used vehicles. Runnerup Michaud Bus Sales of Salem asked \$10,500.

(Members took the position that every effort should be made to have an abundance of space for handicapped parking right at each terminal, that transferring the handicapped by buses or vans should be avoided if possible.)

Mr. Sayers moved the recommendation of the Authority's advertising agency (Moore & Isherwood of New Bedford) to have Universal Press of Rhode Island print 1991 four-color brochures for \$36,060 even though the firm was not the lowest bidder. Mr. Collins seconded the motion. The VOTE:

AYES: *Messrs. Collins and Sayers*
NAYS: *None*

(Universal's price was sixth lowest of 18 firms that sought the contract. Quotes ranged from \$32,548 by Spencer Press of Hingham, MA to \$75,977 by Atlantic Graphic of Clinton, MA.

(Lowest prices were submitted by two firms in Tennessee and Michigan, but it was agreed the cost to the Authority and the ad agency to monitor work at the distant printshops would add considerably to the eventual cost of production. Three Massachusetts firms, with price quotes lower than Universal, could not do the quality work Universal Press will do, Moore & Isherwood advised the Members.

(Management's recommendation to the Members was that "either Spencer Press or Universal Press is capable of performing the work required.")

(more)

Mr. Collins moved, seconded by Mr. Sayers, to recognize Newport Offshore (Newport, RI) as low, legitimate bidder to provide shipyard facilities for the Authority's six-vessel fleet over the next 12 months. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(The unusual award--first blanket agreement of its kind in the Authority's history--could be a sizable money-saver for the Authority, as well as assure the Authority of shipyard service at a time when shipyards are fast disappearing in the northeast.

(Newport's base price for the six vessels: \$169,800. Three other yards quoted prices that ranged up to \$353,004.

(Experience has shown that most drydockings--even routine ones--often involve unforeseen work. For that reason, the Authority asked bidders to include hourly rates for a range of work normally over and above that involved in a routine drydocking. Newport Offshore was, generally, lowest on these hourly rates as well.

(For years, vessels have been drydocked as their Coast Guard certifications come up for renewal or under emergency conditions. Two decades ago, half a dozen New England shipyards bid whenever the opportunity arose. But as firms drifted away from that service, the Authority on several occasions suffered financially at the hands of sole bidders.

(The new blanket agreement was meant to assure a shipyard of a flow of work and, at the same time, assure the Authority access to yards at a reasonable rate.

(The General Manager said the agreement could save the Authority of upwards of \$120,000. Mr. Swindler of Maintenance drew up the specs on which shipyards submitted their prices.)

ITEM #4 (Report of the Treasurer):

Mr. Lamson's report was brief:

At his recommendation, Mr. Collins moved--seconded by Mr. Sayers--to renew the three-year agreement with Hugh Taylor of Gay Head who has installed coin-operated binoculars on some vessels. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(more)

ITEM #5 (Report of the General Manager):

On Clipper Cruise Line:

As recommended by management, Mr. Collins moved--seconded by Mr. Sayers--to renew a docking agreement with Clipper Cruise Line (St. Louis, MO) largely unchanged from earlier years but with provision for a seven percent increase in fees. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Clipper vessels, in summer, have used a portion of the Authority's wharf at Oak Bluffs for several years. The Authority will receive \$3,930 for 11 dockings of the one vessel Clipper plans to operate in these waters during the summer of '91. Additional dockings will be at the rate of \$2.25 per foot of vessel length, per day.

(Mr. Collins had questions about Clipper's insurance. It was made clear the agreement would be effective only upon Clipper's insurance meeting limits to Mr. Collins' satisfaction.)

On shuttlebus replacement program:

On management's recommendation, Mr. Collins moved to endorse a shuttlebus replacement program and go to bid this year seeking four new buses for delivery in early 1992. Mr. Sayers seconded the motion. The VOTE:

*AYES: Messrs. Collins and Sayers
NAYS: None*

(Over the past five years, passengers boarding Steamship Authority shuttlebuses--running between Woods Hole and Falmouth--have risen from around 200,000 per year to 400,000 during 1990. The 400,000--on becoming vessel passengers--represent some \$1.6 million of 1990's total of \$10.6 million in passenger revenue.

