



Woods Hole, Martha's Vineyard and Nantucket Steamship Authority

AUTHORITY MEMBERS

ROBERT F. RANNEY
Nantucket Member, Chairman
ROBERT R. JONES
Barnstable Member, Vice Chairman
MARC N. HANOVER
Martha's Vineyard Member, Secretary
ELIZABETH H. GLADFELTER
Falmouth Member
MOIRA E. TIERNEY
New Bedford Member

ROBERT B. DAVIS
General Manager
GERARD J. MURPHY
Treasurer/Comptroller
STEVEN M. SAYERS
General Counsel

July 12, 2018

TO: Authority Members
FROM: Robert B. Davis
SUBJECT: Authority Meeting – July 17, 2018

The purpose of this memorandum is to outline briefly the items on the agenda for discussion at the Authority's meeting to be held Tuesday, July 17, 2018, at 9:30 AM in the Discovery Room of the Nantucket Whaling Museum, 15 Broad Street, Nantucket, MA 02554.

Item No. 1. Approval of Minutes

Minutes of the Authority's June 12, 2018 and June 19, 2018 meetings were forwarded to the Members on July 12, 2018.

Item No. 2. General Manager's Report

This report will be presented by the General Manager, Robert B. Davis, and will include the following:

- (a) Results of Operations – Business Summary for the Month of May, 2018 was forwarded to the Members on July 12, 2018.
- (b) Updates on Current Projects including:
 - Woods Hole Terminal Reconstruction Project
 - M/V Martha's Vineyard Mid-Life Refurbishment
- (c) Update on the Independent Review of the SSA's Operations (Vessel Operations, Fleet Maintenance, Management Structure, Public Communication and Information Technology Systems)

- (d) Preliminary Version of the Staff's Proposed 2019 Summer and Fall Operating Schedules – Please see Staff Summary #OPER 2018-3 dated July 11, 2018.
- (e) Connection Between the Last Daily Bus Arrival at Woods Hole (scheduled 9:30 pm) and the Last Daily Boat Departure to Martha's Vineyard (scheduled 9:45 pm)
- (f) "M/V Martha's Vineyard Surplus Steering Stand" – Please see Staff Summary #E2018-06 dated July 12, 2018.

Item No. 3. Treasurer/Comptroller's Report - Financial Update

This report will be presented by the Treasurer/Comptroller, Gerard J. Murphy.

- (a) Transfer of Bond Redemption Funds to the Replacement Fund - Please See Staff Summary #A- 627 dated July 12, 2018.

Item No. 4. Procurement

- (a) Request for Authorization to Purchase Equipment for 2018 MIS CIP – Web Environ. Upgrade – Please see Staff Summary #MIS 1-2018 dated July 11, 2018.

Item No. 5. Port Council's Report on Their July 5, 2018 Meeting

Item No. 6. Old/New Business

- (a) Performance Evaluation of the General Manager

Item No. 7. Items Not Reasonably Anticipated by the Chair

Item No. 8. Public Comment



Robert B. Davis
General Manager

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

The Meeting in Public Session

June 12, 2018

**MINUTES
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The Meeting in Public Session

June 12, 2018

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 12th day of June, 2018, beginning at 3:35 p.m., in the first floor meeting room (Room 103) of the Authority's administrative office building, located at 228 Palmer Avenue, Falmouth, Massachusetts. All five Members were present: Chairman Robert F. Ranney of Nantucket; Vice Chairman Robert R. Jones of Barnstable; Secretary Marc N. Hanover of Dukes County; Elizabeth H. Gladfelter of Falmouth; and Moira E. Tierney of New Bedford (who participated remotely by telephone conference call).

Port Council Chairman Robert V. Huss of Oak Bluffs and Port Council member George J. Balco of Tisbury were also present, as were the following members of management: General Manager Robert B. Davis; Treasurer/Comptroller Gerard J. Murphy; Director of Marketing Kimberlee McHugh; Director of Security Lawrence S. Ferreira; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Woods Hole Terminal Reconstruction Project Manager William J. Cloutier; Director of Engineering and Maintenance Carl R. Walker; Director of Human Resources Phillip J. Parent; General Counsel Designate Terence G. Kenneally; Operations Manager Mark K. Rozum; and General Counsel Steven M. Sayers.

Video and Audio Recording of Today's Meeting:

Mr. Ranney announced that Steve Baty of All Media Productions was making a video and audio recording of today's meeting in public session for Martha's Vineyard Community Television, also known as MVT, and that other people in the audience were also making audio recordings of today's meeting in public session.

Remote Participation by New Bedford Member Moira E. Tierney:

Mr. Ranney announced that he had been notified by Ms. Tierney that she desired to participate remotely in today's meeting because her physical attendance today would be unreasonably difficult. Mr. Ranney stated that he

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agreed with Ms. Tierney and had determined that Ms. Tierney's physical attendance today would be unreasonably difficult and that, therefore, she may participate remotely in this meeting, which includes voting on all matters as well. Mr. Ranney also stated that Ms. Tierney would be participating in the meeting by telephone conference call, that she would be clearly audible to the Members, and that the Members would be clearly audible to her. Mr. Ranney also noted that as a result of Ms. Tierney's remote participation in this meeting, all votes taken by the Members that day would be by roll call vote.

Minutes:

IT WAS VOTED -- upon Mr. Hanover's motion, seconded by Ms. Gladfelter -- to approve the minutes of the Members' meeting in public session on April 23, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|--------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| TOTAL | 100 % | 0 % |

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Mr. Jones -- to approve the minutes of the Members' meeting in public session on May 15, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|-------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| TOTAL | 65 % | 0 % |

Mr. Hanover abstained from voting on the minutes of the Members' May 15, 2018 meeting in public session.

Federal Transit Administration Grant Funds
from the Cape Cod Regional Transit Authority:

Mr. Davis recounted how the Authority had been approached in 2015 by Thomas Cahir, the Administrator of the Cape Cod Regional Transit Authority (CCRTA), about an innovative strategy to increase federal funding for the Cape Cod region and how, working in collaboration with Mr. Cahir and the CCRTA's staff, the Authority was successful in satisfying the rigorous reporting requirements of the Federal Transit Administration (FTA) to add ferry service transportation data to the CCRTA's standard transportation reporting to the National Transit Database (NTD) beginning with the Authority's 2015 activities.

Mr. Davis further recounted how, in November 2017, the Members had approved a memorandum of understanding between the Authority and the CCRTA pursuant to which grant funds related to the Authority's participation in the 2015 program would be equally split between the two parties, noting that, while the grant funds are a result of the Authority's operating data, the CCRTA also has reporting and audit responsibilities with respect to that data due to its status as the designated recipient of grant funds for this zone. Mr. Davis then announced that Mr. Cahir was present at today's meeting to provide an update to the Members regarding some recent developments.

Mr. Cahir then thanked the Authority for its ongoing support in convincing the FTA to make funds available based upon the Authority's ferry traffic figures by helping the CCRTA make the cogent argument that the ferry routes to the two islands are unique and should be treated in the same manner as routes operated by buses and railroads. Mr. Cahir further recounted how the Authority provided the necessary data to the NTD to demonstrate that the Authority's routes are a commuter service because a majority of its passengers make a round trip on the same day. As a result, Mr. Cahir said, the CCRTA received around \$3,400,000 of FTA funds based upon those passengers for the first year of its eligibility, and last week gave the Authority \$1,571,420 of those funds in accordance with the parties' memorandum of understanding.

Mr. Cahir emphasized how much effort it took on the Authority's part for the CCRTA to receive these funds, and that many people would have considered this a fool's errand. But Mr. Cahir noted that Mr. Davis and the Authority's staff stepped up to the task and provided all of the information that was needed, and he stated that, while the FTA is now paying closer attention to how a "commuter" is defined, the CCRTA is attempting to provide the FTA with accurate information about how many commuters ride the ferries by taking surveys of passengers while they are on the boats. In this regard, Mr. Cahir noted that the initial results of those surveys indicate that the Authority carries even more commuters than

the CCRTA had anticipated and that, while it was questionable how much money the FTA would provide this year because the CCRTA does not have an entire year of data, he was quite certain that the CCRTA and the Authority should receive 100% of those funds every year in the future. In addition, Mr. Cahir said, after seven years the Authority, as the entity providing the data, will receive 50% more fund which it can use for its vessels' and facilities' maintenance needs.

Mr. Davis similarly noted that, while the FTA accepted the Authority's original application, it since has required additional documentation to support the funding levels going forward. Accordingly, Mr. Davis said, the staff has been working with Mr. Cahir and the CCRTA's staff, including Henry Swiniarski, Noah Berger and Kristen Boyd, as well as with Steve Tupper, the Transportation Program Manager for the Cape Cod Commission, on preparing the required sampling of passengers traveling on the ferries that will be necessary to support future funding. Mr. Davis then thanked Mr. Cahir and the CCRTA's staff, along with John Fuller who recently retired from the CCRTA, for partnering with the Authority on this important initiative to improve transportation services for Cape Cod and the Islands. In response to a question from Mr. Hanover, Mr. Davis stated that these FTA grant funds are totally separate from other grant programs and that the Authority's receipt of these funds does not prevent the Authority from applying for other grants.

The Authority's Communications Plans:

Mr. Davis announced that Sean Driscoll has accepted the Authority's offer to become its new Communications Director, and that Mr. Driscoll will be joining the Authority on June 25th to begin working with the rest of the staff to integrate the Authority's communications program both internally and with respect to all of its communications with the media and the public. Mr. Davis noted that these communications will include getting the Authority on social media so that it can better share Authority news and service announcements, and that the staff will also be reviewing the process by which the Authority issues trip alerts and travel advisories, which may require some new equipment or operational changes, and will be increasing the Authority's community outreach as well.

Mr. Davis reported that the staff was also looking to develop a mobile app which, besides being an avenue for customers to be able to check schedules, parking locations and status alerts, can be used to facilitate customers' purchase of tickets and receipt of Authority messages. In addition, Mr. Davis said, the staff will be looking at possibly redesigning or refreshing the Authority's website and being more proactive about getting the Authority's news into the community.

Mr. Davis also stated that another piece of the staff's communications plan is to establish an Operations and Communications Center and, in this regard, he reported that he, along with Mr. Rozum and Fleet Administrator Joseph Russas, this past week had met with the staff of the Massachusetts Emergency Management Agency (MEMA), Massport, the MBTA and MassDOT, and had visited and reviewed each of their Operations Centers. Mr. Davis noted that this gave the staff the opportunity to see firsthand some configuration options and, more importantly, to get a better understanding of the policies and procedures the Authority may need to put into place to ensure that such a center is a valued improvement to the Authority's operations. Mr. Davis then thanked Michael E. Russas, the Response and field Services Section Chief for MEMA, for arranging these visits.

Mr. Davis further reported that the Authority will be launching SKIDATA's application of its sweb.Wallet mobile ticketing app for smartphones soon for its fast ferry passengers and then for passengers on its traditional ferries as well, noting that this change should eliminate most the scanning issues the Authority has been experiencing with device settings, brightness and screen rotation. In addition, Mr. Davis said, the staff will be rolling out, a Hyannis vehicle standby webpage on the Authority's website much along the lines of the enhanced webpage that has been created for the Nantucket vehicle standby program so that customers can go online and see where they are on the standby list.

Mr. Davis also reported that, in order to reduce the long lines of customers buying tickets at the temporary Woods Hole terminal building, for the past two Saturdays the Authority has assigned ticket sellers in the morning at the Thomas B. Landers parking lot to sell tickets to customers while they waited to get onto the shuttle buses. Mr. Davis noted that this new service has been very well received by the Authority's customers and, as a result, the staff was planning to continue it on a regular basis through the summer.

Finally, Mr. Davis noted that one of the other things the Authority needs to be looking is its advertising program and, accordingly, he reported that the staff is evaluating the Authority's marketing efforts and is considering issuing a request for proposals for the Authority's advertising program to see if there is an opportunity to improve the Authority's advertising and image with the public.

After Mr. Driscoll stated that he was looking forward to coming on board and working with everyone there, Mr. Hanover welcomed him to the Authority and said that he hoped Mr. Driscoll was Superman. Mr. Hanover also stated that he would like to commend management for coming up with a unique solution to reducing the lines for tickets at the temporary Woods Hole terminal building, which he had complained about two weeks ago. Mr. Hanover observed

that the staff's solution is working quite well and that he believes it has helped a lot. Mr. Davis then noted that Mr. Rozum and Woods Hole Terminal Manager Rob Townes had worked together on setting it up.

Results of Operations:

Mr. Davis then summarized the results of the Authority's operations for April 2018, as set forth in a business summary for that month which had been provided to the Members and the public. Mr. Davis reported that the Authority had carried fewer passengers (down 5.4%), fewer automobiles (down 6.5%) and fewer trucks (down 3.0%) during the first four months of 2018 than it had carried during the same period in 2017, and that the Authority also had parked fewer cars (down 2.6%) during the first four months of 2018 than it had parked during the same period in 2017.

Mr. Davis also reported that, the Authority's total operating loss for the first four months of 2018 had been around \$14,015,000, approximately \$2,330,000 higher than the amount projected in the 2018 Operating Budget. Mr. Davis noted that operating revenues and other income during this period had been \$672,000 lower than projected, and that the Authority's operating expenses and fixed charges had been \$1,658,000 higher than projected during the year, with maintenance expenses \$1,504,000 higher than projected and administration expenses also \$420,000 higher than projected.

After reporting that the Authority's fund balances were slightly lower than what had been budgeted for the end of April 2018, Mr. Davis noted that the Authority's upcoming bond issue should help that situation. Mr. Davis also stated that the staff was looking at items in the budget for the remainder of 2018 which might be considered discretionary spending and could be either eliminated or reduced to ensure that the Authority both ends the year with a surplus and transfers enough monies to its special purpose funds for its capital projects.

In response to a question from Mr. Hanover, Mr. Davis stated that he did not think that any portion of the *M/V Martha's Vineyard*'s dry-docking expenses was recoverable from Senesco Shipyard, as those dry-docking expenses primarily were for additional steel replacement work, but that the staff was still evaluating the entire contract. Mr. Davis also noted that the staff had expected more of that steel work to take place before the end of 2017 and therefore be expensed during the 2017 fiscal year. Accordingly, Mr. Davis said, some of the vessel's dry-dock expenses which fell in 2018 but had not been budgeted for this year represented a timing issue rather than an additional cost.

Vessel On-Time Performance:

Mr. Davis presented the staff's first monthly on-time trip performance report for the Martha's Vineyard route for the month of May 2018, noting that the staff's goal is to present these reports to the Members on a monthly basis and to use the information from them when preparing the following year's operating schedules. But Mr. Davis also observed that the staff will have to find ways to streamline the creation of these reports, as they turned out to be much more labor intensive than anticipated.

Mr. Davis noted that, as shown on the report, 90% of the Authority's larger ferries arrived on time at the Woods Hole terminal, which he defined as being within five minutes of their scheduled arrival times, and 84% of those ferries departed on time. Mr. Davis also noted that the report shows the reasons why trips left late, such as weather-related issues, mechanical issues, vessels having arrived late, or terminal construction-related issues. In particular, Mr. Davis observed that the *M/V Martha's Vineyard* often leaves Woods Hole later than its scheduled 7:00 a.m. departure because it is scheduled to arrive there at 6:45 a.m., just 15 minutes before. But Mr. Davis stated that the vessel usually makes up the time over its next few trips and, as a result, the staff may propose changing its arrival time on Martha's Vineyard so that it is later than 7:45 a.m., but will probably suggest keeping its scheduled departure time at 7:00 a.m. given that it is able to leave on time more than 50% of the time.

Mr. Sayers also noted that, as shown on an additional report for the first seven days of June 2018, the on-time performance for arrivals at the Woods Hole terminal improved from 90% to 95% for the Authority's larger ferries and from 68% to 92% for its freight boats, and he observed that this was due to the fact that construction activities at the terminal had pretty much been completed by that time. In response to a question from Ms. Gladfelter, Mr. Davis stated that, while this report was the only one that the staff has been able to complete by the time of today's meeting, the staff will be preparing these reports for both the Martha's Vineyard and the Nantucket routes on a monthly basis.

2019 Winter and Spring Operating Schedules:

Mr. Davis then asked the Members for approval of the staff's proposed 2019 Winter and Spring Operating Schedules, noting that, although the proposed schedules had been advertised during March 2018, the staff had not received any public comments on them. Mr. Davis stated that, as proposed, the 2019 Winter Operating Schedules would run from January 3, 2019 through

March 15, 2019; the 2019 Early Spring Operating Schedules would then run from March 16, 2019 through April 2, 2019; and the 2019 Spring Operating Schedules would then run from April 3, 2019 through May 14, 2019. Substantively, Mr. Davis said, the changes from this past year's Winter and Spring Operating Schedules were as follows:

Martha's Vineyard Route 2019 Winter Operating Schedule:

- The 6:30 AM trip from Woods Hole to Vineyard Haven and the 7:30 AM trip from Vineyard Haven to Woods Hole would be scheduled to operate on Saturdays instead of having those trips be optional trips. In 2018, the optional 6:30 AM trip operated every Saturday in January and February except on January 6th, when it did not operate due to weather.
- The vessels assigned to this route would be similar to 2018, with the exception that the *M/V Martha's Vineyard* will be back from its mid-life refurbishment and would operate the entire schedule (and the *M/V Woods Hole* would not operate during this schedule). The *M/V Martha's Vineyard* would also berth overnight in Vineyard Haven, with its first departure scheduled for 6:00 AM.
- The *M/V Island Home* would operate from January 3, 2019 to January 8, 2019 and from February 23, 2019 to March 15, 2019. The *M/V Nantucket* would operate this schedule from January 9, 2019 to February 22, 2019. In 2018, the *M/V Island Home* operated from January 5, 2018 to January 10, 2018 and the *M/V Woods Hole* operated from January 11, 2018 to March 14, 2018.

Martha's Vineyard Route 2019 Early Spring Operating Schedule:

- The only proposed change to this schedule compared to 2018 is that the freight vessel *M/V Woods Hole* would operate in place of the *M/V Katama*. It would continue to be berthed overnight in Vineyard Haven with the first departure at 5:30 AM.

Nantucket Route 2019 Winter Operating Schedule:

- The *M/V Gay Head* would be scheduled to operate two (2) round trips Monday through Saturday with optional service of two (2) round trips on Sunday. The *M/V Gay Head* would also have the option of operating three (3) round trips, 7 days a week if needed, although this would require the *M/V Gay Head* to be tripled crewed in 2019 compared to being double crewed in 2018. The decision whether to double crew or triple crew the

vessel would be made based upon the number of freight reservation requests the Authority receives for this schedule.

Nantucket Route 2019 Spring Operating Schedule:

- The *M/V Sankaty* would have the ability to operate a third round trip Monday through Friday, if needed, which would require the *M/V Sankaty* to have two single crews in 2019 compared to one single crew in 2018.

Mr. Davis also noted that, at their May 2, 2018 meeting, the Port Council had voted unanimously to recommend that the Members approve the staff's proposed schedules.

In response to a question from Mr. Hanover, Mr. Davis stated that the proposed 6:30 AM trip on Saturdays from Woods Hole to Vineyard Haven during the 2019 Winter Operating Schedule would be designated as a hazardous cargo trip. Ms. Gladfelter also asked again that the Authority's proposed schedules be advertised in the *Falmouth Enterprise* whenever they are advertised in other local newspapers even though the additional advertising may not be required by the Authority's Enabling Act. In response, Mr. Sayers stated that these proposed schedules had been advertised in the *Falmouth Enterprise* even though the staff summary had not included that newspaper in the list of newspapers where the schedules had been advertised.

IT WAS VOTED -- upon Mr. Hanover's motion, seconded by Ms. Gladfelter -- to approve the 2019 Winter and Spring Operating Schedules as proposed by management in Staff Summary #OPER-2018-2, dated May 9, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|--------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| <hr/> TOTAL | 100 % | 0 % |

Request for Proposals for Management Consulting Services to
Undertake a Comprehensive Review of the Authority's Operations:

Mr. Sayers announced that the Authority had received eight proposals in response to its Request for Proposals (RFP) from consulting firms to undertake a comprehensive review of its operations, including its vessel operations, fleet maintenance, management structure, public communications and information technologies. Mr. Sayers then reviewed with the Members his recommendations regarding the process that will be used to evaluate those proposals, as follows:

- The Members will evaluate all of the proposals themselves in public session on June 19th, first rating each Consulting Proposal with respect to each non-price evaluation criterion, then giving each Consulting Proposal a composite ranking, and then ranking up to three finalists after the opening of the Financial Proposals.
- The staff will review the background information contained in each Consulting Proposal and, based upon that information, suggest what rating should be assigned to each Consulting Proposal for that evaluation criterion. The ratings for that criterion (Criterion A) should be relatively objective, as they depend on such things as whether a proponent has filed for bankruptcy within the last seven years or has had any specified criminal convictions
- The staff will also review the proponents' consulting experience with respect to vessel operations and fleet maintenance (Criterion B), management structure (Criterion C) and public communications and information technology systems (Criterion D) and suggest what ratings should be assigned to each Consulting Proposal for those evaluation criteria, as assigning those ratings will require the staff to contact proponents' clients and determine whether each proponent has provided consulting services for three or more projects in each category and whether their three most recent clients were satisfied with those services.
- Between now and next Tuesday the Members should spend the vast amount of their time deciding what ratings should be assigned to each Consulting Proposal with respect to the proponent's proposed performance of its consulting services regarding the Authority's vessel operations, fleet maintenance and management structure (Criterion E) and the Authority's public communications and information technology systems (Criterion F).
- The staff will review the proponents' proposed contracts without financial information (Criterion G) and suggest what rating should be assigned to each Consulting Proposal for that evaluation criterion.

- The Members cannot assign a composite rating for each Consulting Proposal until they assign ratings to the proposal for each of the individual evaluation criteria. Accordingly, the proposals' composite ratings will not be assigned by the Members until their meeting on June 19th.

Mr. Jones stated that he wanted to make certain that the Members have enough time to review all of the Consulting Proposals by June 19th, which he observed will take a lot of time, and he noted that this will depend on how the proponents have presented the information in their proposals. In this regard, Mr. Sayers stated that it seemed to him that the Members potentially will be able to review all of the proposals in that time frame, as some of the proposals were as short as 21 pages and the longest one had fewer than 40 pages.

In response to a question from Mr. Jones, Mr. Sayers stated that, at their June 19th meeting, each Members should have his or her proposed rating for each Consulting Proposal with respect to Evaluation Criteria E and F, and that the staff will have proposed ratings for each Consulting Proposal with respect to Evaluation Criteria A, B, C, D and G. Mr. Sayers also noted that the Members may not agree with the staff's proposed ratings with respect to those criteria, and could of course assign proposals different ratings with respect to those criteria, but that hopefully those criteria were objective enough to minimize the possibility of any differences of opinion with respect to what ratings should be assigned.

Mr. Sayers also noted that, at their June 19th meeting, the Members will discuss the ratings that they individually think should be given to each Consulting Proposal with respect to each of the evaluation criteria, especially Criteria E and F, and agree upon one rating for each proposal with respect to each criterion. After that process is finished, Mr. Sayers said, the Members will agree upon a composite rating for each Consulting Proposal and will state their reasons for each composite rating.

Mr. Jones stated that he hoped the other Members will agree to narrow down the list of proponents to three top candidates and invite those candidates for interviews. In this regard, Mr. Jones observed that interviewing candidates is very helpful, even though that would prevent the Members from awarding a contract at their June 19th meeting. Mr. Sayers also noted that any interviews would have to be conducted before the proponents' Financial Proposals are opened and that proponents can only use the interviews to explain and clarify their Consulting Proposals, not to alter them. Accordingly, Mr. Sayers suggested that the Members defer this issue until after they review the proposals and see whether they need interviews to explain them. Mr. Sayers also reminded the Members that the public, particularly Martha's Vineyard residents, would like the Authority to move as quickly as possible in awarding a contract and that

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scheduling interviews may present a logistical problem. Mr. Sayers therefore suggested that, if the Members were to decide to conduct any interviews, they would not necessarily have to be in person.