(In other words, it would appear that those being shuttled between Falmouth and Woods Hole represent 15 to 18 percent of all 2.2 million passengers carried between the mainland and both Islands.

(In addition to what is paid for transportation to the Islands, shuttlebus riders pay well over another \$1 million for parking in Falmouth lots.

(more)

(Members and management have long agreed that the Authority's fleet of 11 second-hand schoolbuses must give way to more modern, more comfortable vehicles, each outfitted to carry handicapped persons. Management's recommendation today was the first firm step toward that end.

(Members were told the Authority could expect to pay some \$214,000 for the first four new buses, each of which must be tailored at the manufacturer's end to fit the Authority's needs. Capacity would be for some 38 persons--plus three in wheelchairs if necessary.

(It was agreed Members would approve specifications before bids are sought.)

On agreement with Van Riper Associates:

As recommended by management, Mr. Collins moved to renew for another year the computer software support agreement with Van Riper Associates of Hanson, MA. Mr. Sayers seconded the motion.

The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The Van Riper relationship dates back 10 years, when it did business under the name of Crosbro, Inc. Its share of Authority computer assistance is in the area of Accounting Dept. needs.

(Members were told the agreement is largely unchanged from the past year.

(The Chairman asked that Members be advised of new assignments to Van Riper before commitments are made for new software.)

On status of the fleet:

Members have spent considerable time during recent monthly public meetings weighing management-recommended increases in the size of the Authority's fleet. Gist of management's position is that a seventh vessel--not necessarily of new construction--would be a boon to Maintenance in its task at keeping the entire fleet in first-rate condition and that the time is fast approaching when M/V UNCATENA should be replaced with a new passenger/vehicle ferry.

James P. Swindler, Maintenance's design specialist, described his recent tour of Southern shipyards where a few KATAMA-like, former off-shore supply vessels are still available. He also reported on his talks with architects on the extent such available vessels could be re-tailored to fit Steamship Authority needs.

(more)

KATAMA and her sister ship, GAY HEAD, have been workhorses since being acquired and converted four years ago. Largely open-decked, with comfortable passenger space greatly limited, Members and management both see a third such vessel requiring extensive additions to superstructure so as to provide more interior space for passengers.

And Members--and the Finance Advisory Board--made it clear: Out of any conversion, the seventh vessel must be restructured to have vehicle drive-through capacity. (KATAMA and GAY HEAD are stern-loading and unloading only.)

While such a used, 10-year-old vessel might be acquired for about \$1 million, renovation could put the final cost up another \$5 million before the vessel is suited to replace other ferries in service.

Each recent year has seen the Authority's full fleet of six craft in day and night service, seven days a week from mid-May through into October. The management worry: That's five months, the year's busiest five months, when vessels go without maintenance, when a vessel breakdown can result in revenue losses far greater than the cost of vessel repairs.

All of the above were mentioned by the General Manager and Mr. Swindler in his fleet status report.

Members told management: Keep up the study; Members would have input, as would the public, as the study progresses.

ITEM #6 (New business):

No unscheduled issues were raised by the Members, the Finance Advisory Board or management.

ITEM #7 (Press, public comments and queries):

Newsmen confined their questions to the blanket shipyard contract awarded to Newport Offshore and how soon a seventh vessel might be obtained. Falmouth/Vineyard Citizen Richard Sherman said M/V NANIUCKET should be the model for future Steamship Authority vessels.

At 12:23 p.m., Mr. Grossman accepted the motion to adjourn.

A true report

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary

Jan. 17th/91

STEAMSHIP AUTHORITY MEMBERS met in both open and executive sessions for the first time in 1991 on this date. Their meeting place: the Marine Biological Laboratory's Candle House in Woods Hole with the public meeting scheduled to begin at 11 a.m., preceded by a half-hour closed session.

Present were the three Members: Chairman Bernard D. Grossman of Nantucket; Vice Chairman E. B. Collins of Dukes County; and Secretary Robert A. Sayers of Falmouth.

Also present were the three members of the Finance Advisory Board: William R. Andrews of Falmouth; Norman F. Beach of Nantucket; and Robert C. Murphy of Dukes County.