After Mr. Jones stated that he would like his evaluation forms in Word format, Ms. Gladfelter asked whether the staff would be providing information about each Consulting Proposal not only with respect to Evaluation Criteria A, B, C and D, but also with respect to Evaluation Criteria G, the proponents' proposed consulting contracts without their financial information. In response, Mr. Sayers stated that he would provide recommendations regarding what rating each proposal should be assigned with respect to that criterion, and those recommendations would be based upon his review of the proposed contracts and his assessments as to whether they contain any provisions that would impose an undue burden on the Authority or any provisions which the Authority, as a governmental entity, should not accept. As a result, Mr. Sayers said, when the Members vote to award the contract to a particular proponent, they can make the award contingent upon revising those provisions to avoid another round of negotiations with the selected proponent.

Ms. Gladfelter then asked where the June 19th meeting was going to be held. In response, Mr. Jones suggested that it could be held in the second floor meeting room of the Authority's Hyannis terminal as already scheduled, observing that the room was large enough to accommodate everyone who was at today's meeting and that he doubted that there will be more people who will want to watch the Members conduct their evaluations. Mr. Sayers also noted that the meeting could take most of the day. In addition, Mr. Davis stated that there may be a need to reconsider the date of the meeting after the Members have the opportunity to review the proposals.

Mr. Sayers also noted that one of the proponents had asked whether the Members will designate a contact person for the contract, and he stated that the Members will have to designate someone upon whom the consultant will be able to rely for information and coordination. Then in response to a question from Ms. Gladfelter, Mr. Sayers stated that in an addendum he had set forth the number of the Authority's employees during a week in August as well as during a week in February to give the proponents a sense of the seasonal nature of the Authority's operations.

July 2018 Proposed Salary Increases for Non-Union Personnel:

Mr. Davis asked the Members for approval of the 2018 wage and salary increase program for the Authority's non-union personnel which typically takes effect on July 1st of each year based upon the individual employees' performance evaluations. Mr. Davis noted that the staff has received the updated market data information from Willis Towers Watson that provides the basis for the proposed wage and salary budget and structure adjustments. But Mr. Davis also informed the Members that, even though the program is for all non-union personnel, no wage or salary increases will be implemented at this time for the Authority's senior staff as well as certain other non-union job classifications, as he did not believe it was appropriate for the staff to receive any salary increases until after the management consultant's report is completed and the Members have the time to review it.

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Mr. Hanover -- to approve the 2018 Non-Union Performance Wage and Salary Increase Program as proposed by management in Staff Summary #HR-18-57, dated June 1, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|--------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| TOTAL | 100 % | 0 % |

Construction of the Authority's New Administrative Offices:

Mr. Davis provided an update of the status of the completion of the remaining items on the punch list for the Authority's new administrative offices at 228 Palmer Avenue in Falmouth, which he said is now much shorter and nearly completed. Specifically, Mr. Davis reported that:

- While the HVAC contractor has addressed the air leaks in the ducts and has started up the chiller system for the air conditioner, upon the advice of the architect and general contractor, the staff has hired an engineering firm to perform a "commissioning" of the system pursuant to which they

will test the system and verify its performance over an entire 12-month period.

- The landscaping crew has been onsite for the past few weeks installing the landscaping around the building, and is in the process of planting hundreds of plants and reseeding the lawn.
- The State Building Inspector has been onsite performing the final inspections before issuing the permanent occupancy permit.

Mr. Davis also reported that, to date, the Authority has paid \$14,993,000 toward the project's current estimate costs of \$15,423,000, which includes design and engineering, owner-supplied materials and Authority personnel, and that the change orders to the construction contract thus far totaled \$950,000, or approximately 7.5% of the \$12,687,000 original contract amount. Mr. Davis also reported that the staff was still evaluating whether the Authority will be able to recover some of the amount of those change orders from Huber Zip System, the manufacturer of the original sheathing for the building's siding which did not perform as it should and had to be replaced.

Woods Hole Terminal Reconstruction Project:

Mr. Davis also provided an update on Phase 2 of the Authority's Woods Hole terminal reconstruction project, reporting that:

- Jay Cashman Inc. has completed work on the passenger loading platforms between Slips 1 and 2.
- Bus shelters have been placed on the plaza to offer people some protection from the elements while they are waiting for buses.
- Tents have been erected between Slips 1 and 2 to similarly offer passengers waiting to board the ferries some protection from the elements. Mr. Davis noted, however, that because the tents are temporary structures and are allowed to remain for only 180 days, the staff was exploring what other structures can be erected there for the winter months.
- Cashman has installed mooring bollards for Slip 3 so that the SSA's vessels will be able to berth there this summer, reattached the protective material on the center dolphin monopile between Slips 1 and 2, completed the restoration work on the corner fender on the south side of the wharf, and installed a temporary catwalk to allow dockworkers access to the north side of Slip 1.

- Cashman also has continued work on the excavation of the wharf and, this past Monday, it began loading its equipment back onto its barge in preparation for leaving the site by the end of this week for the summer. In this regard, Mr. Davis noted that he had been informed that the wharf's excavation was the phase of the work that could have proven to be the most difficult, as no one knew what would be found during the excavation.
- The site contractor is continuing to work on the pre-load area to compact the peat, and this week it will pave outside the work area for pedestrian and vehicle access over the summer.

Finally, Mr. Davis reported that, thus far, the Authority has paid Cashman \$3,128,567 towards the current \$43,328,034 cost of its contract, including \$184,754 of change orders, and that the Authority had sent 22 weekly email updates about the status of the terminal reconstruction project to the Woods Hole community to keep them informed about what construction activities would be taking place over the following weeks.

M/V Martha's Vineyard Mid-Life Refurbishment Project:

Mr. Davis also provided an update on the *M/V Martha's Vineyard* midlife refurbishment project, reporting that there were just a few punch list items that Senesco still has to complete. Mr. Davis noted that the biggest remaining issue with the vessel was the fact that the side passenger doors leak and that there was not enough time to replace the doors this spring. Accordingly, Mr. Davis said, the doors will be replaced next fall when the vessel is back in repair and, meanwhile, Senesco has created troughs under the doors to catch that water where it is leaking. Mr. Davis also reported that Monday the *M/V Martha's Vineyard* was taken to Senesco to address an issue with one of its keel coolers leaking, which was a warranty item, and that the project took only one day and the vessel went back into service earlier this afternoon.

After Mr. Davis noted that there had been more than \$2,100,000 of change orders with respect to the project, with nearly 50% of those change orders related to the vessel's dry-docking and the remainder related to the vessel's mid-life refurbishment, he stated that the staff was continuing to review those change orders and the Authority's potential warranty claims against Senesco. In this regard, Mr. Walker also reported that the staff has been meeting internally about the change order and contract issues and hoped to meet with Senesco either next week or the week after that.

Potential Barging of Municipal Solid Waste from Martha's Vineyard:

Mr. Davis reported that, while Tetra Tech had submitted its report on the feasibility of barging municipal solid waste from Martha's Vineyard to New Bedford at the end of April 2018, the staff had not yet had the opportunity to discuss it with the Members. However, Mr. Davis noted that, similar to the previous study that had been conducted by HDR Engineering in 2012, the report indicates that it will cost more money to barge the island's municipal solid waste than what it currently costs to carry it on trucks on the Authority's ferries, although the report did not take into account any of the environmental or social costs associated with carrying the waste in trucks on the mainland.

Mr. Sayers stated that the staff hoped to have a meeting with the Towns of Tisbury and Oak Bluffs, as well as Bruno's Rolloff and Ralph Packer, to discuss the report, which he observed showed less of a financial difference between the cost of barging waste and the cost of carrying it on the Authority's ferries than what was estimated in HDR Engineering's report, confirming Mr. Balco's position that the barging costs set forth in the prior report were potentially overstated. In this regard, Mr. Sayers noted that the Tetra Tech's estimate of the cost to barge waste was based, in part, on the actual rates that Mr. Packer charges for transporting materials by barge between New Bedford and Martha's Vineyard, which he considered to be a more realistic assumption. In addition, Mr. Sayers said, Mr. Packer might even charge a lower rate because barging waste to New Bedford would represent a backhauling opportunity for him, which would make barging even more financially competitive.

But Mr. Sayers observed that many other open issues remain, including the fact that the trucks which carry waste off the island also backhaul other types of freight on almost a year-round basis. As a result, Mr. Sayers said, there was a question of whether barging waste off-island would reduce the number of trucks traveling on Woods Hole Road. But Ms. Gladfelter observed that, as a Falmouth resident, one the complaints she receives is not just about the number of trucks on Woods Hole Road, but the garbage trucks in particular. In response, Mr. Sayers also noted that, if the island's waste were barged to New Bedford on Mr. Packer's barges, it would be offloaded at his facility north of the New Bedford-Fairhaven Bridge, which is a more suitable location than the New Bedford State Pier because it is located in an industrial area.

Potential Freight Service between
New Bedford and Martha's Vineyard:

Mr. Davis reported that the staff recently had a meeting with State Senator Viriato deMacedo and members of the SMART (Southeastern Massachusetts Regional Transportation) group in which they discussed some of the challenges of starting a freight ferry service between New Bedford and Martha's Vineyard. In addition, Mr. Davis said, the recent report issued by the New Bedford Port Authority indicates that it would prefer to have any freight ferry facility located at the City's North Terminal, which is north of the New Bedford-Fairhaven Bridge that has been deemed to be functionally obsolete and needs to be repaired at an estimated cost of \$40,000,000 or replaced at an estimated cost of \$100,000,000. Nevertheless, Mr. Davis stated that the staff assured Senator deMacedo that the Authority is willing to continue to explore the feasibility of such a freight service and will listen to all interested parties on this matter.

In response to a question from Mr. Jones, Mr. Sayers stated that Craig Johnson of Flagship Management cannot do anything with respect to identifying a potential operator to provide the freight ferry service until there is a suitable freight ferry facility in New Bedford. In this regard, Mr. Sayers noted that, while the New Bedford State Pier might be made suitable for such a service relatively quickly, the City of New Bedford would like the State Pier to be used for other purposes, and the development of the North Terminal would be years away.

Mr. Davis further reported that the staff also had met with a representative from MassDevelopment, which has taken over management of the New Bedford State Pier and is still evaluating its current and potential uses. Mr. Davis also stated that MassDevelopment has recently received an engineering report on what it would cost to repair the State Pier, and that the report's cost estimate is substantially higher than what Mr. Johnson had estimated those repairs would cost. But Mr. Davis noted that, while MassDevelopment understands that the Authority is interested in exploring options for a freight ferry service by a private carrier from the State Pier, it first has to determine what the best uses are for that facility.

2019 Budget Policy Statement:

Mr. Murphy then asked the Members to approve the staff's proposed 2019 Budget Policy Statement, which Mr. Murphy noted will set forth the guidelines the staff will use when preparing the Authority's 2019 Operating Budget. In this regard, Mr. Murphy observed that, if the proposed 2019 Budget Policy Statement is approved:

- The operating budget's projected revenues will be based primarily on actual traffic statistics for what will then be the most recent 12 months (August 2017 through July 2018), although historical traffic statistics will also be taken into account.
- The projected vessel operating expenses will be based on the approved 2019 Winter and Spring Operating Schedules and on the anticipated 2019 Summer and Fall Operating Schedules the staff will be proposing over the next few months.
- The staff will identify significant terminal repairs and maintenance that will be needed.
- There are four vessels currently scheduled to be dry-docked during 2019 (the *M/V Martha's Vineyard*, the *M/V Nantucket*, the *M/V Woods Hole* and the *M/V Gay Head*).
- For the most part, levels of employment will remain the same, but the budget will reflect a full year's cost of the two new custodial positions, the two new landscaper positions, the new Communications Director, and staffing for the new Operations and Communications Center, and there may be other position changes as a result of the anticipated management consultant's review of the Authority's operations.
- The Authority's expected training expenses will take into account the continuation of a number of different training programs.
- The Authority will continue to use information technology systems to improve customer service and reduce operating costs where possible. Specifically, the Authority will work to increase its presence on social media platforms and implement a dedicated mobile app, as well as the sweb.Wallet mobile ticketing app for smartphones and whatever other initiatives are undertaken as a result of the management consultant's review of the Authority's operations.
- The budget's fuel costs will continue to be based on either the then-current forecasts for oil prices during 2019 (plus the premium cost of the hedging program) or next year's cap prices, whichever is lower. Currently the barrel price of crude oil is trading in the \$60-\$70 range, while a year ago

June 12, 2018
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it was trading in the \$45-\$50 range. Although the Authority is a little behind in its hedging program, the staff anticipates that the Authority's vessel fuel prices will be fully hedged for the entire 2019 calendar year by the time the Operating Budget is presented for approval in October 2018.

- The budget will include a full year of depreciation for the new administrative office building and the cost of the *M/V Martha's Vineyard* mid-life refurbishment.
- Sufficient fund balances will be maintained to meet the Authority's scheduled debt service requirements and to adequately fund cash transfers to the Replacement Fund in an amount not less than this year's anticipated transfers of \$9,417,000 but not to exceed the Authority's projected depreciation expenses for 2018, which is currently estimated at \$10,079,000.

Mr. Murphy also noted that, in preparing a preliminary operating budget using these guidelines, the staff will be making all efforts to avoid the need for any additional rate increases. After reporting that, at their meeting earlier this month, the Port Council had voted to recommend that the Members adopt the Budget Policy Statement as proposed, Mr. Murphy stated that, assuming that the Budget Policy Statement is adopted, the preliminary budget will be presented to the Members for discussion in September before the final version of the budget is approved in October.

In response to a question from Ms. Gladfelter, Mr. Davis stated that the *M/V Martha's Vineyard* was scheduled to be dry-docked in 2019 because technically it was last dry-docked in 2017 and the staff attempts to dry-dock each vessel every other year, even though the United States Coast Guard requires the Authority to dry-dock its vessels only twice in five years (and no longer apart than three years). Mr. Davis noted that this every-other-year dry-docking schedule works out better for purposes of the Authority's operating schedules, and it also helps ensure that the Authority is getting the full useful life out of each of its vessels. In addition, Mr. Davis said, the staff attempts to have one of the larger passenger/vehicle ferries on each route dry-docked each year in order to smooth out each route's cost of service on a year-to-year basis.

**IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded
by Mr. Hanover -- to approve the 2019 Budget Policy
Statement as proposed by management in Staff Summary
#A-625, dated May 9, 2018.**

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------------|-------------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| TOTAL | 100 % | 0 % |

2017 Analysis of Rates versus the Cost of Service:

Mr. Murphy summarized his analysis of the effectiveness of the Authority's rate structure to cover each route's cost of service for passengers, automobiles and trucks during 2017. Mr. Murphy noted with respect to the Martha's Vineyard route noted that:

- (a) In 2017, the cost of service increased by 7.9%, principally due to increases in the dry-dock expenses, the addition of the *M/V Woods Hole*, and higher terminal costs at the Woods Hole, Vineyard Haven and Oak Bluffs terminals.
- (b) The total number of trips operated increased by 279 in 2017, with resulted in an increase in total capacity and a decrease in the occupancy rate, although it remained just above 81%.
- (c) The estimated cost of a car-equivalent unit space was \$55.09 in 2017, an 11.0% increase from 2016. On average, automobiles covered 87.0% of their allocated cost of service, with excursion fare automobiles covering 35.9%. By comparison, on average, trucks covered 103.4% of their allocated cost of service, with excursion fare trucks covering 51.4%.

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

- (a) In 2017, the cost of service was virtually the same as in 2016, with vessel operating expenses increasing by 3.4% (mainly due to the increased usage of the *M/V Woods Hole* on this route) and non-vessel operating expenses decreasing by 4.0%.
- (b) The total number of trips operated increased by 110 in 2017, which resulted in an increase in total capacity and a decrease in the occupancy rate, although it remained around 86%.

(c) The estimated cost of a car-equivalent unit space was \$129.10 in 2017, a 1.5% decrease from 2016. On average, automobiles covered 116.9% of their allocated cost of service, with excursion fare automobiles covering 41.7%. By comparison, on average, trucks covered 89.8% of their allocated cost of service, with excursion fare trucks covering 51.4%.

After Mr. Murphy noted that each island has paid for its own cost of service over the past ten years, Mr. Jones observed that automobiles carried on the Nantucket route continue to subsidize the cost of carrying freight trucks on that route. Mr. Davis agreed, and stated that it was just the opposite on the Martha's Vineyard route, with freight trucks subsidizing the cost of cars traveling on that route, and that standard fare vehicles carried on both routes subsidize vehicles traveling on excursion fares. But Mr. Davis noted that these subsidies were the result of the Members' decisions over the years regarding how each route's cost of service is to be allocated among the Authority's customers.

Mr. Jones then asked whether the other Members were concerned about how the Authority's cost of service was being allocated. In response, Mr. Hanover stated that it was not a concern to him, observing that these policy decisions had been made long before he himself had become a Member and that he saw no reason to change them.

Ms. Gladfelter asked Mr. Davis if he could provide the Members with the vehicle occupancy percentage rate for both routes during the winter and summer seasons, as opposed to a year-round average. Mr. Davis stated that he would provide them with that information, although he said he would be surprised if the rate fluctuated very much from season to season, since the Authority scales back the amount of service it provides during the off-season so that its vessels can undergo their annual overhaul periods.

Port Council's Report:

Mr. Huss reported that, at their meeting earlier this month, the Port Council had discussed almost everything that the Members have discussed today, including the following:

- The improvements to the Authority's website that now allows customers traveling on standby from Nantucket to see online where they are in the standby line so they don't have to keep returning to the Nantucket terminal for each trip.

- The ticket selling improvements that Mr. Rozum implemented by assigning ticket sellers at the Thomas B. Landers Road parking lot, which Mr. Huss stated was an excellent way to reduce the lines of customers as well as their anxiety about getting tickets in time to catch the boat. Now they can buy their tickets at the parking lot and get on the bus and relax.
- The 2019 Budget Policy Statement, which Mr. Huss noted the Port Council had voted to recommend.
- The Request for Proposals for a consulting firm to undertake a comprehensive review of the Authority's operations. In this regard, Mr. Huss noted that the Port Council had discussed whether the deadline for submitting proposals should be extended and that, although the Port Council did not come up with a recommendation, the majority of the Port Council members felt that the deadline should be maintained.
- Josh Goldstein from the Mansion House asked whether it was possible for the Authority to take out some active advertising in the Boston and New York markets saying that the Authority is back in business and that all of the ferries are going to run as they have in the past.

Evaluation Process for the General Manager:

Mr. Sayers observed that the procedures the Members and Port Council are to follow when evaluating Mr. Davis's performance over the past twelve months were described in a memorandum that he and Mr. Parent had sent to the Members and the Port Council on April 26, 2018, and that those procedures were the ones that the Members had adopted the previous year. Mr. Sayers also noted that he had sent out evaluation forms in Word format to the Members and the Port Council, and that Mr. Davis has provided them with a description of the milestones he achieved with respect to each of his ten goals this past year.

Public Comment:

Woods Hole resident Nat Trumbull asked whether members of the public from the Authority's port communities will have the opportunity to interact with the consultant who will be conducting a review of the Authority's operations. In response, Mr. Sayers stated that any such interaction would depend upon what is proposed by the consulting firm that will be conducting the review, and that the Authority had not yet seen any of the firms' proposals. Mr. Sayers also observed that the purpose of the review will be to look at specific areas of the

Authority's operations and, in this regard, the Authority has advised potential proponents that it already has received a lot of feedback from the public about its operations, which it will make available to the consultant. But Mr. Sayers noted that, if the consultant believes that it is appropriate to receive more feedback from the public, the consultant will be able to do that, as this will be an independent review and such decisions will be up to the consultant.

Mr. Trumbull then asked if it were possible to receive an audio recording of the Port Council's monthly meetings. In response, Mr. Sayers stated that the Authority has not taken any audio recordings of the Port Council's meetings, and that it was up to the Port Council as to whether the Authority should record their meetings. Accordingly, Mr. Sayers stated that he would ask the Port Council at their next meeting, although he noted that historically Port Council meetings have been more informal than Authority meetings, and that there is no legal obligation for the Authority to record any meetings, whether they be Authority or Port Council meetings. Mr. Sayers also noted that draft minutes of the Port Council meetings are generally available later the same month and included in the meeting package of each Authority meeting, which is then posted to the Authority's website in advance of that meeting.

Josh Goldstein of the Mansion House thanked Mr. Huss for so accurately reporting on the statements he made at the Port Council meeting earlier this month, and he stated that he wanted to echo those comments again because his numbers were down a lot and what was happening here was frightening. For that reason, Mr. Goldstein asked that the Authority immediately buy some air time and some page space in the *Boston Globe* and the *New York Times* to let people know that this great service which the Authority has provided for the past fifty years is back to where it should be. Mr. Goldstein stated that the Authority needed to move or it is going to lose its August customers, which will then require the Authority to raise everyone's rates and no one was going to win.

Woods Hole resident Phil Richardson stated that he enjoyed looking at the plot lines showing the truck traffic in one of the exhibits to the 2019 Budget Policy Statement, and that those lines show a 4.2% average annual growth in truck traffic between Woods Hole and Martha's Vineyard over the past five years for a total growth of 20% during that period. Mr. Richardson observed that, if that trend continues, the amount of the Authority's truck traffic will double in twenty years, and he urged the Authority to deal with that. But Mr. Richardson also noted that the legend of that exhibit states that the average annual growth in truck traffic was only 1.37%, which was wrong, and he stated that he hoped the Authority was using the real number, which was 4.2% per year.

Paulette Silva-Souza then stated that what the Authority had done for the summer in erecting tents at the Woods Hole terminal for customers to stand under while they wait to board the Authority's ferries was phenomenal, but she expressed concern that the tents were only temporary and were only going to be there for six months. Accordingly, Ms. Silva-Souza asked what the Authority will do for the commuters while they wait to board the ferries during the winter. In response, Mr. Davis stated that the Authority's architects were looking at alternative ways to erect a more permanent structure there for the next two years until it has to be removed during the reconstruction of Slip #1, and that they were trying to see how best the Authority can accommodate its customers and protect them from the elements.

Woods Hole resident Phil Logan then asked what the next step is with respect to the study of the feasibility of barging Martha's Vineyard municipal solid waste to New Bedford. In response, Mr. Sayers stated that the staff hoped to meet with the Towns of Tisbury and Oak Bluffs, Bruno's Rolloff, and Ralph Packer to see what their comments are with respect to the study and decide where to go from here. Mr. Sayers observed that there are larger issues that have to be looked at as well, such as where the waste is going to be disposed of in the future, as the Towns' contract with Crapo Hill Landfill expires in 2022. But Mr. Sayers noted that the Authority was only one player in this matter, that it is ultimately the Towns' decision to do what they want to do with their waste, and that the Authority is attempting to provide the Towns with information so that they can make good decisions.

Then, at approximately 5:13 p.m., Mr. Ranney entertained a motion to go into executive session to discuss and approve the minutes of the Authority's meeting in executive session on April 23, 2018; to discuss the deployment of security personnel and devices, and strategies with respect thereto; to consider the purchase, lease and value of real property; and to discuss the Authority's strategy with respect to collective bargaining matters, because a public discussion of these matters may have a detrimental effect on the Authority's negotiating and bargaining positions. After announcing that these matters included:

- Renewal of the Authority's lease with Prime Properties Limited Partnership for the Authority's Mashpee Reservation Office located at 509 Falmouth Road, Mashpee;
- The potential acquisition of real property; and

- Negotiations with SEIU Local 888 for a new collective bargaining agreement for the Authority's Reservation Clerks and other Customer Service Department employees.

Mr. Ranney stated that the public disclosure of any more information with respect to these matters would compromise the purpose for which the executive session was being called. Finally, Mr. Ranney announced that the Members would not reconvene in public after the conclusion of the executive session.

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Mr. Hanover -- to go into executive session to discuss and approve the minutes of the Authority's meeting in executive session on April 23, 2018; to discuss the deployment of security personnel and devices, and strategies with respect thereto; to consider the purchase, lease and value of real property; and to discuss the Authority's strategy with respect to collective bargaining matters.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|--------------|---------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | <u>10 %</u> | <u> </u> |
| TOTAL | 100 % | 0 % |

A TRUE RECORD

MARC N. HANOVER, Secretary

**Documents and Exhibits Used at the
June 12, 2018 Meeting in Public Session of the
Woods Hole, Martha's Vineyard and Nantucket Steamship Authority**

1. June 12, 2018 Meeting Memorandum, dated June 7, 2018.
2. Video and Audio Recording Announcement.
3. Remote Participation Announcement.
4. Minutes of the April 23, 2018 Meeting in Public Session (draft).
5. Minutes of the May 15, 2018 Meeting in Public Session (draft).
6. Facsimile of Cape Cod Regional Transit Authority Check to the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority, dated June 5, 2018, in the amount of \$1,571,420.00
7. Business Summary for the Month of April 2018.
8. On-Time Performance Reports for May 2018 and June 1-7, 2018 for the Woods Hole, Vineyard Haven and Oak Bluffs Terminals.
9. Staff Summary #OPER-2018-2, dated May 9, 2018 – Proposed 2019 Winter and Spring Operating Schedules.
10. Memorandum from General Counsel Steven M. Sayers to the Authority Members and Port Council Members, dated June 7, 2018 regarding the Process for Evaluating Proposals Received for Management Consulting Services to Undertake a Comprehensive Review of the SSA's Operations, including its attachments, the Non-Price Evaluation Criteria, the Evaluation Form of Consulting Proposals, and the Client Contact Form for Contract No. 06-2018
11. Staff Summary #HR-18-57, dated June 1, 2018 – July 2018 Proposed Salary Increases for Non-Union Personnel.
12. Staff Summary #A-625, dated June 6, 2018 – 2019 Budget Policy Statement.
13. Staff Summary #A-624, dated May 1, 2018 – 2017 Analysis of Rates versus Cost of Service.
14. Minutes of the Port Council's June 6, 2018 Meeting (draft).
15. Statement to be Read Prior to Going into Executive Session.

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

The Meeting in Public Session

June 19, 2018

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

The Meeting in Public Session

June 19, 2018

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 19th day of June, 2018, beginning at 9:30 a.m., in the second floor meeting room of the Authority's Hyannis terminal, located at 141 School Street, Hyannis, Massachusetts. All five Members were present: Chairman Robert F. Ranney of Nantucket; Vice Chairman Robert R. Jones of Barnstable; Secretary Marc N. Hanover of Dukes County; Elizabeth H. Gladfelter of Falmouth; and Moira E. Tierney of New Bedford.

Port Council Secretary Eric W. Shufelt of Barnstable was also present, as were the following members of management: General Manager Robert B. Davis; Treasurer/Comptroller Gerard J. Murphy; General Counsel Designate Terence G. Kenneally; Procurement Officer Peggy Nickerson; and General Counsel Steven M. Sayers.

Video and Audio Recording of Today's Meeting:

Mr. Ranney announced that Steve Baty of All Media Productions was making a video and audio recording of today's meeting in public session for Martha's Vineyard Community Television, also known as MVTV, and that other people in the audience were also making audio recordings of today's meeting in public session.

Updated Resolution Authorizing the Sale of Steamship Bonds:

Mr. Murphy recounted how, in March 2018, the Members had adopted a Bond Resolution authorizing him to issue and sell on behalf of the Authority up to \$18,000,000 of Steamship Bonds on a competitive basis no later than December 31, 2018 pursuant to an Official Notice of Sale, at a price not less than par and accrued interest, but he stated that there had been some blanks in the Bond Resolution for certain dates and amounts of payments because at that time the Authority did not know exactly what those payment dates and amounts would be. However, Mr. Murphy said, the Authority's bond counsel was now of

the opinion that an updated version of the Bond Resolution should be adopted with those blanks filled in, and he was asking that the Members do so today. Mr. Murphy also noted that he was now planning to sell the Steamship Bonds sometime during the last two weeks of July 2018.

In response to a question from Mr. Hanover, Mr. Murphy stated that interest rates for bonds were rising and that it is now a little more expensive to issue bonds than it was in March 2018, but that he hoped to move quickly before the bond market deteriorates any more.

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Mr. Hanover -- to adopt the updated Bond Resolution in substantially the form attached to Staff Summary #A-626, dated June 13, 2018, as recommended by management in that staff summary.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|--------------------|--------------------|------------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| <hr/> TOTAL | <hr/> 100 % | <hr/> 0 % |

Evaluation of Proposals for Management Consulting Services to Undertake a Comprehensive Review of the Authority's Operations:

Mr. Ranney stated that the Members would now evaluate the proposals the Authority has received to provide management consulting services to undertake a comprehensive review of the Authority's operations and that, depending upon those evaluations, would potentially award a contract for those services. Mr. Sayers then recounted how the Authority had issued a Request for Proposals (RFP) for those services on May 18, 2018 and also how it had received eight proposals in response to the RFP by 2:00 p.m. on June 12, 2018, which had been the deadline to submit them. Mr. Sayers also noted that the Members now had the responsibility to evaluate each of the eight Consulting Proposals based on the non-price evaluation criteria set forth in the RFP and to assign ratings to each Consulting Proposal with respect to each of those criteria. In this regard, Mr. Sayers noted that, although the Members might rate a Consulting

Proposal to be “Unacceptable” with respect to an evaluation criterion, that would not render the proponent ineligible to be awarded the contract; rather, the Members could consider that “Unacceptable” rating when evaluating the Consulting Proposal with respect to all of the other criteria and assigning a composite rating to the proposal.

Mr. Sayers also observed that the Members could have requested one or more of the proponents to make presentations regarding their proposals, but that such presentations would have had to have been scheduled for a later date. In any event, Mr. Sayers said, he had not received any requests from any of the Members for any presentations, so he was assuming that the Members would be evaluating all of the proposals today.

Mr. Sayers then introduced Ms. Nickerson, the Authority’s Procurement Officer, and noted that the two of them had been responsible for contacting the proponents’ clients and answering the 57 questions the Authority had received from proponents about the RFP, which resulted in four addenda to the RFP being issued before the deadline for the submission of proposals on June 12, 2018. In addition, Mr. Sayers said, Ms. Nickerson has with her the proponents’ Financial Proposals, which he noted no one has seen and will be opened only after the Members assign a composite rating to each of the Consulting Proposals.

Non-Price Evaluation Criterion A – Background Information:

Mr. Sayers then reviewed how the RFP requires each Consulting Proposal to be assigned a rating with respect to Evaluation Criterion A, “Background Information,” and stated that, based upon the RFP’s requirements and the information provided in their Consulting Proposals, he was recommending that **FRS Europe Holding GmbH, HMS Consulting and Technical, Hudson Pacific Capital Partners, KPFF Consulting Engineers, McKinsey & Company and Alexander Proudfoot Company** be assigned “**Highly Advantageous**” ratings for this criterion, as none of them, nor any person interested in any of their proposals, has been convicted or finally adjudicated of any of the offenses described in Section A of their Consulting Proposals, or has been the subject of a petition for bankruptcy, liquidation or reorganization within the last seven years, or is a Member, officer, employee or agent of the Authority. Mr. Sayers noted, however, that McKinsey & Company was the only proponent who declined to identify the persons interested in its proposal (e.g., its officers and directors, as well as its stockholders who own more than 5% of the corporation’s outstanding shares of stock), saying that, “as a privately-held non-public company,” it “does not publish or provide this information to third parties.”

In response to a question from Ms. Tierney, Mr. Sayers stated that, even though McKinsey & Company declined to identify who is interested in its proposal, he was still recommending that it be assigned a “Highly Advantageous” rating for this criterion, as McKinsey & Company had made an affirmative representation that no one interested in the proposal has been convicted or finally adjudicated of any of the offenses described in Section A of its Consulting Proposal, or has been the subject of a petition for bankruptcy, liquidation or reorganization within the last seven years, or is a Member, officer, employee or agent of the Authority. Mr. Sayers stated that, while there may be some doubt with respect to whether McKinsey & Company should be assigned this rating, he felt that the Authority should give proponents the benefit of the doubt in these types of situations so that they are not excluded from consideration or unduly penalized for not providing all of the information required by the RFP.

Mr. Sayers then stated that, based upon the information provided by **Ernst & Young**, he was recommending that it be assigned an “**Advantageous**” rating for this criterion because, while neither it nor any person interested in its proposal has been the subject of a petition for bankruptcy, liquidation or reorganization within the last seven years, or is a Member, officer, employee or agent of the Authority, Ernst & Young has stated that it has been convicted or finally adjudicated of one or more of the offenses described in Section A of its Consulting Proposal. Mr. Sayers observed that, based upon Ernst & Young’s explanation – namely, that “Ernst & Young LLP, as is true of all major accounting firms, is involved in litigation in the normal course of our professional activities; some of those matters may have involved allegations of breach of contract. We are not aware of any matter which is relevant to, or would have a material impact on, the ability of the firm to continue serving its clients.” – it appeared that those adjudications were relatively minor and explainable.

Finally, Mr. Sayers stated that he was recommending that **Foss Maritime Company** be assigned an “**Unacceptable**” rating for this criterion because one of its Team Members on its proposal, Michael L. Collyer, is the President and Principal Surveyor of Marine Safety Consultants, Inc., which through its wholly-owned subsidiary, Maritime Claims Associates, LLC, is an agent of the Authority because it provides the Authority with Jones Act crew injury claim management and passenger claim investigations.

Mr. Ranney asked the Members whether any of them had any different thoughts with respect to any of the ratings that Mr. Sayers was recommending be assigned to the proponents for their Background Information (Evaluation Criterion A), and no one expressed any disagreement with any of Mr. Sayers’s recommendations.

Non-Price Evaluation Criteria B, C and D – Vessel Operations and Fleet Maintenance Consulting Experience, Management Structure Consulting Experience, and Public Communications and Information Technology Systems Consulting Experience:

Mr. Sayers then noted that, for Evaluation Criteria B, C and D, namely, each proponent's vessel operations and fleet maintenance consulting experience (Evaluation Criterion B), management structure consulting experience (Evaluation Criterion C) and public communications and information technology systems consulting experience (Evaluation Criterion D), the Authority had essentially used the same basis for evaluating what rating should be assigned to each proponent, namely:

- **Highly Advantageous** if the proponent has provided that type of consulting services on at least three occasions over the past five years, including such services for operators of vehicle/passenger ferries or other public transportation providers, and the proponent's three most recent clients for whom those services have been provided were satisfied with the services.
- **Advantageous** if the proponent has provided that type of consulting services on at least three occasions over the past five years and the proponent's three most recent clients for whom those services have been provided were satisfied with the services.
- **Not Advantageous** if the proponent has provided that type of consulting services on fewer than three occasions over the past five years and the majority of the proponent's three most recent clients for whom those services have been provided were satisfied with the services.
- **Unacceptable** if the proponent has provided that type of consulting services on fewer than three occasions over the past five years and the majority of the proponent's three most recent clients for whom those services have been provided were not satisfied with the services.

Mr. Sayers stated that, in order for the Authority to be able to determine whether each proponent's three most recent clients were satisfied with the proponent's services, the RFP had instructed the proponents to list those clients and to provide their contact information. Mr. Sayers noted that this process was similar to providing references and that none of the proponents had objected to providing the information, or questioned the need for providing the information, or indicated that they would have any trouble providing the information. Nevertheless, Mr. Sayers said, five of the proponents did not provide the required information about their clients. Specifically, Mr. Sayers stated that:

- **Ernst & Young** provided generic descriptions of eight of its clients and the areas in which it provided consulting services for them, but stated that, due to the public nature of this proposal, it would appreciate it if it can share the information confidentially to the Authority's evaluation committee during the subsequent rounds in the review cycle.
- **FRS Europe Holding GmbH** provided sufficient information about its consulting services for specific clients, but it did not provide any contact information for them because it is not allowed to publish any personal data from its external clients. However, FRS also stated that if the Authority would like to get in contact with one of its clients, to please let FRS know.
- **Hudson Pacific Capital Partners** stated that references will be provided upon request, and only provided a sampling of previous consulting assignments by the proponent's team members.
- **McKinsey & Company** stated that as a matter of policy it does not disclose the names of its previous or current clients without their explicit approval, and that as a basic policy it does not make public client names without their permission.
- **Alexander Proudfoot Company** provided the names of clients for whom it has provided consulting services in each of the designated categories, but stated that the clients' contact information will be provided only if it is selected as a finalist for the contract, saying that it must keep its client information confidential until that time.

Accordingly, Mr. Sayers observed that these three evaluation criteria are now somewhat compromised and that the Members may want to give these criteria less weight during the evaluation process. On the other hand, Mr. Sayers said, such a decision may be perceived as being unfair to the three proponents who did provide the required contact information for their clients. Mr. Sayers stated that he and Ms. Nickerson both had talked with representatives from the Office of the Inspector General, who advised them that, while the Authority should not hesitate to reject these five proposals if it so desired, the Authority was not required to do so, and that an alternative would be to assign each of those proposals an "Unacceptable" rating with respect to each of these evaluation criteria. Therefore, Mr. Sayers advised the Members that his and Ms. Nickerson's recommendation was to assign each of those five proposals an "**Unacceptable**" rating with respect to each of these three evaluation criteria.

Mr. Hanover stated that he was not sure the Authority should assign each of these proponents an "Unacceptable" rating with respect to each of these three evaluation criteria, noting that it was the proponents' policy to keep information about their clients confidential and that a lot of clients do not want the public to

know that they are using management consultants. But Ms. Gladfelter observed that the proponents could have brought this to the Authority's attention before the deadline for submitting proposals and Ms. Tierney agreed, saying that she thought the Authority has to assign them an "Unacceptable" rating with respect to these evaluation criteria, no matter who the proponents are, because they did not adequately respond to the RFP.

Mr. Hanover agreed with Ms. Tierney, but stated that he would give those evaluation criteria less weight in the evaluation process because it is obviously the policy of a lot of consulting firms to keep information about their clients confidential. In response, Ms. Tierney noted that reasonable minds could differ on that point, but that she would not give those criteria less weight regardless who the proponents are or what their policies are. To the contrary, Ms. Tierney said, she felt it should carry a lot of weight that these proponents simply decided not to provide the Authority with the required information without even asking for a confidentiality agreement.

Mr. Jones agreed, observing that proponents are required to answer every question in an RFP the same way, and that the Authority did not say that providing client information was optional, but rather that it was requirement. While Mr. Jones acknowledged that it was the proponents' prerogative not to provide the information, he stated that the Authority has to downgrade their ratings accordingly. In this regard, Mr. Jones noted that the Authority asked for this information to be able to contact the proponents' clients and find out what they feel about the quality of the proponents' services. Without this information, Mr. Jones said, the Authority's evaluation is based just on what is contained in the proponents' written proposals with nobody verifying whether the proponents really are as great as they say they are. Therefore, Mr. Jones stated that he has assigned "Unacceptable" ratings to each of those five proponents with respect to these three evaluation criteria, saying that it seemed to him that some attention to detail is required if these proponents want to do consulting work for the Authority.

Ms. Gladfelter then stated that she agreed completely with all of those comments, observing that the proponents had the opportunity to ask questions and, if they had a concern about the confidentiality of their client information, they could have asked whether there was another way for them to provide that information. But Ms. Gladfelter noted that they did not do so and, as a result, they did not even make it over the first hurdle. Ms. Tierney agreed, noting that it was the Authority who was doing the hiring here, not the consulting firms.

Mr. Ranney asked the Members whether any of them had any different thoughts with respect to any of the ratings that Mr. Sayers was recommending be assigned to those five proponents for Evaluation Criteria B, C and D, and no one expressed any disagreement with any of Mr. Sayers's recommendations. In this regard, Mr. Sayers noted that the Members could discuss later what weight should be given to those ratings, observing that there is no relative weighting of any of these evaluation criteria and that the Members may discount some of them if they so choose. Mr. Sayers also noted that there is no mathematical formula or mechanical process to be used when evaluating the proposals, and that the important thing was for the Members to explain the reasons for making their decisions.

Mr. Sayers then reported that he and Ms. Nickerson had contacted clients of Foss Maritime Company, HMS Consulting and Technical and KPFF Consulting Engineers first by email and then by telephone; and that, based upon their conversations with those clients, he was recommending the following with respect to the ratings the Members may want to assign those proponents for Evaluation Criteria B, C and D.

Foss Maritime Company:

Mr. Sayers stated that, at the outset, there was a question as to whether Foss Maritime provides management consulting services, but that there was no question that it is a huge outfit in the maritime industry which itself provides extensive transportation services, completing major sealifts and bulk transfer operations with barges and tugs for companies such as ExxonMobil, Fluor, Tech Resources Limited. Mr. Sayers also noted that one of Foss's customers made a rather persuasive argument that Foss's broad range of experience should entitle it to be considered in this process, saying that Foss essentially engages in management consulting with respect to each project it undertakes. In addition, Mr. Sayers said, the customer pointed out that Foss has a very well designed management system of its own, with very qualified people who are experts in maritime operations and marine logistics, and that it also has a great culture and is very responsive. In this regard, Mr. Sayers noted that the client had no reservation at all about endorsing Foss for a project such as the Authority's.

But Mr. Sayers stated that he felt Foss provided insufficient information upon which to conclude that its services have included vehicle/passenger ferries or other public transportation providers. Therefore, Mr. Sayers stated that he ordinarily would recommend that Foss Maritime be assigned an "Advantageous" rating with respect to its Vessel Operations and Fleet Maintenance Consulting Experience (Evaluation Criterion B), and its Management Structure Consulting

Experience (Evaluation Criterion C), the Members could also give Foss the benefit of the doubt and assign it a “**Highly Advantageous**” rating in this category.

Mr. Sayers then observed that Foss similarly relies exclusively on its own experience for its public communications and information technology systems consulting experience, and says that it is prepared to share these best practices with the Authority. But Mr. Sayers stated that, in his opinion, its description is not specific enough to warrant equating it with providing consulting services on specific public communications or information technology systems projects, and that Foss’s experience in these areas does not appear to be the reason why any of its customers have hired it for their marine transportation needs. Therefore, Mr. Sayers stated that he would recommend that Foss Maritime be assigned a “**Not Advantageous**” rating with respect to its Public Communications and Information Technology Systems Consulting Experience (Evaluation Criterion D).

HMS Consulting and Technical:

Mr. Sayers reported that all of the clients of HMS Consulting and Technical and its proposed subcontractor on this project, Glosten Associates, spoke very highly of them, saying that they are a very powerful team, have a lot of good people, and are there when you need them. Mr. Sayers also noted that one client, the Trust for Governor’s Island, is using them as its Owner’s Representative in a shipyard during the construction of a new ferry, including the handling of all of the reviews and change orders, and says that things are going well, that they have done a lot of troubleshooting, and that the Trust is generally very happy with their services. Mr. Sayers observed that HMS also has provided these types of services to its affiliate, HMS Ferries, which is also responsible for ferry services in Jacksonville, Florida, Mobile Bay in Alabama, and Philadelphia, Pennsylvania, and as one might expect they are happy with their affiliate’s services as well.

Therefore, Mr. Sayers said, based upon the ferry-related projects described in its proposal and the feedback he has gotten from its clients, he was recommending that HMS Consulting and Technical be assigned a “**Highly Advantageous**” rating with respect to its Vessel Operations and Fleet Maintenance Consulting Experience (Evaluation Criterion B), and its Management Structure Consulting Experience (Evaluation Criterion C).

Mr. Sayers then reported that the clients for HMS’s other proposed subcontractor, Rigor Analytics, on which HMS is relying for its experience in public information and information technology systems consulting, have not yet responded to our requests to talk with them. But Mr. Sayers observed that this

is not HMS's fault and, based upon his conversations with HMS's other clients, as well as the detailed description in its proposal of the public communications and IT systems consulting projects Rigor Analytics has performed, in his opinion, it would be reasonable to assign HMS an "Advantageous" rating with respect to its Public Communications and Information Technology Systems Consulting Experience (Evaluation Criterion D).

Ms. Gladfelter observed that the issue with respect to HMS's rating for Evaluation Criterion D was whether it should be assigned a "Highly Advantageous" rating or only an "Advantageous" rating because, while Rigor Analytics has provided consulting services with clients in the maritime industry, including cruise lines, its clients did not provide public transportation. Ms. Tierney stated that she felt HMS should be assigned a "Highly Advantageous" rating in this category because of the impressive credentials of the individual who is going to oversee that aspect of the review and the fact that they have provided consulting services to global travel and hospitality companies. Mr. Hanover agreed, and the Members decided instead to assign HMS a "**Highly Advantageous**" rating for Evaluation Criterion D.

KPFF Consulting Engineers:

Mr. Sayers then reported that the two clients of KPFF Consulting Engineers and its proposed subcontractor, Elliott Bay Design Group, whom he and Ms. Nickerson had been able to contact similarly spoke very highly of them, saying that they had done a great job and are highly recommended. Interestingly, Mr. Sayers said, they had developed an entire business plan for a new ferry service for Kitsap Transit, including all aspects of the ferry service (operations, maintenance, management, et cetera), and they are also serving as Kitsap's Owner's Representative in the shipyard for the construction of its new ferries. Therefore, Mr. Sayers stated that, based upon the ferry-related projects described in its proposal and the feedback he has gotten from its clients, he was recommending that KPFF Consulting Engineers be assigned a "**Highly Advantageous**" rating with respect to its Vessel Operations and Fleet Maintenance Consulting Experience (Evaluation Criterion B), and its Management Structure Consulting Experience (Evaluation Criterion C).

However, Mr. Sayers stated that he was unable to conclude from KPFF's proposal that it and its other proposed subcontractor, IBI Group, have provided consulting services regarding public communications and information technology systems for other organizations on at least three occasions over the past five years. Therefore, Mr. Sayers stated that he was recommending that KPFF Consulting Engineers be assigned a "Not Advantageous" rating with respect to

its Public Communications and Information Technology Systems Consulting Experience (Evaluation Criterion D), although he noted that the Members may want to give KPFF the benefit of the doubt in this category because it clearly had provided consulting services on at least three occasion even though it was unclear when those services had been provided. In response, Mmes. Tierney and Gladfelter and Mr. Jones stated that they would indeed give KPFF the benefit of the doubt in this instance and, accordingly, the Members decided instead to assign KPFF an **“Advantageous”** rating for Evaluation Criterion D.

Non-Price Evaluation Criterion G –
Proposed Contract Without Financial Information:

Mr. Sayers then recounted how the RFP also had instructed proponents to provide the Authority with their proposed contracts for the provision of their consulting services (not including their proposed Total Contract Prices or any other financial information) so that the Authority could assign ratings to those proposed contracts depending upon whether they would impose any undue obligations on the Authority or contained any unreasonable provisions which are not generally accepted contract terms in the consulting industry or even unreasonable provisions that the Authority, as a public governmental entity, should not accept. Nevertheless, Mr. Sayers said, three of the proponents did not provide their proposed contracts, and instead:

- **Ernst & Young** appears to have overlooked this requirement as it stated that, if the Authority prefers, it can provide its draft contract for the Authority’s consideration. It also stated that it would anticipate a draft contract to include terms such as limitation of liability, insurance, intellectual property protections, termination and force majeure, to name a few; that its proposal is contingent on the execution of a mutually satisfactory engagement agreement; and that it expects to resolve any open items related to engagement terms to the parties’ mutual satisfaction.
- **McKinsey & Company** stated that, while it would seek to sign and abide by the terms of the contract with the Authority if it is successful in being awarded this engagement, it requires its clients not to use its name in any communication with any third party, or disclose its work products to any third party, or the terms of its proposals or engagements (including commercial arrangements) to any third party, without its prior permission, although in those cases when disclosure from either side may be appropriate, it will discuss this first and only proceed if agreement is reached. McKinsey & Company also requested that the Authority hold it harmless and indemnify it, including legal costs, except to the extent its damages are found to have resulted from its gross negligence or willful

misconduct, and stated that either party should have the freedom to terminate the relationship at any time if it becomes evident that the potential value of the work does not warrant further effort and, in that event, only the professional fees and costs incurred to that date will be billed.

- **Alexander Proudfoot Company** appears to have overlooked this requirement.