Management personnel present: General Manager Barry O. Fuller; Treasurer/Comptroller Wayne C. Lamson; Personnel/Operations Manager Phillip J. Parent; Maintenance/Engineering/Procurement Manager Raymond L. Shaffer (and, from his staff, Port Engineer John J. Flaherty, John D. Tuckwood and James P. Swindler); Marketing/Service Planning Manager Diane M. Speers and Ray Martin, public information officer and recording secretary to the Members.

Elected officials in attendance: State Rep. Eric Turkington and Falmouth Selectmen Raymond Labossiere and Richard Armstrong.

In addition to area newsmen, other identifiable persons in the audience of 46 were: Captains Edward Jackson and James Hocking; Ms. Sandra Hill of Falmouth; Falmouth Traffic Magistrate Harry Montgomery; Dr. Charles Johnson of Falmouth; Ivor Cornman of Woods Hole; Marc Hanover and Angeljean Chiaramida of the Martha's Vineyard Chamber of Commerce; Daniel Feeney, Richard Steeves and Tom Simmons also of Martha's Vineyard. Some 30 National Maritime Union members also were present.

THE PUBLIC AGENDA:

- 1: Action on minutes of Dec. 20th/90
- 2: Action on bills
- 3: Action on bids and proposals
- 4: Report of the Treasurer
- 5: Report of the General Manager
 - on 1991 parking permit rates
 - on guaranteed standby policy
 - on fleet assessment and needs
 - on lease with Falmouth High School
 - on Gateway Ticketing service agreement
 - on Hy-Line license amendment
 - on advertising program for 1991
 - on procurement policy adoption
- 6: New business
- 7: Public, press comments

(more)

Jan. 17th/91
Page 2

MR. GROSSMAN accepted Mr. Collins' motion to go into executive session immediately. The vote was unanimous.

A 7x8 grid of black and white blocks. Each row contains a different pattern of black and white squares, creating a visual representation of binary data or a specific signal. The patterns are as follows:
Row 1: Black, Black, Black, Black, Black, Black, Black, Black
Row 2: Black, White, Black, White, Black, White, Black, White
Row 3: Black, Black, Black, Black, Black, Black, Black, Black
Row 4: Black, White, Black, White, Black, White, Black, White
Row 5: Black, Black, Black, Black, Black, Black, Black, Black
Row 6: Black, White, Black, White, Black, White, Black, White
Row 7: Black, Black, Black, Black, Black, Black, Black, Black

MR. GROSSMAN opened the public meeting by pointing out that although the nation's mind is fixed on events half a world away--on hostilities that broke out hours earlier in the Middle East--the Steamship Authority must carry on.

"We must continue here," said Mr. Grossman, "hoping our Army and those of the other United Nations will overcome very quickly and successfully."

Before confronting the agenda:

Mr. Collins moved--seconded by Mr. Grossman--that Robert A. Sayers assume the position of Board Secretary for 1991. The VOTE:

AYES: Messrs. Grossman and Collins

NAYS: None

(At the time of the Dec. 20th election of officers for 1991, the position of Secretary was voted to whomever would be named Member for Falmouth by the Falmouth Board of Selectmen. Mr. Sayers' appointment was announced between the December and January public meetings.)

ITEM #1 (minutes): *Mr. Collins moved adoption of the prepared minutes of the Dec. 20th meeting with the addition of a point raised by Mr. Grossman. Mr. Sayers seconded the motion. The VOTE:*

AYES: Messrs. Collins and Sayers

NAYS: None

(On Page 9, under "On request of Town of Tisbury," the motion adopted should read: 'Mr. Collins moved, on behalf of the Town of Tisbury, to accommodate the Town's request that some 100 junk cars be transported to the mainland AND THAT THE SAME ACCOMMODATION BE EXTENDED TO THE TOWN OF NANTUCKET ON A SPACE AVAILABLE BASIS IF REQUESTED.' Capitalized words are in addition to the previously reported motion.)

ITEM #2 (bills): *Mr. Collins moved to pay Fordham and Starrett (Boston) \$2,908 for legal services during November. Mr. Sayers seconded the motion. The VOTE:*

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

Mr. Collins moved, seconded by Mr. Sayers, to pay \$6,450 to Towers/Perrin of Boston for actuarial services through last November. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Mr. Collins moved to pay Carter Browne (Boston) \$5,865 for computer consulting work during the month of December. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

Mr. Collins moved to pay Falmouth Attorney Gerald Saxe \$4,436 for services in connection with the recent acquisition of the Archibald property in Hyannis (please see Dec. 20th minutes). Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Mr. Andrews of the Finance Advisory Board was first to criticize the amount of the Saxe invoice which, he said, seemed to be for work largely done by others. Messrs. Collins and Murphy joined Mr. Andrews in questioning the bill.)

Finally, Mr. Collins moved--seconded by Mr. Sayers--to pay Deloitte/Touche (Boston) \$5,000 as a portion of payment in connection with the Authority's 1990 audit. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

ITEM #3 (bids, proposals): *Mr. Collins moved, seconded by Mr. Sayers, to purchase a 12-year-old, 6,000 pound forklift listed by the State as surplus. The price: \$5,000. The VOTE:*

AYES: Messrs. Collins and Sayers

NAYS: None

(Management pointed out that the machine was examined by maintenance employees and found to be in "excellent condition." It

(more)

was needed by Maintenance and represented a good purchase: some \$30,000 below replacement cost and some \$11,000 below State government's evaluation of the equipment.)

Without a vote, Members agreed with management that the Authority might be better off going to bid to secure a handicapped lift-equipped van rather than buying one through the State's purchasing program. It would seem a better van might be available at a lower price.

The State-listed van had a sales price of \$26,794. While preparing to ask Members' approval to purchase that van, it was learned a private company could supply a larger, equally equipped van for almost \$3,000 less.

It was agreed going to formal bid might prove prudent.

Management pointed out that, while there is space at pierside in Woods Hole and Hyannis for handicap parking, new Federal legislation directs that any new transportation equipment to be used by the general public must also be able to accommodate persons in wheelchairs. The Authority, for example, shuttles some 250,000 persons yearly between parking sites in Falmouth and dockside in Woods Hole.

Older buses still in use are not equipped to transport disabled persons. When replaced with new models, they must conform with the recently passed American Disabilities Act.

ITEM #4 (report of the Treasurer):

On financial guidance:

As recommended by Mr. Lamson, Mr. Collins moved to pay some \$600 per year for investment advice with regard to the Authority's pension fund covering licensed deck officers. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Financial guidance would come from Principal Financial Advisers, Inc., of Des Moines, Iowa. That firm in recent years has been advising the Treasurer with regard to the Authority's non-union pension fund.)

On bond anticipation note:

On Mr. Lamson's recommendation, Mr. Collins moved--seconded by Mr. Sayers--to declare Shawmut Bank low bidder to acquire a bond anticipation note in the sum of \$2.5 million at a net interest cost of 5.979 percent. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

(Proceeds of the note will be used to pay off a similar bond anticipation note authorized by the Members six months ago and now reaching maturity.

(Said Mr. Grossman of the low interest rate sought by Shawmut: "This rate is a very real tribute to the financial soundness of the Steamship Authority as well as to the towns to whom we look for backup. Hopefully we can continue this good reputation."

(Five other financial institutions entered bids. Closest to Shawmut's price was Bank of Boston which sought 6.59 percent for \$1 million and 6.74 percent for the remaining \$1.5 million.)

On capitalization policy:

Mr. Collins moved to adopt the Treasurer's recommended capitalization policy in principle "after the outside auditors have one more look at it". Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Mr. Lamson said the Steamship Authority has had a "practice" rather than a firm policy in this area. This practice, generally, has withstood the test of time but auditors have--on occasion--questioned the expensing or capitalizing of certain expenditures.

(The recommended policy, Mr. Lamson said, "is based on generally accepted accounting principles. Although no one set of rules can fit all possible situations, this document (policy) will serve as a guide in differentiating between capital and expense charges."

(Mr. Beach of the Finance Advisory Board said his board "has read the report and agrees thoroughly with it."

(The proposed policy--among many other things--does draw a new line at \$2,500 below which any expenditure for any item will be expensed automatically. Previously, all purchased items costing less than \$1,000 was expensed rather than capitalized.