Accordingly, Mr. Sayers stated that he was recommending that these three proponents be assigned an “**Unacceptable**” rating for Evaluation Criterion G (Proposed Contract Without Financial Information).

Mr. Jones then asked Mr. Sayers whether, if the Authority were to award the contract to McKinsey & Company, it could agree under the Open Meeting Law and the Public Records Law not to divulge anything about its contract to third parties, observing that the Authority has to have the freedom to disclose whatever it receives from McKinsey & Company and that he did not believe that anything the Authority was doing was confidential. Mr. Sayers agreed, noting that the Authority is subject to both of those laws and there is no exception that would allow the Authority to not disclose its contract or any other financial arrangements with McKinsey & Company, or even the proposal it has received from McKinsey & Company.

Mr. Sayers then advised the Members what ratings he was recommending be assigned to the other proponents for Evaluation Criterion G, as follows:

- Mr. Sayers stated that, although he stated that he would recommend negotiating changes to a few terms and conditions contained in Foss Maritime Company’s proposed contract, he did not feel that its proposed Contract imposed any undue obligations on the Authority or contain any unreasonable provisions which are not generally accepted contract terms in the consulting industry. Accordingly, Mr. Sayers stated that he was recommending that **Foss Maritime Company** be assigned a “**Highly Advantageous**” rating for Evaluation Criterion G (Proposed Contract Without Financial Information).
- Mr. Sayers stated that he similarly would recommend negotiating changes to a few terms and conditions contained in FRS Europe Holding GmbH’s proposed contract, particularly the provision that would allow FRS to terminate the contract at any time, with or without cause, upon thirty days written notice while still being entitled to be paid for all service performed and expenses incurred up through the termination date *pro rata temporis*. Mr. Sayers noted that this essentially would allow FRS to be paid under the contract while relieving it of any obligation to provide the Authority

with any reports or recommendations that ordinarily would be provided upon the completion of the consultancy. Mr. Sayers observed that, because this proposed provision is unduly one-sided in favor of FRS, he was recommending that **FRS Europe Holding GmbH** be assigned an **“Advantageous”** rating for Evaluation Criterion G (Proposed Contract Without Financial Information).

- Mr. Sayers stated that he similarly would recommend negotiating changes to a few terms and conditions contained in HMS Consulting and Technical’s proposed contract, particularly the provisions that would limit HMS’s liability to no more than \$50,000 (rather than to no more than the amount of fees paid to HMS) and would require the Authority to indemnify HMS from any third-party claims for injury, losses, expenses or fees arising out of or related to the services under the contract. Mr. Sayers observed that, because these proposed provisions contain undue obligations on the Authority and/or are unduly one-sided in favor of HMS, he was recommending that **HMS Consulting and Technical** be assigned a **“Not Advantageous”** rating for Evaluation Criterion G (Proposed Contract Without Financial Information).
- Mr. Sayers stated that he similarly would recommend negotiating changes to a few terms and conditions contained in Hudson Pacific Capital Partners’ proposed contract, particularly the provision that would allow Hudson Pacific to terminate the Contract upon thirty days written notice while presumably still being entitled to be paid for all service performed and expenses incurred up through the termination date. Mr. Sayers observed that this essentially would allow Hudson Pacific to be paid under the contract while relieving it of any obligation to provide the Authority with any reports or recommendations that ordinarily would be provided upon the completion of the consultancy. Mr. Sayers noted that Hudson Pacific’s proposed indemnification language is too broad, in that it would obligate the Authority to indemnify Hudson Pacific for all obligations, costs, claims, losses and expenses arising from the contract unless Hudson Pacific is adjudged to be guilty of willful misconduct or gross negligence by a court of competent jurisdiction. Mr. Sayers stated that, because these proposed provisions contain undue obligations on the Authority and/or are unduly one-sided in favor of Hudson Pacific, he was recommending that **Hudson Pacific Capital Partners** be assigned a **“Not Advantageous”** rating for Evaluation Criterion G (Proposed Contract Without Financial Information).
- Mr. Sayers stated that, while he would recommend negotiating changes to a few terms and conditions contained in KPFF Consulting Engineers’ proposed contract, it does not impose any undue obligations on the Authority or contain any unreasonable provisions which are not generally

accepted contract terms in the consulting industry. Therefore, Mr. Sayers said, he was recommending that **KPFF Consulting Engineers** be assigned a “**Highly Advantageous**” rating for Evaluation Criterion G (Proposed Contract Without Financial Information).

Finally, Mr. Sayers noted that, even though he was recommending that certain proponents be assigned only an “Advantageous” or “Not Advantageous” rating for Evaluation Criterion G because of certain provisions contained in their proposed contracts, it did not mean that the Authority would not be able to negotiate those provisions. Rather, Mr. Sayers said, if the Members were to award a contract to any of those proponents, the award should be conditioned on the successful negotiation of those provisions out of the contract.

Mr. Ranney asked the Members whether any of them had any different thoughts with respect to any of the ratings that Mr. Sayers was recommending be assigned to the proponents for Evaluation Criterion G, and no one expressed any disagreement with any of Mr. Sayers’s recommendations. Mr. Sayers then noted that it was now up to the Members to evaluate the Consulting Proposals with respect to the last two evaluation criteria, namely, the proponents’ proposed performance of their vessel operations, fleet maintenance and management structure consulting services and their proposed performance of their public communications and information technology systems consulting services, which will involve an evaluation so the proponents’ schemes for analyzing and making recommendations to improve the Authority’s operations, and the qualifications and experience of the key individuals who will be providing those services.

At this time (approximately 10:29 a.m.), the meeting stood in recess until the Members reconvened the meeting at approximately 10:37 a.m.

Non-Price Evaluation Criterion E –
Proposed Performance of Vessel Operations, Fleet Maintenance and Management Structure Consulting Services:
and

Non-Price Evaluation Criterion F –
Proposed Performance of Public Communications and Information Technology Systems Consulting Services:

Mr. Ranney stated that the Members would now evaluate the Consulting Proposals to determine what ratings should be assigned to the proposals for Evaluation Criteria E and F based upon each proponent’s proposal performance of its consulting services with respect to the Authority’s vessel operations, fleet

maintenance and management structure consulting services, and with respect to the Authority's public communications and information technology systems.

Ernst & Young:

With respect to Ernst & Young's proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Mr. Hanover stated that, although Ernst & Young's proposal contained a lot of boilerplate, he liked their timeline and found the proposal quite attractive. For those reasons, Mr. Hanover stated that he had given Ernst & Young a "Highly Advantageous" rating.
- Ms. Gladfelter stated that, while Ernst & Young had given a summary of their understanding of the Authority's operations, they demonstrated a lack of understanding of the stakeholders and, further, there was no acknowledgement of island residents or gateway communities. In addition, Ms. Gladfelter said, Ernst & Young focused on the Authority's problems in March and April 2018, when she felt the study should be aimed at improving the Authority's operations overall. Ms. Gladfelter also noted that Ernst & Young's proposal did not make it clear who was actually going to be doing the work and what kinds of data will be gathered or how they will be gathered. Finally, Ms. Gladfelter stated that while the biographies in their proposal indicate that Ernst & Young has extensive management experience, there is no strong indication that they understand ferry operations in their full complexity; they have a poor understanding of the Authority in particular, which could bias any observations made during the study; and there was not a sense of strength in either vessel operations or fleet maintenance. Therefore, Ms. Gladfelter stated that she had given Ernst & Young a "Not Advantageous" rating.
- Mr. Ranney stated that he tended to agree with Ms. Gladfelter on most of her points, and that he also questioned why Ernst & Young had listed the food service employees on the vessels as stakeholders and then failed to mention anything about Nantucket at all. Accordingly, Mr. Ranney stated that he had given Ernst & Young a "Not Advantageous" rating.
- Mr. Jones stated that, while Ernst & Young undoubtedly is skilled in many areas, their proposal offers little supporting evidence that this is their forte. In addition, Mr. Jones said, the RFP asked for a detailed, logical and highly efficient scheme for analyzing and making recommendations to improve the Authority's operations, and he did not feel this detail was provided. Rather, Mr. Jones stated that he had to read between the lines of the

proposal to decipher the specifics and then evaluate how Ernst & Young will meet the Authority's needs. Accordingly, Mr. Jones stated that he had given Ernst & Young a "Not Advantageous" rating.

- Ms. Tierney stated that she also had given Ernst & Young a "Not Advantageous" rating, observing that they actually have not provided the Authority with any proposal at all.

In addition, Mr. Shufelt read Tisbury Port Council member George Balco's comments about Ernst & Young's proposal, namely, that it has a good time line of eight weeks and that it was a detailed proposal although some of it is not relevant. In this regard, Mr. Shufelt observed that Mr. Balco appeared to be giving Ernst & Young's proposal a low "Advantageous" rating or a "Not Advantageous" rating, and that would be his recommendation as well.

Ms. Tierney then asked whether the staff had any recommendation with respect to Ernst & Young's proposal. In response, Mr. Sayers stated that the staff was not making any recommendations with respect to what rating should be assigned to any proposal for either Evaluation Criterion E or Evaluation Criterion F.

After Mr. Hanover stated that he would defer to the other Members' rating of Ernst & Young's proposal, Mr. Jones observed that it was hard to decipher from Ernst & Young's proposal exactly what they would do and that he did not think their proposal was well spelled out. Mr. Ranney then announced that it appeared that the Members' blended rating of Ernst & Young's proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was "**Not Advantageous.**"

With respect to Ernst & Young's proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Mr. Hanover stated that he had given Ernst & Young a "Highly Advantageous" rating in this category, as page 10 of their proposal indicated that they understand exactly what the Authority needs to correct its website performance issues and the inaccurate and insufficient information which is being given to the public.
- Ms. Gladfelter stated that she had given Ernst & Young a "Not Advantageous" rating for the same reasons she had given for her rating of their proposal for Evaluation Criterion E. Ms. Gladfelter noted that Ernst & Young has a lack of understanding of the Authority's operations and that, while they gave a summary and offer an approach that is not bad,

she believes it is important to understand who the stakeholders are. In addition, Ms. Gladfelter said, she was not sure who would be doing the work

- Mr. Ranney stated that, once again, he agreed with Ms. Gladfelter and that he had more or less the same comments. Accordingly, Mr. Ranney stated that he had given Ernst & Young a “Not Advantageous” rating.
- Mr. Jones stated that he agreed with Mr. Hanover and had given Ernst & Young a “Highly Advantageous” rating. Mr. Jones noted that he felt Ernst & Young is an expert in the field and has shown several companies who have engaged this firm how to improve the systems.
- Ms. Tierney stated that she had given Ernst & Young a “Not Advantageous” rating, saying that she thought they had given a cookie cutter approach without discussing any of the Authority’s specific problems or identifying enough with the Authority’s RFP.

After Mr. Shufelt stated that he had given Ernst & Young’s proposal an “Advantageous” rating, Mr. Ranney announced that it appeared that the Members’ blended rating of Ernst & Young’s proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was **“Advantageous.”**

Foss Maritime Company:

With respect to Foss Maritime Company’s proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Mr. Hanover stated that he did not care for Foss’s proposal, that it is an operator and not a consultant, and that he did not believe Foss has a separate division for consulting. For those reasons, Mr. Hanover stated that he had given Foss a “Not Advantageous” rating.
- Ms. Gladfelter stated that she also had given Foss a “Not Advantageous” rating because, while Foss has experience with a good variety of marine vessel operations, it has limited experience with operating a ferry system and considering the various stakeholders and both the similarities and differences in ferry routes. Ms. Gladfelter observed that the Foss’s proposal did not make it clear who from Foss would be involved in the project and whether the study would be conducted entirely through the review of materials and interviews. In addition, Ms. Gladfelter said, Foss’s focus appeared to be primarily on the incidents from March and April 2018, as opposed to reviewing the Authority’s systems overall, and that

the proposal's lack of a consistent format make it difficult to evaluate the qualifications of those who will be involved.

- Mr. Ranney stated that he had given Foss an "Advantageous" rating because its proposal described a detailed approach with a focus on vessel operations and fleet maintenance. While Mr. Ranney acknowledged that Foss's proposal did not address the Authority's management structure, he stated that he had given Foss the benefit of the doubt in this category.
- Mr. Jones stated that he had given Foss an "Unacceptable" rating, saying that Foss's proposal does not address how it will perform its consulting services in these areas.
- Ms. Tierney stated that, in her opinion, Foss's proposal lacked specificity and that she had given it a "Not Advantageous" rating. Ms. Tierney also noted that a reference in the proposal to some oil samples indicated a "cut-and-paste" problem with the proposal.

In addition, Mr. Shufelt read Mr. Balco's comments about Foss Maritime Company's proposal, namely, that Foss has done work for the Authority in the past, that it is basically an operator and not a consultant, and that its time line is okay. Mr. Shufelt stated that he similarly had given Foss's proposal a "Not Advantageous" rating because it is an operator and not a consultant.

Mr. Ranney then announced that it appeared that the Members' blended rating of Foss Maritime Company's proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was "**Not Advantageous.**"

With respect to Foss Maritime Company's proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Mr. Hanover stated that he had given Foss a "Not Advantageous" rating in this category.
- Ms. Gladfelter stated that she had given Foss a "Not Advantageous" rating for the same reasons she had given for her rating of its proposal for Evaluation Criterion E.
- Mr. Ranney stated that he had given Foss an "Unacceptable" rating because there was no direct mention in its proposal of a plan for public communications or information technologies consulting.
- Mr. Jones stated that he had given Foss an "Advantageous" rating because, according to the proposal, it is highly versed in information technology systems and works with clients and industry to develop

accurate and cost-effective compliance, optimized performance and operation efficiency for shore side as well as marine assets. But Mr. Jones noted that no examples were given in the proposal.

- Ms. Tierney stated that she had given Foss an “Unacceptable” rating because its proposal did not address communications or information technologies at all.

After Mr. Shufelt stated that he and Mr. Balco had given Foss’s proposal a “Not Advantageous” rating as well, Mr. Ranney announced that it appeared that the Members’ blended rating of Foss Maritime Company’s proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was **“Not Advantageous.”**

FRS Europe Holding GmbH:

With respect to FRS Europe Holding GmbH’s proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Mr. Hanover stated that, while FRS is a very big player throughout the world, he looked but could not find anything about it operating anywhere in North America, and that he feels that the Authority needs a consultant who knows the East Coast and more local market. Mr. Hanover stated that, accordingly, he had given FRS a “Not Advantageous” rating.
- Ms. Gladfelter stated that she also had given FRS a “Not Advantageous” rating because its proposal presents only a very generalized outline of its scheme for analyzing and making recommendations to improve the Authority’s vessel operations, fleet maintenance and management structure. Ms. Gladfelter also noted that it was confusing to try to determine the qualifications and experience of the individuals who would be responsible for each area of the study.
- Mr. Ranney stated that he also had given FRS a “Not Advantageous” rating and that the thought its proposed timeline was probably too quick to provide meaningful analysis.
- Mr. Jones stated that he had given FRS a “Highly Advantageous” rating, saying that it has outlined a methodology and timeframe for accomplishing this work which is responsible and reasonable. Mr. Jones also noted that the curricula vitae of the individuals who would be assigned to the project indicate that they have experience in their fields.

- Ms. Tierney stated that she had given FRS a “Not Advantageous” rating because its proposal had not provided enough detail in its description of what it hopes to accomplish.

In addition, Mr. Shufelt read Mr. Balco’s comments about FRS’s proposal, namely, that it was too international and will not understand many aspects of the Authority’s business. Mr. Shufelt stated that he had given FRS’s proposal an “Advantageous” rating because of its experience, although he acknowledged that its local knowledge may be lacking. Mr. Ranney then announced that it appeared that the Members’ blended rating of FRS Europe Holding GmbH’s proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was **“Not Advantageous.”**

With respect to FRS Europe Holding GmbH’s proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Mr. Hanover stated that he had given FRS a “Not Advantageous” rating in this category.
- Ms. Gladfelter stated that she also had given FRS a “Not Advantageous” rating.
- Mr. Ranney stated that he had given FRS an “Unacceptable” rating.
- Mr. Jones stated that he had given FRS an “Advantageous” rating.
- Ms. Tierney stated that she had given FRS a “Not Advantageous” rating.

After Mr. Shufelt stated that he had given FRS’s proposal a “Not Advantageous” rating as well, Mr. Ranney announced that it appeared that the Members’ blended rating of FRS Europe Holding GmbH’s proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was **“Not Advantageous.”**

HMS Consulting and Technical:

With respect to HMS Consulting and Technical’s proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Mr. Hanover stated that he liked HMS’s proposal a lot, that they have a lot of ferry experience and that he liked their timeline. Mr. Hanover stated that, accordingly, he had given HMS a “Highly Advantageous” rating.

- Ms. Gladfelter stated that she also had given HMS an “Advantageous” rating, observing that HMS has presented a generalized approach called “an investigative process” that will focus on the issues that occurred within the Authority in March and April 2018 and then do a Root Cause analysis. Ms. Gladfelter stated that, while this may help identify some particular ways in which the Authority can improve, it is not geared toward an overall evaluation of the Authority’s operations and how the different areas of the Authority’s operations may be improved individually and in an integrated manner. Ms. Gladfelter cautioned that, by focusing just on “problems,” HMS’s approach ignores the complexity of the organization as a whole. Ms. Gladfelter also noted that the proposal has more jargon than substance and that, while it appears HMS and its subcontractors have worked with a variety of ferry operations, HMS did not present an overall philosophy of how ferry systems operate with a diversity of stakeholders; nor did it present an understanding of the Authority’s operations. However, Ms. Gladfelter observed that the key individuals who would be assigned to the project appear to be highly qualified.
- Mr. Ranney stated that he also had given HMS a “Highly Advantageous” rating because it has proposed a thorough and comprehensive approach.
- Mr. Jones stated that he similarly had given HMS a “Highly Advantageous” rating.
- Ms. Tierney stated that she also had given HMS a “Highly Advantageous” rating because it has the most relevant experience of all of the proponents; it most accurately responded to the RFP; and it seems to have the most reasonable and organized approach.

In addition, Mr. Shufelt read Mr. Balco’s comments about HMS’s proposal, namely, that its timeline was okay, that it will use some subcontractors, and that its past clients looked relevant. Mr. Shufelt stated that he had given HMS’s proposal a “Highly Advantageous” rating. Mr. Ranney then announced that it appeared that the Members’ blended rating of HMS Consulting and Technical’s proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was **“Highly Advantageous.”**

With respect to HMS Consulting and Technical’s proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Mr. Hanover stated that he had given HMS a “Highly Advantageous” rating in this category.

- Ms. Gladfelter stated that she also had given HMS an “Advantageous” rating.
- Mr. Ranney stated that he had given HMS a “Highly Advantageous” rating.
- Mr. Jones stated that he had given HMS a “Not Advantageous” rating, noting that the RFP calls for proposals to describe a detailed, logical and highly efficient scheme for analyzing and making recommendations to improve the Authority’s communications and information technology systems and to identify the key individuals who will be involved with this aspect of the project, and that no such description appears in HMS’s proposal. While Mr. Jones acknowledged that the methodology which HMS says it will use to address the Authority’s problems seems plausible, the proposal does not offer convincing data that this is HMS’s strong field.
- Ms. Tierney stated that she had given HMS a “Highly Advantageous” rating.

After Mr. Shufelt stated that he had given HMS’s proposal an “Advantageous” rating, Mr. Ranney announced that it appeared that the Members’ blended rating of HMS Consulting and Technical’s proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was on the high side of **“Advantageous.”**

Hudson Pacific Capital Partners:

With respect to Hudson Pacific Capital Partners’s proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Mr. Hanover stated that he also liked Hudson Pacific’s proposal and that he thought it addressed most of the Authority’s concerns. Accordingly, Mr. Hanover said, he had given Hudson Pacific a “Highly Advantageous” rating.
- Ms. Gladfelter stated that she also had given Hudson Pacific a “Not Advantageous” rating, observing that while its outline of proposed work is reasonable, it is rather sketchy and the products to be produced are unclear (such as what analyses will be performed). Ms. Gladfelter also noted that, although the team is especially qualified with respect to the shipping industry, apparently only two members of the team will have firsthand experience in seeing the Authority’s operations and there appears to be minimal understanding of the stakeholders both within the

Authority and the external groups who either use or are otherwise affected by its operations.

- Mr. Ranney stated that he had given Hudson Pacific an “Advantageous” rating.
- Mr. Jones stated that he also had given Hudson Pacific an “Advantageous” rating.
- Ms. Tierney stated that she had given Hudson Pacific an “Advantageous” rating as well.

In addition, Mr. Shufelt read Mr. Balco’s comments about Hudson Pacific’s proposal, namely, that its twelve-week timeline looked okay, its team included a number of former military people, and it was a very straightforward proposal. Mr. Shufelt stated that he had given Hudson Pacific’s proposal an “Advantageous” rating. Mr. Ranney then announced that it appeared that the Members’ blended rating of Hudson Pacific Capital Partners’ proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was **“Advantageous.”**

With respect to Hudson Pacific Capital Partners’ proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Mr. Hanover stated that he had given Hudson Pacific an “Advantageous” rating in this category.
- Ms. Gladfelter stated that she had given Hudson Pacific a “Not Advantageous” rating.
- Mr. Ranney stated that he had given Hudson Pacific an “Advantageous” rating.
- Mr. Jones stated that he also had given Hudson Pacific an “Advantageous” rating.
- Ms. Tierney stated that she had given Hudson Pacific a “Not Advantageous” rating.

After Mr. Shufelt stated that he had given Hudson Pacific’s proposal an “Advantageous” rating, Mr. Ranney announced that it appeared that the Members’ blended rating of Hudson Pacific Capital Partners’ proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was on the low side of **“Advantageous.”**

KPFF Consulting Engineers:

With respect to KPFF Consulting Engineers' proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Mr. Hanover stated that he felt KPFF's proposed timeline was way too long and that he did not want to wait until next March to find out the answers to the Authority's problems. Mr. Hanover stated that he also has a concern that the team includes Elliott Bay Design Group personnel and appears to be heavily influenced by Washington State Ferries, although he stated that this is just a concern and not that it is detrimental. Mr. Hanover stated that, accordingly, he had given KPFF a "Highly Advantageous" rating.
- Ms. Gladfelter stated that she had given KPFF a "Highly Advantageous" rating, saying that it had given a well-conceived and presented proposal. Ms. Gladfelter stated that, in particular, KPFF articulated a clear and straightforward approach to address the Authority's operational problems through an eight-month SWOT (Strengths, Weaknesses, Opportunities and Threats) approach to address relevant aspects of each area of concern.¹ In addition, Ms. Gladfelter noted that KPFF has pointed out that every ferry system and every route served by a ferry system present their own set of distinct and unique challenges and opportunities, and that the Authority has a diverse and complex set of stakeholders, including island residents, gateway communities, commercial entities, and seasonal and periodic customers. Ms. Gladfelter also observed that KPFF's approach is to use an experienced team to gather information during the Authority's high season and then to convene an expert review panel (which will include heads of ferry operators throughout the country) to review the information, which KPFF would then use to analyze the data and prepare draft recommendations which in turn would be reviewed by the panel before a final report is issued. Meanwhile, Ms. Gladfelter said, KPFF would suggest near-term improvements as appropriate. Ms. Gladfelter also noted that KPFF's team has extensive experience working together with this approach, that they are highly qualified, and that KPFF and its subcontractors specialize in studying ferry operations throughout the country. Thus, although Ms. Gladfelter acknowledged that KPFF was proposing a

¹ Ms. Gladfelter noted that she has performed a number of SWOT studies, although she has always persuaded the other participants in those studies to refer to the approach as a SCOR (Strengths, Challenges, Opportunities and Recommendations) approach.

long study, she thought it has the potential of helping the Authority as it moves forward in the next several decades.

- Mr. Ranney stated that he had given KPFF a “Highly Advantageous” rating because he thought KPFF had submitted a very detailed and comprehensive proposal for all areas of the Authority’s vessel operations, fleet maintenance and management structure.
- Mr. Jones stated that he also had given KPFF an “Advantageous” rating.
- Ms. Tierney stated that she had given KPFF a “Highly Advantageous” rating.