(The Chairman suggested that Members receive every three or six months a listing of assets purchased for under \$2,500. Such an inventory is kept, Mr. Lamson assured the Members.)

(more)

On agreement with BayBank:

As recommended by Mr. Lamson, Mr. Collins moved to open a "collateralized municipal money market account" with BayBank of Boston. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Goal of the Treasurer's recommendation is greater security of Steamship Authority operating funds, currently distributed between Falmouth National Bank, Martha's Vineyard National Bank, Pacific National Bank on Nantucket and First National Bank of Boston. Of the four banks, only the Bank of Boston has not pledged securities as collateral to secure Steamship Authority funds.

(In recent months, the Treasurer has been converting the Authority's operating funds at Bank of Boston into US Treasury bills. A drawback: Treasury bills take 91 days to mature.

(BayBank, Mr. Lamson reported, developed its program specifically for municipalities and other government agencies that have need for faster access to their funds. "BayBank," wrote Mr. Lamson in his report to the Members, "is the only major Boston bank that I know of that is offering a Collateralized Municipal Money Market Account. This account would be used in conjunction with our current (Treasury bill) investments to provide the liquidity we need from time to time.")

On current finances:

The books are still being closed on 1990's operations, the Treasurer reported.

He said the Authority will still emerge in the black but said net operating income will be lower than the original budget estimate of \$551,000.

ITEM #5 (report of the General Manager):

On 1991 parking permit rates:

Based on the recommendation of management, Mr. Sayers moved--seconded by Mr. Collins--that the price of 1991 parking permits be raised to \$365 from the current \$300.

The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

(The suggested rate of \$365 had been built into the 1991 preliminary operating budget passed by Members two months earlier--but the exact yearly charge for parking was not made explicit pending a management study of invited attitudes.

(Mr. Collins spoke for many of the 600-or-so permit-holders when he said an increase of 22.5 percent "is perceived as excessive." Mr. Beach of the Finance Advisory Board said his board considers \$365--\$1 per day if space is used daily--"pretty much of a giveaway."

(Not mentioned at today's meeting but factors in weighing the ultimate rate mentioned at earlier public meetings: a call by some for doubling of rates if parking space is guaranteed year-round at Woods Hole; the minimum \$70,000 paid yearly to the Town of Falmouth for use of town-owned property in Woods Hole; the likelihood that lease payment to the Town will increase in March 1991 negotiations on lease renewal; some \$90,000 to be expended improving terrain of the Town-owned site; and pressures by some in Woods Hole to turn over a sizeable portion of the Authority's main lot in Woods Hole to village visitors as one way of reducing summer traffic in the village.

(Falmouth Traffic Magistrate Harry Montgomery pointed out the increase amounts to 18 cents a day.)

(In support of Mr. Collins, Mr. Sayers suggested management query permit applicants as to frequency of parking, reasons for seeking a year-round permit, "and other information that will help us better understand our permit-holders.")

On guaranteed standby policy:

Mr. Collins moved "in the best interest of Martha's Vineyard and the general drift of the economy" to reinstitute the seven-day guaranteed standby policy from Woods Hole throughout the summer schedule this year (from May 21st through Sept. 17th) thereby matching the guaranteed standby policy in effect from Martha's Vineyard. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Most dialogue flowed on this subject. Mr. Collins, the Vineyard Member, said his motion meets the will of his appointing authority--the Dukes County Commissioners--as well as the will of most of the Island's selectmen and a good portion of businesses.)

(more)

(Drivers in the standby line at Woods Hole by 2 p.m. will be transported with their vehicles to Martha's Vineyard sometime that same day--except, of course, where emergencies make transportation impossible.

(The policy was born in the mid-'70s. It remained in effect each summer until Summer 1988 when, in an attempt to control traffic in the Falmouth/Woods Hole area, the guarantee of passage was limited to Mondays through Thursdays from Woods Hole. The guarantee from Martha's Vineyard back to Woods Hole remained in effect each day of the week.

(All guarantees from Woods Hole were lifted completely during Summer 1989 but restored to Mondays through Thursdays during Summer 1990.

(While the number of autos carried to the Vineyard each of those years rose, businesses pointed out that many persons who would have made the trip didn't even try to do so without a guarantee of passage. In a year whose economy is questionable, it was contended restoration of the full guarantee is island businesses' best hope.

(Falmouth Selectmen Richard Armstrong and Raymond Labossiere voiced support of the return at least for 1991. They hoped Authority management could figure out a way to form standby lines away from Woods Hole.

(Mr. Murphy of the Finance Advisory Board voiced criticism at the time of past "experimenting" with the guaranteed standby policy. He was in full voice this day: "We need the policy. We need it back...Thousands of people are turned away with no options. What the guaranteed standby does is give them a chance, a hope to get over to the Island...And for the Authority that's supposed to provide adequate transportation, I think (we're) going beyond (our) scope at dictating who can and who can't come over."

(Representatives of the Martha's Vineyard Chamber of Commerce and representatives of Island innkeepers all spoke in favor of the policy's full return.

(Mr. Collins asked the General Manager to "look very carefully at the handling of standbys both on the mainland and the Island... and report back to us next month with a plan for operating that would accommodate the standbys in the most efficient, least painful manner.")

On a review of the fleet:

Mr. Collins moved, seconded by Mr. Sayers, "to encourage management to continue its investigation and research on the possibility of a seventh vessel for the fleet."

The VOTE:

AYES: Messrs. Collins and Sayers
NAYS: None

(more)

(Management's mountain of information in this area--economics, year-to-year growth in demand for service, traffic projections, maintenance-of-vessels records, etc.--was boiled down to a 13-page, single-spaced report presented by Mr. Ewell, recently appointed planning manager.

(If planning consultants employed by the Authority the past 18 months are correct, Mr. Ewell's report points out that the Authority faces a service demand to carry a little over three million passengers by the close of this decade--a 50 percent increase over the number carried in 1989. Demand for deck space for autos and freight-bearing trucks will also increase in the range of 40 percent during the 1990s already underway.

(Is the Steamship Authority up to meeting this rising demand? Management doesn't believe so, not with its present six-vessel fleet, not with inability to keep abreast with vessel maintenance needs that increase each year and certainly not when there is a vessel breakdown.

(Members and the Finance Advisory Board were sympathetic to management's outlook--but there were hard questions.

(While the cost of meeting a roughly 50 percent increase in demand was not discussed deeply, Mr. Collins noted that having a seventh vessel "on hand today...we'll have to come up with another \$600,000 (a year) in revenue." The Treasurer and Mr. Ewell agreed.

(Mr. Collins said he'd appreciate as much economic justification as possible for increasing the fleet's size.

(And the General Manager agreed much more data must be compiled to enable Members to make prudent decisions on how the Authority can best meet its service responsibilities.

(Mr. Fuller said: "The broader issue here is to develop a long-range fleet program so that we can replace vessels in an orderly way... for the long haul." Since becoming General Manager in 1988, he said he has checked all the records and "we kind of shotgunned our way" in order to meet yearly increases in demand for service. He said he didn't want his administration to follow that route in providing information to the Members.

(A possible early development in fleet care, he said, could be putting drydock bids out "under a blanket contract." That could guarantee the Authority quick access to shipyards, likely at prices considerably below those charged under one-vessel-at-a-time bidding.

(Further reports, following up on the Members' passed motion, would be part of that long-range planning, Mr. Fuller concluded.)

(more)

On lease with Falmouth High School:

Mr. Sayers moved management's recommendation to renew a lease with Falmouth School Department to use High School property in summer months for overflow parking. Mr. Collins seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(The Authority used school property last summer for the first time. Lease terms for 1991 would be unchanged: \$2,500 or 25 percent of gross receipts, whichever is greater. The area used last year could accommodate up to 264 autos. More space is available this year, if required.)

On Gateway Ticketing service agreement:

Mr. Sayers moved, seconded by Mr. Collins, to renew the current computer software support agreement with Gateway Ticketing (Boyertown, PA) for the same \$6,300 charge. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

On inter-island license agreement:

As recommended by management, Mr. Collins moved--seconded by Mr. Sayers--to amend the license held by Hy-Line (Hyannis) to reflect fare increases decided by the licensee since last Oct. 18th when Members voted the license. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

On 1991 advertising budget:

By way of amendment to his own motion, Mr. Collins moved management's recommended cash budget of \$141,363 for advertising during 1991. Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(more)

(A year ago, the advertising limit was \$106,363. Members augmented that figure last July by \$35,000 when economic signs indicated the Steamship Authority needed revenue-boosting, specifically in upcoming autumn months when Island businesses also hoped for more visitors.