In addition, Mr. Shufelt read Mr. Balco’s comments about KPFF’s proposal, namely, that its timeline was much too long, that it was very oriented to Washington State Ferries, and that it was connected with Elliott Bay Design Group. Mr. Shufelt stated that he had given KPFF’s proposal a “Highly Advantageous” rating, observing that, while the timeline may seem too long, if the Authority has problems, it may take some time to see what they are. Mr. Ranney then announced that it appeared that the Members’ blended rating of KPFF Consulting Engineers’ proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was **“Highly Advantageous.”**

With respect to KPFF Consulting Engineers’ proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Mr. Hanover stated that he had given KPFF a “Highly Advantageous” rating in this category.
- Ms. Gladfelter stated that she had given KPFF a “Highly Advantageous” rating.
- Mr. Ranney stated that he had given KPFF an “Advantageous” rating.
- Mr. Jones stated that he also had given KPFF an “Advantageous” rating.
- Ms. Tierney stated that she had given KPFF a “Highly Advantageous” rating.

After Mr. Shufelt stated that he had given KPFF’s proposal an “Advantageous” rating, Mr. Ranney announced that it appeared that the Members’ blended rating of KPFF Consulting Engineers’ proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was on the low side of **“Highly Advantageous.”**

McKinsey & Company:

With respect to McKinsey & Company's proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Mr. Hanover stated that McKinsey had proposed a good timeline, that he liked their approach, and that they nailed exactly what they are going to do and how they are going to do it. Mr. Hanover also stated that McKinsey seemed to understand the situation best of all. Accordingly, Mr. Hanover said, he had given McKinsey a "Highly Advantageous" rating.
- Ms. Gladfelter stated that she had given McKinsey an "Unacceptable" rating, observing that its suggested approach is very generalized with no clear indication of what data will be collected to answer which questions. Ms. Gladfelter also noted that there is no acknowledgment by McKinsey of the unique aspects of a ferry operation (or its stakeholders or the routes involved) and that McKinsey seems to view the Authority as a for-profit company. Ms. Gladfelter further stated that the biographies of those who would be involved in the project are very generalized with no clear indication of what experience they have that is relevant to the issues that are going to be studied.
- Mr. Ranney stated that he had given McKinsey an "Advantageous" rating although its approach was a generalize one and lacked substantive details. Mr. Ranney also stated that he thought McKinsey's proposed follow-through was just advantageous and not much better than that.
- Mr. Jones stated that he also had given McKinsey an "Advantageous" rating.
- Ms. Tierney stated that she had given McKinsey a "Not Advantageous" rating.

In addition, Mr. Shufelt read Mr. Balco's comments about McKinsey's proposal, namely, that its timeline is good, it presents a simple straightforward approach, and that it has good relevant past experience in the field. Mr. Shufelt stated that he also had given McKinsey's proposal an "Advantageous" rating.

Mr. Ranney then announced that it appeared that the Members' blended rating of McKinsey & Company's proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was "**Advantageous**" at best.

With respect to McKinsey & Company's proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Mr. Hanover stated that he was very impressed with McKinsey's proposal for having backup systems for when power goes out and taking care of the Authority's customers during disaster recovery. Accordingly, Mr. Hanover stated that he had given McKinsey a "Highly Advantageous" rating in this category.
- Ms. Gladfelter stated that she had given McKinsey an "Unacceptable" rating because its proposal was very generalized. Ms. Gladfelter noted that she is a scientist and want to know how consultants are setting up their studies, what kind of data they are going to collect, and how they are going to analyze and interpret that data. (In response, Mr. Hanover stated that he was more interested in what they are going to do, not how they are going to do it.)
- Mr. Ranney stated that he had given McKinsey an "Advantageous" rating for the same reasons he had stated before, namely, that McKinsey was a little light on details.
- Mr. Jones stated that he also had given McKinsey an "Advantageous" rating.
- Ms. Tierney stated that she had given McKinsey a "Not Advantageous" rating.

After Mr. Shufelt stated that he had given McKinsey's a "Not Advantageous" rating, Mr. Ranney announced that it appeared that the Members' blended rating of McKinsey & Company's proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was "**Advantageous**" at best and towards the "Not Advantageous" end of it

Alexander Proudfoot Company:

With respect to Alexander Proudfoot Company's proposed performance of its vessel operations, fleet maintenance and management structure consulting services (Evaluation Criterion E), the Members stated as follows:

- Ms. Gladfelter stated that she had given Proudfoot a "Not Advantageous" rating, observing that it had submitted a cookbook proposal and that there was no indication that it has experience or knowledge of the issues that are an everyday part of a ferry operation (including all of its stakeholders).

Ms. Gladfelter also noted that there was no evidence that the individuals who would be involved in the project have personal experience in either vessel operations or fleet maintenance, and that the team biographies (which were extremely difficult to read) did not include the individuals' education or experience related to vessel operations or fleet maintenance.

- Mr. Ranney stated that he had given Proudfoot an "Advantageous" rating, although he agreed with Ms. Gladfelter's comments and also could not read the team biographies.
- Mr. Jones stated that he also had given Proudfoot an "Advantageous" rating, noting that it has offered a methodology to address the Authority's fleet maintenance problems by conducting a broad gap analysis of current maintenance programs (including, but not limited to, process maps, data analysis, dry-dock contracted maintenance and the like), and it also has offered its six factors of maintenance excellence and its "Management Excellence Pyramid." Mr. Jones further noted that Proudfoot likewise has offered a methodology for addressing management and workforce skills and competencies. Although Mr. Jones acknowledged that three detailed case studies supporting the success of Proudfoot's work was missing from its proposal, the deliverables it will provide are advantageous.
- Ms. Tierney stated that she had given Proudfoot a "Highly Advantageous" rating, saying that she liked its model and the comingling of personnel, history and reports.

In addition, Mr. Shufelt read Mr. Balco's comments about Proudfoot's proposal, namely, that its timeline was too short, that its presentation was over the top in terms of self-esteem, and that its proposal appeared to contain a lot of boilerplate. Mr. Shufelt stated that he had given Proudfoot's proposal a "Not Advantageous" rating. Mr. Ranney then announced that it appeared that the Members' blended rating of Alexander Proudfoot Company's proposal for Evaluation Criterion E – its proposed performance of its vessel operations, fleet maintenance and management structure consulting services – was "**Advantageous**" and Mr. Hanover stated that he was comfortable with that rating.

With respect to Alexander Proudfoot Company's proposed performance of its public communications and information technology systems consulting services (Evaluation Criterion F), the Members stated as follows:

- Ms. Gladfelter stated that she had given Proudfoot a "Not Advantageous" rating for the same reasons she had stated before.
- Mr. Ranney stated that he had given Proudfoot an "Advantageous" rating, saying that even though he could not read the individual team members'

biographies, they seemed very enthusiastic and he felt they deserved this rating for effort.

- Mr. Jones stated that he also had given Proudfoot an “Advantageous” rating.
- Ms. Tierney stated that she had given Proudfoot an “Advantageous” rating.

After Mr. Shufelt stated that he had given Proudfoot’s proposal a “Not Advantageous” rating, Mr. Ranney announced that it appeared that the Members’ blended rating of Alexander Proudfoot Company’s proposal for Evaluation Criterion F – its proposed performance of its public communications and information technology systems consulting services – was “**Advantageous**” and Mr. Hanover stated that he was fine with that rating.

After the Members finished assigning ratings to the proponents for Evaluation Criteria E and F, Mr. Sayers stated that, although HMS Consulting and Technical had received a “Not Advantageous” rating for its proposed contract with any financial information (Evaluation Criterion G), he would not necessarily discount them because of that rating because he personally thought that the Authority would be able to negotiate the problematic provisions out of HMS’s proposed contract if it were the successful proponent.

Discussion of Whether to Ask Any of the Proponents to
Make Presentations Explaining Their Consulting Proposals:

Ms. Tierney suggested that the Members may want to ask HMS Consulting and Technical and KPFF Consulting Engineers to make presentations explaining their Consulting Proposals, and Mr. Jones then asked Mr. Sayers whether the Members could ask only three proponents to appear for interviews. In response, Mr. Sayers stated that the Members could ask one or more of the proponents to make presentations explaining their Consulting Proposals, but that their presentations may not change or add to their proposals or otherwise affect their proposals in a manner prejudicial to fair competition. In addition, Mr. Sayers said, the proponents would have to make their presentations before the Members assign a composite rating for each Consulting Proposal.

Mr. Jones stated that he would prefer that the Members assign composite ratings to the Consulting Proposals today and then ask a few proponents to make presentations, but Mr. Sayers stated that, once the Members assign composite ratings to the Consulting Proposals, they can no longer ask any proponents to make presentations, as the purpose of the presentations is to assist the Members in evaluating the proposals. Mr. Jones then observed that when he previously

had evaluated proposals, he had found interviewing the proponents to be very helpful in solidifying his thoughts by allowing him to put names with faces. In this situation, Mr. Jones noted that in this case the Members were evaluating the proposals only on what the proponents themselves had written, which in many cases was just boilerplate, and that a number of proponents had not even provided the Authority with their clients' contact information as they had been instructed to do. Accordingly, Mr. Jones said, the Members may have a different feeling about some of the proponents if they were to make presentations about their proposals. Nevertheless, Mr. Jones stated that he could proceed either way.

After Mr. Sayers noted that the two proponents who appeared to have received the highest evaluations had provided the Authority with their clients' contact information, Ms. Tierney stated that she would also like to have them make presentations, which she noted could be done fairly quickly. Ms. Tierney then asked Mr. Sayers if a budget range had been established for this contract. When Mr. Sayers said that no budget range had been established, Ms. Tierney stated that she assumed that the Authority will spend at least \$100,000 on this contract and that the Members should meet the proponents who might be awarded the contract before spending that amount of money.

But Ms. Gladfelter stated that she would like to move ahead and assign composite rating to the Consulting Proposals today, observing that this matter already has taken an inordinate amount of the staff's and the Members' time. After Ms. Tierney then asked that the Members vote on her request, Mr. Jones recounted how he had been the one to originally suggest that the Members interview the proponents because he knows how valuable interviews are. But Mr. Jones stated that, looking now at which proposals had risen to the top, he was comfortable voting on the proposals without having any interviews even though interviewing the proponents would be a luxury and would help. Ultimately, Mr. Jones said, he would be happy to proceed whichever way the other Members wanted.

Ms. Tierney stated that she felt strongly that the Members should interview the two proponents who had received the highest evaluations, declaring that given the financial and time commitment being made with respect to this project, as well as the ultimate use which will be made of the consultant's report, she thought the Members should meet and weigh the credibility of the proponents and the way they interact with the Members and the staff. Ms. Tierney also noted that the Members would only have to interview two of the eight proponents, and that those two proponents otherwise were likely to be pretty comparable when they are assigned their composite ratings.

But Ms. Gladfelter stated that she did not think the Members needed to interview anyone, observing that the two proponents who had risen to the top both have compelling proposals that were not filled with boilerplate language. Ms. Gladfelter also noted that those two proponents obviously had put some effort into thinking about what the Authority's problems are and what to do about them, and that they both have competent people.

In response to a question from Mr. Ranney, Mr. Sayers stated that if the Members were going to interview any of the proponents, the interviews would have to take place in a public meeting. Mr. Sayers also noted that the Authority would have to ask the proponents to extend the time of their Financial Proposals until after the interviews are conducted, as otherwise they would expire at the end of June 2018. But Mr. Sayers stated that he did not think that would be a problem.

After Mr. Jones suggested that the Members move forward and assign composite ratings to the Consulting Proposals, Mr. Ranney stated that that was his inclination as well, observing that it already was almost July and that the contract would not be awarded until well into next month if the Members have to schedule another meeting. Mr. Ranney also noted that the staff already has spent a lot of time on this matter. Mr. Hanover then stated that he would have liked to interview the proponents if the interviews could have been conducted in a timely manner, but that he would now like to complete the evaluations.

IT WAS VOTED -- upon Ms. Tierney's motion, seconded by Mr. Jones -- to invite HMS Consulting and Technical and KPFF Consulting Engineers to make presentations explaining their Consulting Proposals for Contract No. 06-2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------|-------------|
| Mr. Ranney | | 35 % |
| Mr. Jones | | 10 % |
| Mr. Hanover | | 35 % |
| Ms. Gladfelter | | 10 % |
| Ms. Tierney | 10 % | |
| TOTAL | 10 % | 90 % |

At this time (approximately 11:39 a.m.), the meeting stood in recess until the Members reconvened the meeting at approximately 11:48 a.m.

Composite Ratings for Each Consulting Proposal:

Mr. Sayers noted that the Members had been given copies of a chart showing the ratings the Members had just assigned to each of the Consulting Proposals for Evaluation Criteria A, B, C, D, E, F and G, and that those ratings reflected the blended ratings the Members had agreed upon as a whole for rather than the ratings that each of the Members had given the proposals individually. Mr. Sayers also stated that, based upon the blended ratings that the Members had given the proposals for each of the evaluation criteria, the Members now should assign a composite rating for each Consulting Proposal. In this regard, Mr. Sayers observed that at this point the Members do not also need to rank each proposal, as the finalists for the contract will be selected and ranked after the proponents' Financial Proposals are opened.

Ernst & Young:

Based upon the blended ratings that the Members had assigned to Ernst & Young's Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to Ernst & Young's Consulting Proposal, as follows:

| | |
|----------------|------------------|
| Mr. Hanover | Not Advantageous |
| Ms. Gladfelter | Not Advantageous |
| Mr. Ranney | Unacceptable |
| Mr. Jones | Not Advantageous |
| Ms. Tierney | Unacceptable |

After Mr. Shufelt stated that he also felt that Ernst & Young's Consulting Proposal should be given a "Not Advantageous" composite rating, Mr. Ranney announced that the Members' blended composite rating for Ernst & Young's Consulting Proposal was "**Not Advantageous**."

Foss Maritime Company:

Based upon the blended ratings that the Members had assigned to Foss Maritime Company's Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to Foss Maritime Company's Consulting Proposal, as follows:

| | |
|----------------|------------------|
| Mr. Hanover | Unacceptable |
| Ms. Gladfelter | Not Advantageous |
| Mr. Ranney | Not Advantageous |
| Mr. Jones | Advantageous |
| Ms. Tierney | Not Advantageous |

After Mr. Shufelt stated that he also felt that Foss Maritime Company's Consulting Proposal should be given a "Not Advantageous" composite rating, Mr. Ranney announced that the Members' blended composite rating for Foss Maritime Company's Consulting Proposal was "**Not Advantageous.**"

FRS Europe Holding GmbH:

Based upon the blended ratings that the Members had assigned to FRS Europe Holding's Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to FRS's Consulting Proposal, as follows:

| | |
|----------------|------------------|
| Mr. Hanover | Not Advantageous |
| Ms. Gladfelter | Not Advantageous |
| Mr. Ranney | Not Advantageous |
| Mr. Jones | Not Advantageous |
| Ms. Tierney | Not Advantageous |

After Mr. Shufelt stated that he also felt that FRS's Consulting Proposal should be given a "Not Advantageous" composite rating, Mr. Ranney announced that the Members' blended composite rating for FRS Europe Holding GmbH's Consulting Proposal was "**Not Advantageous.**"

HMS Consulting and Technical:

Based upon the blended ratings that the Members had assigned to HMS Consulting and Technical's Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to HMS's Consulting Proposal, as follows:

| | |
|----------------|------------------------------------|
| Mr. Hanover | Highly Advantageous |
| Ms. Gladfelter | Advantageous / Highly Advantageous |
| Mr. Ranney | Highly Advantageous |
| Mr. Jones | Highly Advantageous |
| Ms. Tierney | Highly Advantageous |

After Mr. Shufelt stated that he also felt that HMS's Consulting Proposal should be given an "Advantageous" composite rating, Mr. Ranney announced that the Members' blended composite rating for HMS Consulting and Technical's Consulting Proposal was "**Highly Advantageous.**"

Hudson Pacific Capital Partners:

Based upon the blended ratings that the Members had assigned to Hudson Pacific Capital Partners' Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to Hudson Pacific's Consulting Proposal, as follows:

| | |
|----------------|------------------|
| Mr. Hanover | Advantageous |
| Ms. Gladfelter | Not Advantageous |
| Mr. Ranney | Advantageous |
| Mr. Jones | Not Advantageous |
| Ms. Tierney | Not Advantageous |

After Mr. Shufelt stated that he also felt that Hudson Pacific's Consulting Proposal should be given an "Advantageous" composite rating, Mr. Ranney announced that the Members' blended composite rating for Hudson Pacific Capital Partners' Consulting Proposal was "**Advantageous.**"

KPFF Consulting Engineers:

Based upon the blended ratings that the Members had assigned to KPFF Consulting Engineers' Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to KPFF's Consulting Proposal, as follows:

| | |
|----------------|---------------------|
| Mr. Hanover | Highly Advantageous |
| Ms. Gladfelter | Highly Advantageous |
| Mr. Ranney | Highly Advantageous |
| Mr. Jones | Highly Advantageous |
| Ms. Tierney | Highly Advantageous |

After Mr. Shufelt stated that he also felt that KPFF's Consulting Proposal should be given a "Highly Advantageous" composite rating, Mr. Ranney announced that the Members' blended composite rating for KPFF Consulting Engineers' Consulting Proposal was "**Highly Advantageous.**"

McKinsey & Company:

Based upon the blended ratings that the Members had assigned to McKinsey & Company's Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to McKinsey's Consulting Proposal, as follows:

| | |
|----------------|------------------|
| Mr. Hanover | Not Advantageous |
| Ms. Gladfelter | Not Advantageous |
| Mr. Ranney | Not Advantageous |
| Mr. Jones | Unacceptable |
| Ms. Tierney | Unacceptable |

After Mr. Shufelt stated that he also felt that McKinsey & Company's Consulting Proposal should be given an "Unacceptable" composite rating, Mr. Hanover and Ms. Gladfelter stated that they would agree to that composite rating for McKinsey's Consulting Proposal. Mr. Ranney then announced that the Members' blended composite rating for McKinsey & Company's Consulting Proposal was "**Unacceptable.**"

Alexander Proudfoot Company:

Based upon the blended ratings that the Members had assigned to Alexander Proudfoot Company's Consulting Proposal for each of the individual evaluation criteria, the Members then stated what composite rating they felt should be given to Proudfoot's Consulting Proposal, as follows:

| | |
|----------------|------------------|
| Mr. Hanover | Unacceptable |
| Ms. Gladfelter | Not Advantageous |
| Mr. Ranney | Not Advantageous |
| Mr. Jones | Not Advantageous |
| Ms. Tierney | Not Advantageous |

After Mr. Shufelt stated that he also felt that Proudfoot's Consulting Proposal should be given an "Unacceptable" composite rating, Mr. Ranney announced that the Members' blended composite rating for Alexander Proudfoot Company's Consulting Proposal was "**Unacceptable**."

The Opening of the Proponents' Financial Proposals:

Ms. Nickerson then opened up the proponents' Financial Proposals and, as she opened them, she announced that the proponents' Financial Proposals were as follows:

| | |
|---------------------------------|-------------------------|
| Ernst & Young | \$ 385,000 - \$ 425,000 |
| Foss Maritime Company | \$ 240,500 estimated |
| FRS Europe Holding GmbH | \$ 235,000 |
| HMS Consulting and Technical | \$ 217,976 |
| Hudson Pacific Capital Partners | \$ 201,600 |
| KPFF Consulting Engineers | \$ 556,000 |
| McKinsey & Company | \$ 969,000 |
| Alexander Proudfoot Company | \$ 247,650 |

Selection of Finalists and Award of Contract:

The Members then agreed that, taking into consideration the proponents' Financial Proposals and the Members' evaluations of the proponents' Consulting Proposals, two finalists should be selected for the award of the contract, namely, HMS Consulting and Technical and KPFF Consulting Engineers, and that HMS Consulting and Technical first should be ranked first in the finalists' order of qualification because of its lower Financial Proposal. However, the Members also agreed that any award of the contract to HMS Consulting and Technical should be conditioned upon its agreement to revise its proposed contract in the manner recommended by Mr. Sayers earlier during this meeting, namely, to revise its proposed provision that would limit HMS's liability to no more than \$50,000 (rather than to no more than the amount of fees paid to HMS) and to delete its proposed provision that would require the Authority to indemnify HMS from any third-party claims for injury, losses, expenses or fees arising out of or related to the services under the contract.

IT WAS VOTED -- upon Mr. Hanover's motion, seconded by Ms. Gladfelter -- to select two finalists for the award of the Contract for Management Consulting Services to Undertake a Comprehensive Review of the Authority's Operations, Contract No. 06-2018, ranked as follows:

1. **HMS Consulting and Technical; and**
2. **KPFF Consulting Engineers;**

provided, however, that any award of the contract to HMS Consulting and Technical is conditioned upon its agreement to revise its proposed contract in the manner recommended by the General Counsel earlier during this meeting.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------------|-------------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| TOTAL | 100 % | 0 % |

Then, at approximately 12:21 p.m., Mr. Ranney entertained a motion to adjourn the meeting in public session.

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Ms. Tierney -- to adjourn the meeting in public session.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|-------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | |
| <hr/> TOTAL | <hr/> 100 % | <hr/> 0 % |

A TRUE RECORD

MARC N. HANOVER, Secretary

**Documents and Exhibits Used at the
June 19, 2018 Meeting in Public Session of the
Woods Hole, Martha's Vineyard and Nantucket Steamship Authority**

1. June 19, 2018 Meeting Memorandum, dated June 14, 2018.
2. Video and Audio Recording Announcement.
3. Staff Summary #A-626, dated June 13, 2018 – Updated Proposed Resolution Authorizing the Sale of Steamship Bonds.
4. Each Member's evaluation forms for evaluating each proponent's Consulting Proposal for Management Consulting Services to Undertake a Comprehensive Review of the SSA's Operations, Contract No. 06-2018, and their notes on those forms.
5. Tisbury Port Council Member George J. Balco's typewritten comments on the Consulting Proposals, dated June 17, 2018.
6. A chart of the ratings assigned by the Members to each Consulting Proposal for Evaluation Criteria A, B, C, D and G, and the Members' notes on that chart.
7. A chart of the ratings assigned by the Members to each Consulting Proposal for Evaluation Criteria A, B, C, D, E, F and G, and the Members' notes on that chart.
8. A chart of the ratings assigned by the Members to each Consulting Proposal for Evaluation Criteria A, B, C, D, E, F and G, and the composite rating assigned by the Members to each Consulting Proposal.
9. A chart of the composite rating assigned by the Members to each Consulting Proposal and the amount of each proponent's Financial Proposal.