(Mr. Collins' original motion called for the same \$106,363 limit, adding that Members be prepared to authorize another \$35,000 later in 1991 should 1991 be a repeat of the 1990 experience. He altered his motion upon being convinced the additional \$35,000 would be required and that more can be accomplished dedicating those funds earlier in the year rather than later.

(The Finance Advisory Board supported the \$141,363 cash budget together with a "limited on-Cape radio advertising campaign," on the understanding that the Steamship Authority's program--as much as possible--will be coordinated with efforts of area chambers of commerce and similar tourism-related entities.

(Members agreed with Mr. Collins: there should be a "full review" of this year's advertising experience before Members are called upon to consider the proposed operating budget for 1992.)

On procurement policy:

As recommended by management, Mr. Collins moved to stamp approval of the Authority's procurement policy tentatively accepted at the Members' public meeting of last Aug. 16th, with a few clarifications.

Mr. Sayers seconded the motion. The VOTE:

AYES: Messrs. Collins and Sayers

NAYS: None

(Clarifications would revolve around the use of the words "Authority" and "Steamship Authority". In the policy statement's text, Mr. Collins said, the words sometimes could be referring to the entire entity or to management or to the Members. It was agreed the text should be more explicit.

(Procurement procedures the past year have followed the proposed program "and we can document savings in excess of \$300,000," Mr. Fuller told the Members.

(Since Members gave support in principle to the policy statement last August, a new section has been added to cover acquisition of real property. Finance Advisory Board suggested changes and insertions were incorporated in the document adopted by Mr. Collins' motion.)

(more)

ITEM #6 (new business):

Mr. Collins opened with these remarks:

"At the end of last year, there were a great many opportunities for a number of people to pay tribute to Jimmy Smith.

"I would just like to take a minute here this morning to make a couple of observations:

"I first met him at the June meeting of the Authority board Members last year. And I have been with him at subsequent meetings of the board through the remainder of last year--including the final meeting in December.

"That's not a great deal of time to spend with an individual, especially when most of it is contained in a meeting. And yet I feel I have known him for a much longer period of time. And that's just the kind of individual he is.

"He's easy to know; he's easy to communicate with. He's just quite a special person, I think.

"Now, he has given generously of his time and energies during the 28 years of service to this organization and I know that his influence is going to be felt for quite a long while.

"I want to go on record wishing him good luck and good health."

#

At the request of the Chairman, Mr. Collins moved, seconded by Mr. Sayers, to direct the Treasurer "to review the allocation of expenses of the overhead or general nature between the Vineyard and the Nantucket operations and come back to us with his findings." The VOTE:

*AYES: Messrs. Grossman, Collins and Sayers
NAYS: None*

(Mr. Grossman said the record should show a unanimous, three-Member vote on Mr. Collins' motion. He said he has, over the years, attempted to get a fairer sharing of Woods Hole terminal costs and only in recent years was Nantucket's share reduced to 20 percent. Based on Nantucket trips in and out of Woods Hole, that percentage should be much less--well under one percent of Woods Hole costs, Mr. Grossman said.

(more)

(Ultimately, any cost allocation change would affect rate structures.)

#

Mr. Sayers, sitting as Member for Falmouth for the first time, took the opportunity "to extend the olive branch" to that portion of the Falmouth public that may have been disappointed with his appointment.

"I may not always agree with you," said Mr. Sayers, "but I do want to work with you."

#

State Rep. Eric Turkington, last speaker of the day, commended Members for their "statesmen-like" approach to the guaranteed standby controversy. "It's a good example of how all the communities can work together for their mutual benefit."

#

FOLLOWING TWO questions from newsmen, Mr. Grossman accepted Mr. Sayers' motion to adjourn. Adjournment came at 12:38 p.m.

A true record

ROBERT A. SAYERS, Secretary

Ray Martin
RAY MARTIN, Recording Secretary