Business Summary for the Month of May 2018

Part I - Traffic Statistics

| | May, 2018 | | Year to Date | |
|--|------------------|---------------------------|------------------|---------------------------|
| | Amount | % Change vs. Prev. Yr. | Amount | % Change vs. Prev. Yr. |
| Number of Passengers Carried | | | | |
| Martha's Vineyard | 223,860 | 1.0% | 655,222 | -3.9% |
| Nantucket | | | | |
| Regular | 22,431 | -5.0% | 79,237 | 2.7% |
| Fast Ferry | 36,826 | -3.1% | 58,510 | -7.6% |
| Subtotal - Nantucket | <u>59,257</u> | <u>-3.8%</u> | <u>137,747</u> | <u>-2.0%</u> |
| Total | <u>283,117</u> | <u>-0.1%</u> | <u>792,969</u> | <u>-3.6%</u> |
| Number of Automobiles Carried | | | | |
| Martha's Vineyard | | | | |
| Regular | 23,640 | -0.3% | 60,367 | -5.9% |
| Excursion | 13,737 | -0.3% | 61,976 | -4.5% |
| Subtotal - M. Vineyard | <u>37,377</u> | <u>-0.3%</u> | <u>122,343</u> | <u>-5.2%</u> |
| Nantucket | | | | |
| Regular | 3,608 | 0.2% | 8,263 | 1.5% |
| Excursion | 1,691 | 1.1% | 8,474 | -1.9% |
| Subtotal - Nantucket | <u>5,299</u> | <u>0.5%</u> | <u>16,737</u> | <u>-0.3%</u> |
| Total | <u>42,676</u> | <u>-0.2%</u> | <u>139,080</u> | <u>-4.7%</u> |
| Number of Trucks Carried | | | | |
| Martha's Vineyard | | | | |
| Less than 20' - Regular | 5,221 | -1.5% | 17,482 | -3.7% |
| Less than 20' - Excursion | 3,443 | -0.4% | 15,278 | -5.9% |
| 20' and over | 5,373 | -0.8% | 19,641 | -0.5% |
| sub-total - M. Vineyard | <u>14,037</u> | <u>-1.0%</u> | <u>52,401</u> | <u>-3.2%</u> |
| Nantucket | | | | |
| Less than 20' - Regular | 1,208 | 2.7% | 4,445 | 2.3% |
| Less than 20' - Excursion | 759 | -0.4% | 3,588 | -6.9% |
| 20' and over | 3,747 | 8.0% | 13,003 | 3.2% |
| sub-total - Nantucket | <u>5,714</u> | <u>5.6%</u> | <u>21,036</u> | <u>1.1%</u> |
| Total | <u>19,751</u> | <u>0.8%</u> | <u>73,437</u> | <u>-2.0%</u> |
| Number of Cars Parked | | | | |
| Woods Hole, Falmouth and Cataumet | 13,640 | 0.9% | 31,637 | -1.6% |
| Hyannis, Nantucket | 4,175 | -0.6% | 7,764 | 0.3% |
| Total | <u>17,815</u> | <u>0.5%</u> | <u>39,401</u> | <u>-1.2%</u> |
| Average Length of Stay - Cars Parked (Days) | | | | |
| Woods Hole, Falmouth and Cataumet | 2.02 | -0.7% | 1.88 | -0.7% |
| Hyannis, Nantucket | 2.56 | -3.4% | 2.59 | -1.3% |
| Total | <u>2.15</u> | <u>-1.6%</u> | <u>2.02</u> | <u>-0.8%</u> |
| Average Revenue per Passenger * | | | | |
| Martha's Vineyard | \$ 7.06 | 1.1% | \$ 6.94 | 0.6% |
| Nantucket | <u>23.28</u> | <u>-3.4%</u> | <u>21.22</u> | <u>-3.9%</u> |
| Total | <u>\$ 10.46</u> | <u>-2.2%</u> | <u>\$ 9.42</u> | <u>-0.7%</u> |
| Average Revenue per Automobile | | | | |
| Martha's Vineyard | \$ 51.51 | 0.1% | \$ 37.72 | -0.2% |
| Nantucket | <u>153.40</u> | <u>-0.3%</u> | <u>113.19</u> | <u>0.6%</u> |
| Total | <u>\$ 64.16</u> | <u>0.1%</u> | <u>\$ 46.81</u> | <u>0.9%</u> |
| Average Revenue per Truck | | | | |
| Martha's Vineyard | \$ 102.61 | 0.6% | \$ 96.91 | 2.8% |
| Nantucket | <u>298.57</u> | <u>3.2%</u> | <u>277.86</u> | <u>3.0%</u> |
| Total | <u>\$ 159.30</u> | <u>3.6%</u> | <u>\$ 148.74</u> | <u>4.0%</u> |

* Excludes any town embarkation fees.

Business Summary for the Month of May, 2018 (Continued)

Part II - Net Income (Loss) from Operations

| Vs. 2018 Operating Budget | May, 2018 | | | Year to Date | | |
|--|----------------------|---|--|------------------------|---|--|
| | Amount | Variance vs. Budget Increase/(Decrease) | | Amount | Variance vs. Budget Increase/(Decrease) | |
| | | | | | | |
| Net Income (Loss) from Operations | | | | | | |
| Operating Revenues | \$ 10,248,875 | \$ 63,124 | | \$ 28,315,452 | \$ (648,470) | |
| Other Income | 206,771 | 15,237 | | 845,493 | 54,573 | |
| Total Income | 10,455,646 | 78,361 | | 29,160,945 | (593,897) | |
| Operating Expenses | | | | | | |
| Fixed Charges and Other Expenses | 8,971,405 | (379,312) | | 40,721,817 | 1,483,323 | |
| | 235,727 | (52,025) | | 1,205,197 | (256,421) | |
| Total Expenses | 9,207,132 | (431,337) | | 41,927,014 | 1,226,902 | |
| Net Operating Income (Loss) | \$ 1,248,514 | \$ 509,698 | | \$ (12,766,069) | \$ (1,820,799) | |
| Operating Revenues: | | | | | | |
| Auto Revenue | \$ 2,740,193 | \$ (97,851) | | \$ 6,491,649 | \$ (507,664) | |
| Freight Revenue | 3,150,792 | 166,855 | | 10,915,509 | 213,568 | |
| Passenger Revenue | 3,057,768 | (38,958) | | 7,768,370 | (273,127) | |
| Bicycle, Mail, Misc. Voyage Rev. | 116,928 | (8,816) | | 361,474 | (45,971) | |
| Revenue from Terminal Operations | 418,467 | 19,167 | | 1,230,743 | (13,982) | |
| Parking Revenue | 664,223 | (12,777) | | 1,236,146 | (13,354) | |
| Rents | 100,504 | 35,504 | | 311,561 | (7,940) | |
| Sub-Total - Operating Revenue | 10,248,875 | 63,124 | | 28,315,452 | (648,470) | |
| Other Income: | | | | | | |
| Interest Income | 9,529 | 4,429 | | 43,668 | 24,918 | |
| Miscellaneous Income | 197,242 | 10,808 | | 801,825 | 29,655 | |
| Sub-Total - Other Income | 206,771 | 15,237 | | 845,493 | 54,573 | |
| Total Income | \$ 10,455,646 | \$ 78,361 | | \$ 29,160,945 | \$ (593,897) | |
| Operating Expenses: | | | | | | |
| Wages | \$ 3,394,902 | \$ 64,930 | | \$ 13,661,284 | \$ 466,029 | |
| Pensions Health & Welfare | 1,412,135 | (14,781) | | 6,392,763 | 217,106 | |
| Payroll Taxes | 258,740 | (11,633) | | 952,082 | (2,541) | |
| Depreciation | 1,068,218 | 76,204 | | 4,669,403 | (122,743) | |
| Vessel Fuel Oil | 623,185 | (30,111) | | 2,013,685 | (215,661) | |
| Insurance | 307,517 | 4,807 | | 1,508,586 | (4,964) | |
| Direct Vessel Maintenance(Excl. Wages) | 459,316 | (508,384) | | 5,144,546 | 308,771 | |
| Direct Terminal Maintenance(Excl. Wages) | 269,049 | 39,199 | | 778,475 | 33,225 | |
| Utilities | 101,073 | 13,017 | | 574,520 | 118,325 | |
| Other | 1,077,270 | (12,560) | | 5,026,473 | 685,776 | |
| Sub-Total - Operating Expenses | 8,971,405 | (379,312) | | 40,721,817 | 1,483,323 | |
| Fixed Charges and Other Expenses: | | | | | | |
| Bond Interest & Expense | 192,642 | (51,517) | | 988,213 | (254,130) | |
| Misc. Charges or Deductions | 43,085 | (508) | | 216,984 | (2,291) | |
| Sub-Total - Other Expenses | 235,727 | (52,025) | | 1,205,197 | (256,421) | |
| Total Expenses | 9,207,132 | (431,337) | | 41,927,014 | 1,226,902 | |
| Net Operating Income (Loss) | \$ 1,248,514 | \$ 509,698 | | \$ (12,766,069) | \$ (1,820,799) | |

Management Discussion and Analysis - May, 2018

Total operating revenues for May increased by \$63,124 or 0.6% versus the amount projected in the 2018 operating budget, for a total of \$10,248,875 in operating revenues. Passenger revenues for the month were down \$39,000 versus budget projections, which represents a decrease of 1.3%. Automobile revenues were down \$98,000, or 3.5%, versus budget projections for May. Freight revenues were up \$167,000, or 5.6%, versus budget projections for the month. Parking revenues were down during May by \$13,000, or 1.9%. Concession revenues in May were down \$2,000 or 2.3%. Rent revenues from barge unloading and rental car space were up \$36,000, or 54.6%, in May versus budget.

During May, the vessels made a combined 2,325 trips. This represents an increase of 25 trips, or 1.1%, versus budget for the month. On the Vineyard route, 17 trips were canceled for mechanical reasons, 2 for weather related and 19 for traffic demands while 29 unscheduled trips were added. On the Nantucket route, 2 trips were canceled for mechanical reasons, 0 for weather related and 2 for traffic demands while 38 unscheduled trips were added.

Total operating expenses for the month were down \$379,312, or 4.1%, versus the amount projected in the 2018 budget for a total of \$8,971,405. Maintenance expenses for the month were down \$388,000, or 20.0%, versus budget. The main driver of the decrease is a correction of \$853,000 previously charged to the M/V Island Home drydock expense that should have been a capital expense. This spending was related to the replacement of 2 bow thruster motors. This project was included in the 2018 capital budget. The remaining book value of the original motors was written off this month, for an increase to depreciation expense of \$161,000. Partially offsetting the decrease due to the spending reclassification were increases in drydock expense for the M/V Nantucket of \$118,000 and in overhaul expense for the M/V Martha's Vineyard of \$72,000, for the M/V Gay Head of \$71,000, the M/V Island Home of \$39,000, and the M/V Iyanough of \$22,000.

Vessel fuel expense of \$623,000 was \$33,000 below budget estimates. The average actual cost per gallon for vessel fuel oil in May was \$2.028, including net hedging costs, while the budgeted cost was \$2.092 per gallon. During May, the vessels logged 36,200 miles, which were 948 miles higher than budget, or an increase of 2.7%. During May, 312,679 gallons of vessel fuel were consumed. This represents a decrease of 394 gallons, or 0.1%, versus budget. General administrative expenses for the month were up \$88,000 or 4.3%. Legal expense was down \$8,000; pension expense was up \$61,000, health care expense was down \$70,000, disability contributions were down \$9,000, unemployment contributions were up \$19,000, training expense was up \$36,000, credit card fees were down \$7,000, telephone expense was up \$35,000, and other expense was up \$68,000.

Other income, including interest income, debt premium and license income, totaled \$206,771 and was \$15,237 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$235,727 and were \$52,205 lower than budget. The Authority's net operating income for the month of May, including other income, income deductions and bond interest expense, was \$1,248,514 or \$509,698 higher than budget projections for the month.

Management Discussion and Analysis: January - May, 2018 (Year to Date)

Year to date total operating revenues decreased by \$648,470 or 2.2% versus the amount projected in the 2018 operating budget, for a total of \$28,315,452 in operating revenues. Passenger revenues for the year were down \$273,000 versus budget projections, which represents a 3.4% decrease. Automobile revenues were down \$508,000, or 7.3%, versus budget projections. Freight revenues were up \$214,000 or 2.0%, versus budget projections. Parking revenues were down \$13,000, or 1.1%, compared to budget forecast. Rent revenues from barge unloading and rental car space were down \$8,000, or 2.5%, versus budget.

Year to date, the vessels made a combined 7,957 trips. This represents a decrease of 419 trips, or 5.0%, versus budget. On the Vineyard route, 566 trips were canceled for mechanical reasons, 221 for weather related and 121 for traffic demands, while 608 unscheduled trips were added. On the Nantucket route, 4 trips were canceled for mechanical reasons, 189 for weather related and 31 for traffic demands, while 69 unscheduled trips were added.

Year to date operating expenses were up \$1,483,323 or 3.8%, versus the amount projected in the 2018 budget for a total of \$40,721,817. Maintenance expenses for the year are up \$1,116,000, or 12.9%, versus budget. Dry-dock repairs for the M/V Martha's Vineyard were up \$390,000 and overhaul expenses were up \$72,000. For the M/V Nantucket, drydock expenses were up \$118,000. Overhaul expenses for the M/V Governor were up \$88,000. Engine parts and overhaul expenses for the M/V Woods Hole were up \$134,000. Dolphin and dock repairs at the Woods Hole terminal are up \$243,000; dolphin and dock repairs at the Vineyard Haven terminal are up \$135,000; Oak Bluffs dock repairs were up \$125,000, while terminal and dock repairs were down in Hyannis by \$184,000 and were down on Nantucket by \$204,000. Motor vehicle repairs were up \$77,000 and other maintenance expense was up by \$129,000.

Vessel fuel expense of \$2,014,000 was \$216,000, or 9.7%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.002 including net hedging costs, while the budgeted cost was \$2.121 per gallon. 113,000 vessel miles have been logged through May, a decrease of 6,000 miles, or 5.0%, versus budget. 997,000 gallons of vessel fuel were consumed. This represents a decrease of 55,000 gallons or 5.2% versus budget. General administrative expenses for the year were up 5.4%, or \$508,000. Legal expense was down \$41,000, pension expense was up \$235,000, health care costs were down \$81,000, unemployment contributions were up \$89,000, and disability contributions were down \$26,000. Training expense was up \$120,000; while credit card fees were up \$3,000, and telephone expense was up \$119,000.

Other income, including interest income, debt premium and license income, totaled \$845,493 and was \$54,573 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$1,205,197 and were \$256,421 lower than budget. Year to date, the Authority's net operating loss, including other income, income deductions and bond interest expense, was \$12,766,069 or \$1,820,799 higher than budget projections.

Part III - Cash Balances

| | May, 2018 | | | Year to Date | | |
|---|----------------------|------------------------|------------|----------------------|------------------------|------------|
| | Amount | Variance vs. Budget | | Amount | Variance vs. Budget | |
| | | Positive / | (Negative) | | Positive / | (Negative) |
| Cash Balance - Operations Fund | | | | | | |
| Beginning Balance | \$ 10,893,082 | \$ (5,138,684) | | \$ 14,554,314 | \$ 1,554,314 | |
| Cash Receipts | 10,412,370 | (321,334) | | 44,327,643 | 428,682 | |
| Cash Receipts - Grants | - | - | | 242,983 | 242,983 | |
| Cash Receipts - Capital Projects | - | - | | 2,000 | 2,000 | |
| Cash Disbursements | (9,455,144) | (2,006,629) | | (35,619,685) | (2,444,543) | |
| Cash Disbursements - Capital Projects | (1,246,710) | (1,246,710) | | (7,525,997) | (7,525,997) | |
| Transfers to Special Purpose Funds | - | - | | (5,377,660) | (970,796) | |
| Ending Balance | \$ 10,603,598 | \$ (8,713,357) | | \$ 10,603,598 | \$ (8,713,357) | |
| Cash Balance - Special Purpose Funds | | | | | | |
| Sinking Fund | | | | | | |
| Beginning Balance | \$ 5,447,382 | \$ 1,001,968 | | \$ 8,510,755 | \$ 1,261,755 | |
| Transfers from Revenue Fund | - | - | | 5,377,660 | 970,796 | |
| Income from Investments | 9,490 | 6,640 | | 41,782 | 19,882 | |
| Accrued Interest Received | - | - | | - | - | |
| Debt Service Payments | - | - | | (8,473,325) | (1,243,825) | |
| Ending Balance | \$ 5,456,872 | \$ 1,008,608 | | \$ 5,456,872 | \$ 1,008,608 | |
| Replacement Fund | | | | | | |
| Beginning Balance | \$ 3,851,024 | \$ (6,109,826) | | \$ 9,683,515 | \$ (7,291,485) | |
| Transfers from Revenue Fund | - | - | | - | - | |
| Transfers from Bond Redemption | - | - | | - | - | |
| Proceeds from Disposal of Property | - | - | | - | - | |
| Income from Investments | 6,709 | 359 | | 44,816 | 2,616 | |
| Withdrawals | - | 1,725,000 | | (5,870,598) | 2,904,402 | |
| Ending Balance | \$ 3,857,733 | \$ (4,384,467) | | \$ 3,857,733 | \$ (4,384,467) | |
| Reserve Fund | | | | | | |
| Beginning Balance | \$ 3,582,968 | \$ 259,168 | | \$ 3,562,986 | \$ 247,486 | |
| Transfers from Revenue Fund | - | - | | - | - | |
| Income from Investments | 6,242 | 4,092 | | 26,224 | 15,774 | |
| Transfers to Bond Redemption Acct. | - | - | | - | - | |
| Ending Balance | \$ 3,589,210 | \$ 263,260 | | \$ 3,589,210 | \$ 263,260 | |
| Bond Redemption Account | | | | | | |
| Beginning Balance | \$ 14,776,304 | \$ 245,454 | | \$ 14,693,895 | \$ 198,895 | |
| Transfers from Revenue Fund | - | - | | - | - | |
| Transfers from Reserve Fund | - | - | | - | - | |
| Transfers to Replacement Fund | - | - | | - | - | |
| Income from Investments | 25,741 | 16,441 | | 108,150 | 63,000 | |
| Ending Balance | \$ 14,802,045 | \$ 261,895 | | \$ 14,802,045 | \$ 261,895 | |
| Capital Improvement Fund | | | | | | |
| Beginning Balance | \$ 500,233 | \$ 64,483 | | \$ 2,360,790 | \$ 955,790 | |
| From Bond/Note Issue | - | - | | - | - | |
| Income from Investments | 871 | 671 | | 6,750 | 5,800 | |
| Withdrawals | - | 242,500 | | (1,866,436) | (653,936) | |
| Ending Balance | \$ 501,104 | \$ 307,654 | | \$ 501,104 | \$ 307,654 | |

Business Summary for the Month of May, 2018 (Continued)

Part IV - Cash Transfers to Special Purpose Funds for 2018

| | 2018 Budget | 2018 Estimate |
|--|----------------------|----------------------|
| Cash Transfers from Revenue Fund: | | |
| To Sinking Fund (for current debt service requirements) | \$ 10,043,400 | \$ 10,043,400 |
| To Replacement Fund (2017 max. transfers - \$10,078,794) | 9,417,387 | 1,421,258 |
| To Reserve Fund | (106,850) | (106,850) |
| To Bond Redemption Account | 106,850 | 106,850 |
| Total Transfers to Special Purpose Funds | \$ 19,460,787 | \$ 11,464,658 |

* Current estimate is based on the actual cash balance as of 5/31/2018 plus projected cash receipts and disbursements for the remainder of the year, per the 2018 Operating Budget.

Part V - Allocation of Net Operating Income by Route for 2018

Allocation of Net Operating Income by Route for 2018

| | Martha's Vineyard | Nantucket | Total |
|--|---------------------------|-------------------------|-------------------------|
| Operating Revenues | \$ 59,232,116 | \$ 45,928,320 | \$ 105,160,436 |
| Other Non-Service Income - Net | 818,249 | 1,940,532 | 2,758,781 |
| Total Income | \$ 60,050,365 | <b">\$ 47,868,852</b"> | <b">\$ 107,919,217</b"> |
| % Distribution by Route | 55.6% | 44.4% | 100.0% |
| Cost of Service | \$ 61,662,565 | \$ 40,872,683 | \$ 102,535,248 |
| % Distribution by Route | 60.1% | 39.9% | 100.0% |
| Net Operating Income by Route for 2018 | <u>\$ (1,612,200)</u> | <u>\$ 6,996,169</u> | <u>\$ 5,383,969</u> |
| % Distribution by Route | -29.9% | 129.9% | 100.0% |

* Based on actual net operating income (loss) for the first 5 month plus 7 months of projected net operating income (loss) for the remainder of the year, per the 2018 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

| Number of Passengers Carried | May, 2018 | | Year to Date | |
|--|----------------|-------------------------|--------------|-------------------------|
| | Amount | Change vs. Prev. Yr. | Amount | Change vs. Prev. Yr. |
| Martha's Vineyard | | | | |
| Steamship Authority | 223,860 | 2,172 | 1.0% | 655,222 |
| Hy-Line | | | | (26,746) |
| Regular | 0 | 0 | 0.0% | 0 |
| High Speed | 5,470 | 440 | 8.7% | 5,470 |
| Subtotal Hy-Line | 5,470 | 440 | 8.7% | 5,470 |
| Falmouth Ferry Service | 502 | (169) | -25.2% | 502 |
| SeaStreak (New Bedford) | 3,250 | 119 | 3.8% | 3,250 |
| SeaStreak (New York City) | 434 | 108 | 33.1% | 434 |
| Total * | 233,516 | 2,670 | 1.2% | 664,878 |
| | | | | (26,248) |
| | | | | -3.8% |
| Nantucket | | | | |
| Steamship Authority | | | | |
| Regular | 22,431 | (1,171) | -5.0% | 79,237 |
| Fast Ferry (Prior to April 1) | 0 | 0 | 0.0% | 0 |
| Fast Ferry (April 1) (in service 2017) | 0 | 0 | 0.0% | 0 |
| Fast Ferry (April 2 and after)(in service 2018) | 36,826 | (1,166) | -3.1% | 58,510 |
| Subtotal - Nantucket | 59,257 | (2,337) | -3.8% | 137,747 |
| Hy-Line | | | | |
| Regular | 0 | 0 | 0.0% | 0 |
| HighSpeed (Prior to April 1) | 0 | 0 | 0.0% | 89,333 |
| HighSpeed (April 1)(IYA in service 2017) | 0 | 0 | 100.0% | 1,442 |
| HighSpeed (April 2 & after)(IYA in service 2018) | 59,229 | 4,235 | 7.7% | 97,129 |
| Subtotal Hy-Line | 59,229 | 4,235 | 7.7% | 187,904 |
| Freedom Cruise Line (Harwich) | 391 | (125) | -24.2% | 391 |
| SeaStreak (New Bedford) | 2,255 | 403 | 21.8% | 2,255 |
| SeaStreak (New York City) | 451 | 146 | 47.9% | 451 |
| Total | 121,583 | 2,322 | 1.9% | 328,748 |
| | | | | (745) |
| | | | | -0.2% |

MV Iyanough in service 04/01/2017 - 12/30/17 and 04/02/2018 - 01/02/2019.

* Note: Island Queen passenger service is grandfathered and as such traffic counts are not included .

| | May, 2018 | | Year to Date | |
|--------------------|-----------|-------------------------|--------------|-------------------------|
| | Amount | Change vs. Prev. Yr. | Amount | Change vs. Prev. Yr. |
| License Fee Income | 97,981 | \$ 4,218 | \$ 305,518 | \$ (411) |

| | May, 2018 | |
|------------------------|-----------|-------------------------|
| | Amount | Change vs. Prev. Yr. |
| Weather Observations # | | |

| | | |
|--|------|-------|
| Average Maximum Temperature (Fahrenheit) | 66.8 | 4.6 |
| Total Precipitation (in water equivalent inches) | 1.79 | -4.66 |
| Number of Days with Measurable Precipitation | 12 | (4) |

Based on NOAA, National Climatic Data Center unedited climatological data for Barnstable Airport in Hyannis

Steamship Authority Operations Review Project Plan

2018

HMS Consulting and Technical

Glosten

Rigor Analytics

Document Control

| VERSION | DATE | ORIGINATOR |
|----------|----------|------------|
| Original | xx/xx/xx | M. Doctor |
| | | |
| | | |

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Section 1: Review and Approval Process

Review Process

The SSA Project Plan shall be reviewed by the Project Team for initial agreement and approval, as well as periodic reassessment according to the following schedule:

| REVIEW # | SCHEDULED REVIEW DATE | DATE REVIEW COMPLETED |
|----------|-----------------------|-----------------------|
| 1 | Recon completion | |
| 2 | Recommendations | |
| 3 | | |
| 4 | | |

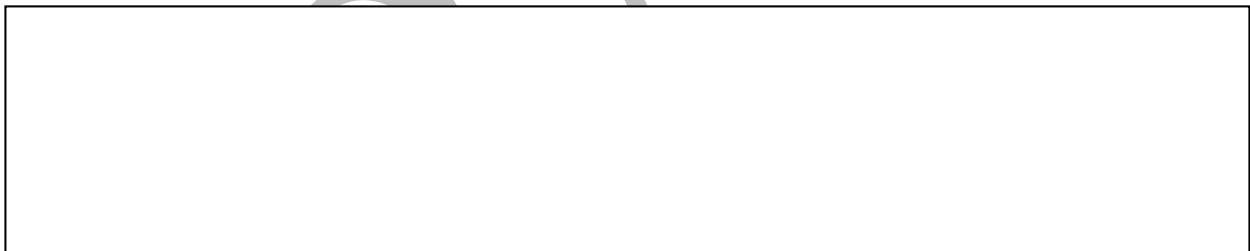
The project team may perform additional interim reviews on an as-needed basis and updates to the Project Plan may result from informal reviews at any time. Changes to the Project Plan are only made by the Project Manager and shall be distributed to the entire team.

Approval Process

This Project Plan is subject to the approval of the Steamship Authority (SSA), as project sponsor.

Project Signoff

Comments/Conditions:



APPROVED:

By: _____ Date: _____

Steve Sayers, SSA General Counsel and Point of Contact

Section 2 Project Summary

Opportunity

As stated in SSA's Request for Proposals, “[i]n March and early April 2018, the SSA experienced an unprecedented combination of vessel mechanical problems that have resulted in hundreds of sudden and unexpected trip cancellations. These events justifiably have led to an erosion in public confidence in the Authority’s operations and have raised questions about the SSA’s vessel maintenance practices, fleet rotations, public communications and all other aspects of its operations.”

SSA requires a 3rd party consultant to review and provide recommendations on the following 5 sectors of their business (see definitions in Attachment B of Proposal):

- Vessel Operations
- Fleet Maintenance
- Management Structure
- Public Communications
- IT Systems

Team Mission and Vision

The mission of the project team is to adopt a *lean* approach to clearly, systematically and efficiently engage SSA in an investigative process that will:

- Collaborate with SSA and minimize disruption of operations
- Utilize Root Cause methodology
- Result in meaningful recommendations to achieve improvement

Objectives

- Sector teams report in regularly with a focus on hours worked and timeline.
- Sector teams exercise individual experience and knowledge to innovate and recommend solutions.
- Sector teams make decisions at the lowest level possible and attempt to resolve issues in a timely manner.

Measures of Success

- Maintaining Budget
- Achieving milestones
- On time submissions
- Meeting Participation
- Avoiding scope creep
- Valuable and actionable recommendations

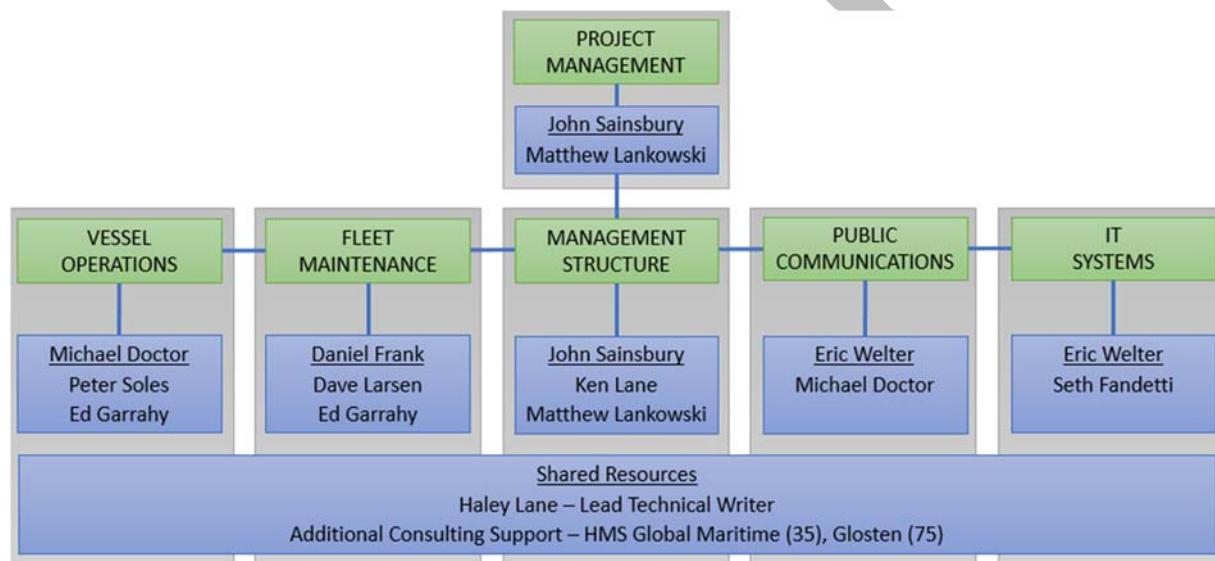
Section 3 Team Organization

Project Team

Each Sector Team will have a designated lead reporting to the Project Manager. The Sector Leads will be primarily responsible for ensuring that tasks are completed on schedule and budget, managing and sharing resources and facilitating clear communication between teams. Sector Leads will participate in weekly project meetings and communicate updates to their teams. At the Team Member level, resources will be fluid and available to support other teams where necessary.

******It is critical to the success of the project, and therefore to the success of each individual team member, that the key personnel integrate as a project team regardless of entity.******

Organizational Chart



Individual Roles, Responsibilities & Authority

| Team Member | Primary Roles and Responsibilities | Approval Authority |
|-------------------|---|--------------------|
| John Sainsbury | Project Management Sector Team Lead – Management Structure | Full |
| Michael Doctor | Sector Team Lead – Vessel Operations Public Communications | None |
| Dan Frank | Sector Team Lead – Fleet Maintenance | None |
| Eric Welter | Sector Team Lead – Public Communications Sector Team Lead – IT Systems | None |
| Peter Soles | Vessel Operations | None |
| Ed Garrahy | Vessel Operations Fleet Maintenance | None |
| Dave Larson | Fleet Maintenance | None |
| Ken Lane | Management Structure | None |
| Matthew Lankowski | Management Structure Project Management | None |
| Seth Fandetti | IT Systems | None |
| Haley Lane | Technical Writing | None |

Team Operating Guidelines and Ground Rules

Decision Making

Decision making will be accomplished at the lowest level possible and will attempt to resolve issues in a timely manner.

Managing Conflict

Conflict can be productive if managed properly. Conflict will be resolved at the lowest level possible and in a timely manner. At all times team members shall consider SSA's culture, protocols, and organizational hierarchy.

Managing Change

The purpose of this section is to document and track the necessary information required to effectively manage project change from project inception to delivery. Changes can affect any of the basic project elements; Scope, Schedule, Cost or Quality.

The Change process establishes an orderly and effective procedure for tracking the submission, coordination, review, evaluation, categorization, and approval for release of all changes to the project's baselines.

Change Process

1. Notify Project Manager of any request for potential change in scope, schedule or budget
2. Never agree to a change without consent of the Project Manager
3. Project Manager shall document any change with the Client through a Change Order, clearly identifying any change in scope, impact on either budget or schedule
4. Changes shall be communicated to the team through the Project Manager

General Ground Rules

- Be on time for all meetings. If unable to attend, notify meeting chair prior to meeting and provide input on any responsibilities or deliverables.
- Provide agendas and minutes for all client meetings.
- Be patient with alternative viewpoints, different kinds of learning and communication styles.
- All action items shall be clearly assigned, preferably with deadlines. If any action items are assigned to an absent team member, the meeting chair is responsible for following up and communicating those action items to the team member.
- Avoid passive decision-making. Be decisive and clear.
- All deliverables shall conform to internal peer review requirements.
- Make criticisms constructive with suggestions for improvement. Don't take criticism personally.
- Accept responsibility and accountability along with the authority given.

Section 4: Communications Plan

Communications Protocols

Team members must be well informed with up-to-date information on the status of the project in order to fully contribute toward the project's success. Frequent and meaningful communication among team members is essential. The goal of the communications plan is to define the mechanisms and protocols used by the team to ensure this.

Critical Points

- Timely and clear communications are critical to project success.
- Documentation is a necessity but should be kept simple, organized and value-driven.
- Proper distribution of communications is crucial, the resulting transparency is essential.
- Uncertainty and complexity of the project will require verbal communications at times. All verbal communications of material bearing shall be documented.

Written Communication

Written communications will primarily take place via email.

It will be the responsibility of the internal Project Team to determine issues to communicate and escalate to the Project Manager to then formally communicate to the SSA.

Interview Protocol

Interviews will be a key component of the data collection process. All interviews will be conducted according to the following protocol:

- All interviews will be confidential.
- Interviews will be mostly one-on-one and in person when possible.
- When possible, interviews will be scheduled in advance in order to minimize the impact on the SSA's operations.
- A guide approach will be utilized, with prepared questions. However, interviewer and interviewee will be given a degree of flexibility to discuss additional topics should the need arise.
- Interviews will be left anonymous unless requested otherwise.

The purpose of interviews will be to garner specific information to either support or clarify observations and other data collected. This is a key component of the overall process as it provides valuable perspective to the analysis performed, resulting in enhanced value to the recommendations made.

Project Meetings

The recurring meetings listed below are internal to the project team as a part of the overall project management and critical communications. Any meetings with the client will be specific to a purpose or necessary information exchange and will be scheduled in advance on an as-needed basis.

| Project Progress Meeting | | Internal Project Meeting |
|--------------------------|-----------------|--------------------------|
| Forum | | Gotomeeting.com |
| Frequency | | Weekly |
| Day/Time | | TBD |
| Meeting Chair | | J. Sainsbury |
| Participants | <i>Required</i> | Sector Leads |
| | <i>Optional</i> | As necessary |

| Vessel Operations | | Internal Project Meeting |
|-------------------|-----------------|--------------------------|
| Forum | | Gotomeeting.com |
| Frequency | | Weekly |
| Day/Time | | TBD |
| Meeting Chair | | M. Doctor |
| Participants | <i>Required</i> | |
| | <i>Optional</i> | |

| Fleet Maintenance | | Internal Project Meeting |
|-------------------|-----------------|--------------------------|
| Forum | | Gotomeeting.com |
| Frequency | | Weekly |
| Day/Time | | TBD |
| Meeting Chair | | D. Frank |
| Participants | <i>Required</i> | |
| | <i>Optional</i> | |

| Management Structure | | Internal Project Meeting |
|----------------------|-----------------|--------------------------|
| Forum | | Gotomeeting.com |
| Frequency | | Weekly |
| Day/Time | | TBD |
| Meeting Chair | | J. Sainsbury |
| Participants | <i>Required</i> | |
| | <i>Optional</i> | |

| Public Communications | | Internal Project Meeting |
|-----------------------|-----------------|--------------------------|
| Forum | | Gotomeeting.com |
| Frequency | | Weekly |
| Day/Time | | TBD |
| Meeting Chair | | E. Welter |
| Participants | <i>Required</i> | |
| | <i>Optional</i> | |

| IT Systems | | Internal Project Meeting |
|---------------|-----------------|--------------------------|
| Forum | | Gotomeeting.com |
| Frequency | | Weekly |
| Day/Time | | TBD |
| Meeting Chair | | E. Welter |
| Participants | <i>Required</i> | |
| | <i>Optional</i> | |

Reports and Deliverables

The following is a list of specific work product and deliverables to be provided by team members:

| Internal Reports/Work Product | Deliverables |
|--|-----------------------------|
| Vessel Operations | |
| Reconnaissance Report | |
| Investigation Report / Root Cause Analysis | |
| Recommendations | |
| Follow up Criteria | |
| | Final Report (Consolidated) |
| Fleet Maintenance | |
| Reconnaissance Report | |
| Investigation Report / Root Cause Analysis | |
| Recommendations | |
| Follow up Criteria | |
| | Final Report (Consolidated) |
| Management Structure | |
| Reconnaissance Report | |
| Investigation Report / Root Cause Analysis | |
| Recommendations | |
| Follow up Criteria | |
| | Final Report (Consolidated) |
| Public Communications | |
| Reconnaissance Report | |
| Investigation Report / Root Cause Analysis | |
| Recommendations | |
| Follow up Criteria | |
| | Final Report (Consolidated) |
| IT Systems | |
| Reconnaissance Report | |
| Investigation Report / Root Cause Analysis | |
| Recommendations | |
| Follow up Criteria | |
| | Final Report (Consolidated) |

File Sharing

Electronic Files will be organized in and identified in the following shared dropbox file:

INSERT LINK

The Project Manager shall establish the file structure and maintain it throughout the life of the project.

Section 5 Project Scope

In addition to the general admin and project management tasks, the following table identifies the main tasks required by the scope of work. This table assigns those tasks in accordance with the standard Responsibility Assignment Matrix (RAM) method.

Responsibility Assignment Matrix (RAM)

Definitions:

R – Who is Responsible – The person who is assigned the work

A – Who is Accountable – The person who makes the final decision and has ultimate ownership

Horizontal Analysis:

- Lots of R's – Too many people involved
- No R's or A's – Who does it?
- More than one A – Confusion

Vertical Analysis:

- Lots of R's – Too much work
- No empty space – Too much work
- No R's or A's - Can function be eliminated?
- Too many A's – Is accountability at the right level?

| Activity | Sainsbury | Doctor | Frank | Welter | Soles | Garrany | Larson | K. Lane | Lankowski | Fandetti | H. Lane |
|------------------------------|-----------|--------|-------|--------|-------|---------|--------|---------|-----------|----------|---------|
| PROJECT MANAGEMENT | | | | | | | | | | | |
| Project Plan | A/R | R | | | | | | | R | | |
| Tracking / Updating Progress | A/R | R | | | | | | | R | | |
| Final Report (Consolidated) | A/R | R | | | | | | | R | | R |
| VESSEL OPERATIONS | | | | | | | | | | | |
| Data Collection and Recon | | A/R | | | R | R | | | | | |
| Root Cause Analysis | | A/R | | | R | R | | | | | |
| Recommendations | | A/R | | | R | R | | | | | |
| Final Report | | A/R | | | R | R | | | | | R |
| FLEET MAINTENANCE | | | | | | | | | | | |
| Data Collection and Recon | | | A/R | | | R | R | | | | |
| Root Cause Analysis | | | A/R | | | R | R | | | | |
| Recommendations | | | A/R | | | R | R | | | | |
| Final Report | | | A/R | | | R | R | | | | R |
| MANAGEMENT STRUCTURE | | | | | | | | | | | |
| Data Collection and Recon | A/R | | | | | | | R | R | | |
| Root Cause Analysis | A/R | | | | | | | R | R | | |
| Recommendations | A/R | | | | | | | R | R | | |
| Final Report | A/R | | | | | | | R | R | | R |
| PUBLIC COMMUNICATIONS | | | | | | | | | | | |
| Data Collection and Recon | | R | | A/R | | | | | | | |
| Root Cause Analysis | | R | | A/R | | | | | | | |
| Recommendations | | R | | A/R | | | | | | | |
| Final Report | | R | | A/R | | | | | | | R |
| INTERNET TECHNOLOGY | | | | | | | | | | | |
| Data Collection and Recon | | | | A/R | | | | | R | | |
| Root Cause Analysis | | | | A/R | | | | | R | | |
| Recommendations | | | | A/R | | | | | R | | |
| Final Report | | | | A/R | | | | | R | | R |

Project Phases

The following are the general phases of the project:

- Phase 1: Planning
- Phase 2: Data Collection and Reconnaissance
- Phase 3: Root Cause Analysis
- Phase 4: Recommendations
- Phase 5: Final Report

DRAFT

Section 6: Project Schedule

Proposed Milestone Targets

| Milestone | Description | Work (Weeks) | Total (Weeks) |
|-----------|---|--------------|---------------|
| M0 | Pending Notice to Proceed | 0 | 0 |
| | <i>Nil</i> | | |
| M1 | Notice to Proceed | +1 | 1 |
| | <i>Commence Work. Project Plan Development</i> | | |
| M2 | Data Collection and Reconnaissance | +3 | 4 |
| | <i>Site visit #1. Perform reconnaissance and data collection.</i> | | |
| M3 | Root Cause Analysis | +2 | 6 |
| | <i>Site visit #2 (as required). Conduct investigations. Develop RCA and preliminary findings.</i> | | |
| M4 | SSA Review Period | +2 | 8 |
| | <i>SSA reviews preliminary findings and provides comment.</i> | | |
| M5 | Recommendations and Follow Up Criteria | +3 | 11 |
| | <i>Consolidate findings and comments.</i> | | |
| M6 | Final Report | +1 | 12 |
| | <i>Project Team consolidates all findings and drafts final</i> | | |

Detailed Project Schedule

See Exhibit B: Project Schedule in GANTT format

Section 7: Project Budget

| Name | HMS | Glosten | Rigor |
|-----------------------|----------|----------|----------|
| Vessel Operations | | | |
| Fleet Maintenance | | | |
| Management Structure | | | |
| Public Communications | | | |
| IT | | | |
| | | | |
| Labor Total | \$95,000 | \$84,000 | \$25,000 |
| Expenses Total | \$8,000 | \$6,000 | |

Section 8: Contacts

| Name | Email | Cell | Office |
|-------------------|--|------|--------------|
| John Sainsbury | jsainsbury@hmsgm.com | | 206-466-5083 |
| Dan Frank | dfrank@hmsgm.com | | 206-466-5083 |
| Michael Doctor | mdoctor@hmsgm.com | | 206-466-5083 |
| Eric Welter | | | |
| Peter Soles | pssoles@glosten.com | | 206-812-6092 |
| Ed Garrahy | epgarrahy@glosten.com | | 206-812-5975 |
| Dave Larsen | dwlarsen@glosten.com | | 206-812-4914 |
| Ken Lane | krlane@glosten.com | | 206-812-5694 |
| Matthew Lankowski | malankowski@glosten.com | | 206-812-6091 |
| Seth Fandetti | | | |

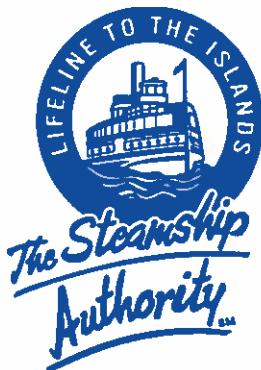
| Name | Position | Email | Cell | Office |
|------------------|----------------------------------|--|------|--------|
| Steve Sayers | General Counsel / POC | ssayers@steamshipauthority.com | | |
| Bob Davis | General Manager | rdavis@steamshipauthority.com | | x 200 |
| Mark Rozum | Operations Manager | mrozum@steamshipauthority.com | | x.219 |
| Charles Monteiro | Assistant Port Captain | cmonteiro@steamshipauthority.com | | x 213 |
| Carl Walker | Dir of Engineering & Maintenance | cwalker@steamshipauthority.com | | x 288 |
| Mary Claffey | Dir of IT | mclaffey@steamshipauthority.com | | x 456 |
| Phil Parent | Dir of HR | pparent@steamshipauthority.com | | x 206 |
| Sean Driscoll | Communications Dir | sdriscoll@steamshipauthority.com | | X 302 |

The SSA's general office number is 508-548-5011.

STAFF SUMMARY

Date: July 11, 2018

File # OPER-2018-3



| TO: | | FOR: | | FROM: |
|-------------------------------------|-----------------|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | General Manager | <input checked="" type="checkbox"/> | Vote | Dept.: Operations |
| | Board Members | | <input checked="" type="checkbox"/> | Author: Mark K. Rozum |
| | | | | Subject: Preliminary Version of Proposed 2019 Summer and Fall Operating Schedules. |

PURPOSE:

To present the staff's preliminary version of their proposed 2019 Summer and Fall Schedules for discussion purposes only.

BACKGROUND:

The proposed 2019 operating schedules from May 15, 2019 to January 3, 2020 would start 4 days later and end 1 day later than in 2018 for both the Martha's Vineyard and Nantucket routes. The 2019 Martha's Vineyard Summer and Fall Operating schedules would be essentially the same as 2018 with the exception of the assigned vessels and the start and end dates of the schedules. The quantity of trips and the trip times for each schedule would be the same as 2018. The proposed 2019 Nantucket Summer and Fall Operating schedule would also be essentially the same with the exceptions outlined above for the Martha's Vineyard route and the addition of a third trip on Monday thru Friday for the May 15, 2019 to June 18, 2019 schedule and the option to add a third trip with a freight boat Monday thru Friday on the September 9, 2019 to October 23, 2019.

The proposed 2019 operating schedules from May 15th to June 19th would start 4 days later and end 1 day later than in 2018 for both the Martha's Vineyard and Nantucket routes. In 2018, from May 11th to June 19th, the *M/V Governor*, *M/V Island Home*, *M/V Martha's Vineyard* and *M/V Woods Hole* were scheduled to operate on the Martha's Vineyard route with the *M/V Nantucket* operating in place of the *M/V Martha's Vineyard* and *M/V Island Home* during "spruce up" periods of six days each. The *M/V Katama* was scheduled to operate in place of the *M/V Woods Hole* for the first 12 days of this schedule.

The Martha's Vineyard route would see no changes to the trip times, quantity of trips, or vessel crewing during the May 15th to June 19th schedule. The only change would be the vessels assigned to the run which would be very similar to 2018. The *M/V Governor* would be tripled crewed and operate up to 7 round trips per day starting at 5:30 a.m. departing from Woods Hole. The *M/V Island Home* would be tripled crewed and operate 7 round trips per day and the *M/V Martha's Vineyard* would operate 7 round trips daily from May 15th to June 19th. The *M/V Nantucket* may operate in place of the *M/V Martha's Vineyard* and *M/V Island Home* from May 15th to May 23rd and May 30th to June 19th while the *M/V Martha's Vineyard* and *M/V Island Home* go into repair for a "spruce up". The *M/V Woods Hole* will be triple crewed and operate up to 7 round trips per day starting at 5:30 a.m. departing Vineyard Haven from May 15th to June 19th.

During 2018, the Nantucket route had the *M/V Eagle*, *M/V Gay Head* and *M/V Sankaty* operate from May 11th to May 22nd and then again from May 29th to the end of the schedule on June 18th. The *M/V Nantucket* operated in place of the *M/V Eagle* from May 29th to June 12th during the *M/V Eagle*'s "spruce up" period. During the period of May 23rd to May 28th, the *M/V Nantucket* operated with the *M/V Eagle* and *M/V Gay Head* in order to provide more passenger capacity around the Memorial Day holiday weekend.

The Nantucket route for 2019 would see no changes to the trip times or vessel crewing during the May 15th to June 19th schedule. The only changes would be the vessels assigned to the run which would be very similar to 2018 and the optional third trip with the *M/V Sankaty* on Monday thru Friday would be added to in advance to the reservation system. The *M/V Eagle* would be triple crewed and operate 3 round trips per day from May 15th to June 19th. The *M/V Nantucket* may operate in place of the *M/V Eagle* during this schedule (except for May 24th to May 30th) if the *M/V Eagle* goes into repair for a "spruce up". The *M/V Gay Head* would be triple crewed and operate 3 round trips Monday to Friday, and 2 round trips with an optional third round trip on Saturdays and Sundays. The *M/V Sankaty* would have 2 single crews and operate 3 round trips per day from May 15th to May 23rd and from May 30th to June 19th. The *M/V Nantucket* would replace the *M/V Sankaty* from May 24th to May 30th. During this time period the *M/V Nantucket* would be triple crewed and operate 3 round trips on a daily basis.

The proposed 2019 operating schedules from June 20th to September 8th would start 1 day later and end 1 day later than in 2018 for both the Martha's Vineyard and Nantucket routes. The Martha's Vineyard route would see no changes to the trip times, quantity of trips, vessel crewing or the assigned vessels during the June 20th to September 8th schedule. The *M/V Island Home* and *M/V Martha's Vineyard* would both be triple crewed and operate 7 trips per day and the *M/V Governor* and *M/V Nantucket* would both be triple crewed and operate up to 7 round trips per day. The *M/V Sankaty* would be single crewed and operate 3 round trips with an optional fourth round trip, Monday thru Friday.

The Nantucket route would see no changes to the trip times, quantity of trips, or vessel crewing during the June 20th to September 8th schedule. The only change to the Nantucket route would be the vessels assigned to the run which would be very similar to 2018. Both the *M/V Eagle* and *M/V Woods Hole* would again be triple crewed and operate 3 round trips daily for the entire schedule. The *M/V Gay Head* will be triple crewed and operate 3 round trips from June 20th to July 1st. The *M/V Katama* will operate in place of the *M/V Gay Head* from July 2nd to September 8th, while the *M/V Gay Head* is in repair.

The proposed 2019 operating schedules from September 9th to October 23rd would start 1 day later and end 1 day later than in 2018 for both the Martha's Vineyard and Nantucket routes. In 2018, from September 8th to October 22nd, the *M/V Governor*, *M/V Katama*, *M/V Island Home*, and *M/V Nantucket* are scheduled to operate on the Martha's Vineyard route and the *M/V Eagle*, *M/V Gay Head* and *M/V Woods Hole* are scheduled to operate on the Nantucket route.

The Martha's Vineyard route would see no changes to the trip times, quantity of available trips, or vessel crewing during this schedule. The only change to the Nantucket schedule would be the *M/V Gay Head* having the option to operate a third round trip, Monday thru Friday. This would require the crewing of the *M/V Gay Head* to have two single crews in 2019 compared to one single crew in 2018. The decision to add the optional third trip and additional crewing for the *M/V Gay Head* will

be made based on the reservation requests received in the 2019 Bulk Freight Reservation Program for September 9th to October 23rd. There would be no other changes on the Nantucket route.

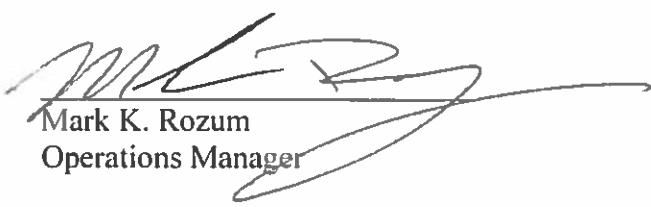
The proposed 2019 operating schedules from October 24th to January 3rd would be similar to the 2018 operating schedules for both the Martha's Vineyard and Nantucket routes except they would start 1 day later and end 1 day later than in 2018. Both the Martha's Vineyard and Nantucket routes would see no changes to the trip times, quantity of available trips, or vessel crewing during this schedule. On the Martha's Vineyard route, both the *M/V Martha's Vineyard* and *M/V Island Home* would be triple crewed and operate 7 trips per day and the *M/V Woods Hole* would be triple crewed and operate up to 7 round trips per day. The *M/V Nantucket* will operate in place of the *M/V Martha's Vineyard* from October 24th to November 11th while the *M/V Martha's Vineyard* is in repair. The *M/V Katama* will operate in place of the *M/V Woods Hole* from December 5th to January 3rd while the *M/V Woods Hole* is operating on the Nantucket run.

On the Nantucket route, the *M/V Eagle* would be triple crewed and operate 3 round trips per day. The *M/V Nantucket* will operate in place of the *M/V Eagle* from December 2nd to January 3rd while the *M/V Eagle* is in repair. The *M/V Gay Head* would be triple crewed and operate 3 round trips per day Monday to Friday and two round trips with an optional third round trip on Saturdays and Sundays. The *M/V Woods Hole* will operate in place of the *M/V Gay Head* from December 5th to January 3rd.

The proposed 2019 Nantucket High-Speed Ferry Schedule would start 1 day later than in 2018 and end 1 day later than in 2018. The 2019 summer schedule for the *M/V Iyanough* would start 4 days later and end 1 day later than in 2018. There would be no changes to the trip times, quantity of available trips, or vessel crewing for the 2019 Nantucket High-Speed Ferry Schedule.

RECOMMENDATION:

The staff is presenting this preliminary version of their proposed 2019 Summer and Fall Operating Schedules for discussion purposes only. This staff summary and the proposed schedules will be posted to the Authority's website so that they are available for public comment prior to the Board's meeting on September 25, 2018.



Mark K. Rozum
Operations Manager



Robert B. Davis
General Manager

2019
Martha's Vineyard

05/15/2019 - 06/19/2019

| TRIP | LV WH | DUE VH | DUE OB | VESSEL | TRIP | LV VH | LV OB | DUE WH |
|-------|-------|----------|-------------------|------------------|------|------------|------------|--------------------|
| Daily | | | | WH | 200 | 5:30 AM | | 6:15 AM |
| Daily | | | | MAR/NAN | 6 | 6:00 AM | | 6:45 AM |
| Daily | 201 | 5:30 AM | 6:15 AM | GOV | 202 | 6:30 AM | | 7:15 AM |
| Daily | 5 | 6:00 AM | 6:45 AM | IHM/NAN | 8 | 7:00 AM | | 7:45 AM |
| Daily | 203 | 6:30 AM | 7:15 AM HAZ/M-Sat | WH | 204 | 7:30 AM | | 8:15 AM HAZ/Wed |
| Daily | 7 | 7:00 AM | 7:45 AM | MAR/NAN | 10 | 8:15 AM | | 9:00 AM |
| Daily | 205 | 7:30 AM | 8:15 AM | GOV | 206 | 8:35 AM | | 9:20 AM |
| Daily | 9 | 8:15 AM | 9:00 AM | IHM/NAN | 12 | 9:30 AM | | 10:15 AM |
| Daily | 207 | 8:35 AM | 9:20 AM | WH | 208 | 9:50 AM | | 10:35 AM HAZ/M-Sat |
| Daily | 11 | 9:30 AM | | 10:15 AM MAR/NAN | 14 | | 10:45 AM | 11:30 AM |
| Daily | 209 | 9:50 AM | 10:35 AM | GOV | 210 | 11:05 AM | | 11:50 AM |
| Daily | 13 | 10:45 AM | 11:30 AM | IHM/NAN | 16 | 12:00 PM | | 12:45 PM |
| Daily | 211 | 11:05 AM | | 11:50 AM WH | 212 | | 12:20 PM | 1:05 PM |
| Daily | 15 | 12:00 PM | | 12:45 PM MAR/NAN | 18 | | 1:15 PM | 2:00 PM |
| Daily | 213 | 12:20 PM | 1:05 PM | GOV | 214 | 1:35 PM | | 2:20 PM |
| Daily | 17 | 1:15 PM | 2:00 PM | IHM/NAN | 16 | 2:30 PM | | 3:15 PM |
| Daily | 215 | 1:35 PM | | 2:20 PM WH | 216 | | 2:50 PM | 3:35 PM |
| Daily | 19 | 2:30 PM | | 3:15 PM MAR/NAN | 22 | | 3:45 PM | 4:30 PM |
| Daily | 217 | 2:50 PM | 3:35 PM HAZ/Wed | GOV | 218 | 4:05 PM | | 4:50 PM |
| Daily | 21 | 3:45 PM | 4:30 PM | IHM/NAN | 24 | 5:00 PM | | 5:45 PM |
| Daily | 219 | 4:05 PM | | 4:50 PM WH | 220 | | 5:20 PM | 6:05 PM |
| Daily | 23 | 5:00 PM | | 5:45 PM MAR/NAN | 26 | | 6:15 PM | 7:00 PM |
| Daily | 221 | 5:20 PM | 6:05 PM | GOV | 222 | 6:30 PM | | 7:15 PM |
| Daily | 25 | 6:15 PM | 7:00 PM | IHM/NAN | 28 | 7:15 PM | | 8:00 PM |
| Daily | 223 | 6:30 PM | 7:15 PM | WH | | | | |
| | | | | WH | 224 | ** 7:30 PM | | 8:15 PM |
| Daily | 27 | 7:30 PM | 8:15 PM | MAR/NAN | 30 | 8:30 PM | | 9:15 PM |
| | 225 | ** | 7:45 PM | 8:30 PM | GOV | 226 | ** 8:45 PM | 9:30 PM |
| Daily | 29 | 8:30 PM | 9:15 PM | IHM/NAN | 32 | 9:30 PM | | 10:15 PM |
| | 227 | ** | 8:45 PM | 9:30 PM | WH | | | |
| Daily | 31 | 9:45 PM | 10:30 PM | MAR/NAN | | | | |

M/V Martha's Vineyard - TBD based on repair schedule

M/V Island Home - TBD based on repair schedule

M/V Nantucket - TBD based on repair schedule

M/V Nantucket - TBD based on repair schedule

Bold indicates freight vessel - limited passenger capacity

Freight vessel trips will not appear on pocket schedules or color brochure

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

**** Unscheduled freight trips available to operate, if needed.**

M/V Martha's Vineyard or
M/V Nantucket

Triple crew - Operates 7 days a week from 6:00am - 10:30pm.

M/V Island Home or
M/V Nantucket

Triple crew - Operates 7 days a week from 6:00am - 10:15pm.

M/V Woods Hole

Triple crew - Operates 7 days a week from 5:30am - 7:15pm
and available to operate until 9:30pm if needed.

M/V Governor

Triple crew - Operates 7 days a week from 5:30am - 7:15pm.
and available to operate until 9:30pm if needed.

2019
Martha's Vineyard

06/20/2019 - 09/08/2019

| TRIP | LV WH | DUE VH | DUE OB | VESSEL | TRIP | LV VH | LV OB | DUE WH |
|--------|--------|----------|-----------------|--------|--------|----------|----------|------------------|
| Daily | | | | NAN | 200 | 5:30 AM | | 6:15 AM |
| Daily | | | | MAR | 6 | 6:00 AM | | 6:45 AM |
| Daily | 201 | 5:30 AM | 6:15 AM | GOV | 202 | 6:30 AM | | 7:15 AM HAZ/Wed |
| Daily | 5 | 6:00 AM | 6:45 AM | IHM | 8 | 7:00 AM | | 7:45 AM |
| Daily | 203 | 6:30 AM | 7:15 AM | NAN | 204 | | 7:30 AM | 8:15 AM |
| M-F | 229 | 6:45 AM | 7:30 AM HAZ | SAN | 230 | 7:45 AM | | 8:30 AM |
| Daily | 7 | 7:00 AM | 7:45 AM | MAR | 10 | 8:15 AM | | 9:00 AM |
| Daily | 205 | 7:30 AM | 8:15 AM HAZ/Sat | GOV | 206 | 8:35 AM | | 9:20 AM |
| Daily | 9 | 8:15 AM | 9:00 AM | IHM | 12 | 9:30 AM | | 10:15 AM |
| Daily | 207 | 8:35 AM | 9:20 AM | NAN | 208 | | 9:50 AM | 10:35 AM |
| M-F | 231 | 9:00 AM | 9:45 AM | SAN | 232 | 10:15 AM | | 11:00 AM HAZ |
| Daily | 11 | 9:30 AM | 10:15 AM | MAR | 14 | | 10:45 AM | 11:30 AM |
| Daily | 209 | 9:50 AM | 10:35 AM | GOV | 210 | 11:05 AM | | 11:50 AM HAZ/Sat |
| Daily | 13 | 10:45 AM | 11:30 AM | IHM | 16 | 12:00 PM | | 12:45 PM |
| Daily | 211 | 11:05 AM | 11:50 AM | NAN | 212 | | 12:20 PM | 1:05 PM |
| M-F | 233 | 11:30 AM | 12:15 PM | SAN | 232 | 12:45 PM | | 1:30 PM |
| Daily | 15 | 12:00 PM | 12:45 PM | MAR | 18 | | 1:15 PM | 2:00 PM |
| Daily | 213 | 12:20 PM | 1:05 PM | GOV | 214 | 1:35 PM | | 2:20 PM |
| Daily | 17 | 1:15 PM | 2:00 PM | IHM | 20 | 2:30 PM | | 3:15 PM |
| Daily | 215 | 1:35 PM | 2:20 PM | NAN | 216 | | 2:50 PM | 3:35 PM |
| | 235 * | 2:00 PM | 2:45 PM | SAN | 236 * | 3:15 PM | | 4:00 PM |
| Daily | 19 | 2:30 PM | 3:15 PM | MAR | 22 | | 3:45 PM | 4:30 PM |
| Daily | 217 | 2:50 PM | 3:35 PM HAZ/Wed | GOV | 218 | 4:05 PM | | 4:50 PM |
| Daily | 21 | 3:45 PM | 4:30 PM | IHM | 24 | 5:00 PM | | 5:45 PM |
| Daily | 219 | 4:05 PM | 4:50 PM | NAN | 220 | | 5:20 PM | 6:05 PM |
| Daily | 23 | 5:00 PM | 5:45 PM | MAR | 26 | | 6:15 PM | 7:00 PM |
| Daily | 221 | 5:20 PM | 6:05 PM | GOV | 222 | 6:30 PM | | 7:15 PM |
| Daily | 25 | 6:15 PM | 7:00 PM | IHM | 28 | 7:15 PM | | 8:00 PM |
| F,S,S | 223 | 6:30 PM | 7:15 PM | NAN | 224 | | 7:30 PM | 8:15 PM |
| M-TH,H | 223 | 6:30 PM | 7:15 PM | NAN | 224 ** | 7:30 PM | | 8:15 PM |
| Daily | 27 | 7:30 PM | 8:15 PM | MAR | 30 | | 8:30 PM | 9:15 PM |
| F,S,S | 225 ** | 7:45 PM | 8:30 PM | GOV | 226 ** | 8:45 PM | | 9:30 PM |
| Daily | 29 | 8:30 PM | 9:15 PM | IHM | 32 | 9:30 PM | | 10:15 PM |
| F,S,S | 227 ** | 8:45 PM | 9:30 PM | NAN | | | | |
| Daily | 31 | 9:45 PM | 10:30 PM | MAR | | | | |

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochure.

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

Trips 205 & 210 will not operate as hazardous on 07/04/19 and 09/02/19

*Unscheduled trips on Monday through Friday that are available to operate, if needed.

**Unscheduled trips on Mon, Tues, Wed & Thurs that are available to operate, if needed.

| | |
|-----------------------|---|
| M/V Martha's Vineyard | Triple crew - Operates 7 days a week from 6:00am - 10:30pm. |
| M/V Island Home | Triple crew - Operates 7 days a week from 6:00am - 10:15pm. |
| M/V Governor | Triple crew - Operates Monday thru Thursday from 5:30am to 7:15pm, Fridays, Saturdays, Sundays and Holidays from 5:30am to 9:30pm. |
| M/V Nantucket | Triple crew - Operates Monday thru Thursday from 5:30am to 7:15pm, Fridays, Saturdays, Sundays and Holidays from 5:30am to 9:30pm. |
| M/V Sankaty | Single crew - Operates Monday thru Friday from 6:45am to 1:30pm. |

2019
Martha's Vineyard

09/09/2019 - 10/23/2019

| TRIP | LV WH | DUE VH | DUE OB | VESSEL | TRIP | LV VH | LV OB | DUE WH |
|-------|--------|----------|-------------------|--------|--------|----------|----------|--------------------|
| Daily | | | | KAT | 200 | 5:30 AM | | 6:15 AM |
| Daily | 201 | 5:30 AM | 6:15 AM | NAN | 6 | 6:00 AM | | 6:45 AM |
| Daily | 5 | 6:00 AM | 6:45 AM | GOV | 202 | 6:30 AM | | 7:15 AM |
| Daily | 203 | 6:30 AM | 7:15 AM HAZ/M-Sat | IHM | 8 | 7:00 AM | | 7:45 AM |
| Daily | 7 | 7:00 AM | 7:45 AM | KAT | 204 | 7:30 AM | | 8:15 AM HAZ/Wed |
| Daily | 205 | 7:30 AM | 8:15 AM | NAN | 10 | 8:15 AM | | 9:00 AM |
| Daily | 9 | 8:15 AM | 9:00 AM | GOV | 206 | 8:35 AM | | 9:20 AM |
| Daily | 207 | 8:35 AM | 9:20 AM | IHM | 12 | 9:30 AM | | 10:15 AM |
| Daily | 11 | 9:30 AM | | KAT | 208 | 9:50 AM | | 10:35 AM HAZ/M-Sat |
| Daily | 209 | 9:50 AM | 10:35 AM | NAN | 14 | | 10:45 AM | 11:30 AM |
| Daily | 13 | 10:45 AM | 11:30 AM | GOV | 210 | 11:05 AM | | 11:50 AM |
| Daily | 211 | 11:05 AM | | IHM | 16 | 12:00 PM | | 12:45 PM |
| Daily | 15 | 12:00 PM | | KAT | 212 | | 12:20 PM | 1:05 PM |
| Daily | 213 | 12:20 PM | 1:05 PM | NAN | 18 | | 1:15 PM | 2:00 PM |
| Daily | 17 | 1:15 PM | 2:00 PM | GOV | 214 | 1:35 PM | | 2:20 PM |
| Daily | 215 | 1:35 PM | | IHM | 20 | 2:30 PM | | 3:15 PM |
| Daily | 19 | 2:30 PM | | KAT | 212 | | 12:20 PM | 1:05 PM |
| Daily | 217 | 2:50 PM | 3:35 PM HAZ/Wed | NAN | 22 | | 3:45 PM | 4:30 PM |
| Daily | 21 | 3:45 PM | 4:30 PM | GOV | 218 | 4:05 PM | | 4:50 PM |
| Daily | 219 | 4:05 PM | | IHM | 24 | 5:00 PM | | 5:45 PM |
| Daily | 23 | 5:00 PM | | KAT | 220 | | 5:20 PM | 6:05 PM |
| Daily | 221 | 5:20 PM | 6:05 PM | NAN | 26 | | 6:15 PM | 7:00 PM |
| Daily | 25 | 6:15 PM | 7:00 PM | GOV | 222 | 6:30 PM | | 7:15 PM |
| Daily | 223 | 6:30 PM | 7:15 PM | IHM | 28 | 7:15 PM | | 8:00 PM |
| Daily | 27 | 7:30 PM | 8:15 PM | KAT | 224 | 7:30 PM | | 8:15 PM |
| | 225 ** | 7:45 PM | 8:30 PM | NAN | 30 | 8:30 PM | | 9:15 PM |
| Daily | 29 | 8:30 PM | 9:15 PM | GOV | 226 ** | 8:45 PM | | 9:30 PM |
| | 227 ** | 8:45 PM | 9:30 PM | IHM | 32 | 9:30 PM | | 10:15 PM |
| Daily | 31 | 9:45 PM | 10:30 PM | KAT | | | | |
| | | | | NAN | | | | |

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochure.

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

**** Unscheduled freight trips available to operate, if needed.**

| | |
|-----------------|--|
| M/V Nantucket | Triple crew - Operates 7 days a week from 6:00am - 10:30pm. |
| M/V Island Home | Triple crew - Operates 7 days a week from 6:00am - 10:15pm. |
| M/V Governor | Triple crew - Operates 7 days a week from 5:30am - 7:15pm. and available to operate until 9:30pm if needed. |
| M/V Katama | Triple crew - Operates 7 days a week from 5:30am - 7:15pm. and available to operate until 9:30pm if needed. |

2019
Martha's Vineyard

10/24/2019 - 01/03/2020

| TRIP | LV WH | DUE VH | DUE OB | VESSEL | TRIP | LV VH | LV OB | DUE WH |
|-------|-------|----------|----------|-----------|---------|----------|----------|-----------------|
| Daily | | | | WH/KAT | 200 | 5:30 AM | | 6:15 AM |
| Daily | | | | MAR/NAN | 6 | 6:00 AM | | 6:45 AM |
| Daily | 5 | 6:00 AM | 6:45 AM | IHM | 8 | 7:00 AM | | 7:45 AM |
| Daily | 203 | 6:30 AM | 7:15 AM | HAZ/M-Sat | WH/KAT | 204 | 7:30 AM | 8:15 AM HAZ/W |
| Daily | 7 | 7:00 AM | 7:45 AM | MAR/NAN | 10 | 8:15 AM | | 9:00 AM |
| Daily | 9 | 8:15 AM | 9:00 AM | IHM | 12 | 9:30 AM | | 10:15 AM |
| Daily | 207 | * | 8:35 AM | 9:20 AM | HAZ/M-F | WH/KAT | 208 | 9:50 AM |
| Daily | 11 | 9:30 AM | 10:15 AM | MAR/NAN | 14 | 10:45 AM | | 11:30 AM |
| Daily | 13 | 10:45 AM | 11:30 AM | IHM | 16 | 12:00 PM | | 12:45 PM |
| Daily | 211 | 11:05 AM | 11:50 AM | WH/KAT | 212 | * | 12:20 PM | 1:05 PM HAZ/M-F |
| Daily | 15 | 12:00 PM | 12:45 PM | MAR/NAN | 18 | 1:15 PM | | 2:00 PM |
| Daily | 17 | 1:15 PM | 2:00 PM | IHM | 20 | 2:30 PM | | 3:15 PM |
| Daily | 215 | 1:35 PM | 2:20 PM | HAZ/W | WH/KAT | 216 | 2:50 PM | 3:35 PM |
| Daily | 19 | 2:30 PM | 3:15 PM | MAR/NAN | 22 | 3:45 PM | | 4:30 PM |
| Daily | 21 | 3:45 PM | 4:30 PM | IHM | 24 | 5:00 PM | | 5:45 PM |
| Daily | 23 | 5:00 PM | 5:45 PM | MAR | 26 | 6:15 PM | | 7:00 PM |
| Daily | 25 | 6:15 PM | 7:00 PM | IHM | 28 | 7:15 PM | | 8:00 PM |
| Daily | 223 | 6:30 PM | 7:15 PM | WH/KAT | | | | |
| F&Sun | | | | WH/KAT | 224 | ** | 7:30 PM | 8:15 PM |
| Daily | 27 | 7:30 PM | 8:15 PM | MAR/NAN | 30 | 8:30 PM | | 9:15 PM |
| Daily | 29 | 8:30 PM | 9:15 PM | IHM | 32 | 9:30 PM | | 10:15 PM |
| F&Sun | 227 | ** | 8:45 PM | 9:30 PM | WH/KAT | | | |
| Daily | 31 | 9:45 PM | 10:30 PM | MAR/NAN | | | | |

M/V Nantucket 10/24/2019 to 11/22/2019

M/V Martha's Vineyard 11/23/2019 to 01/03/2020

M/V Woods Hole 10/24/2019 to 12/04/2019

M/V Katama 12/05/2019 to 01/03/2020

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochure.

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

* Trips 207 and 212 may operate as Hazardous on Monday thru Friday, if needed.

** Unscheduled freight trips on Monday thru Thursday and Saturday are available to operate, if needed.

M/V Woods Hole will not operate on Thanksgiving Day (11/28/19)

M/V Katama will not operate on Christmas Day(12/25/19) or New Years Day (01/01/20)

M/V Nantucket or
M/V Martha's Vineyard

Triple crew - Operates 7 days a week from 6:00am - 10:30pm.

M/V Island Home

Triple crew - Operates 7 days a week from 6:00am - 10:15pm.

M/V Woods Hole or
M/V Katama

Triple crew - Operates Monday thru Thursday from 5:30am to 7:15pm
Friday, Saturday and Sunday 5:30am to 9:30pm.

2019
Nantucket

05/15/2019 - 05/23/2019 and 05/30/2019 - 06/19/2019

| | TRIP | LV HY | DUE NT | VESSEL | TRIP | LV NT | DUE HY |
|--------------|------------|-------|-----------------|------------------------|----------------|------------|-----------------|
| DAILY | | | | EAG/NAN | 102 | 6:30 AM | 8:45 AM |
| Mon - Sat | 301 | * | 5:30 AM | 7:45 AM HAZ/M-F | GAY | 302 | * |
| M-F | 303 | * | 6:30 AM | 8:45 AM HAZ/M-F | SAN | 304 | 9:15 AM |
| DAILY | 103 | | 9:15 AM | 11:30 AM | EAG/NAN | 106 | 12:00 PM |
| DAILY | 305 | * | 10:45 AM | 1:00 PM HAZ/M-F | GAY | 306 | * |
| M-F | 307 | | 12:00 PM | 2:15 PM | SAN | 308 | 2:45 PM |
| DAILY | 107 | | 2:45 PM | 5:00 PM | EAG/NAN | 110 | 5:30 PM |
| Sun - Fri | 309 | | 4:15 PM | 6:30 PM | GAY | 310 | 6:45 PM |
| M-F | 311 | | 5:30 PM | 7:45 PM | SAN | 312 | 8:00 PM |
| DAILY | 111 | | 8:00 PM | 10:15 PM | EAG/NAN | | |

M/V Eagle -TBD based on repair schedule

M/V Nantucket - TBD based on repair schedule

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochures.

* Hazardous trips Monday - Friday and non-hazardous when running on Saturday and Sunday

Trips 301 & 302 are not scheduled to operate on Sundays, however these trips are available to operate, if needed.

Trips 309 & 310 are not scheduled to operate on Saturdays, however these trips are available to operate, if needed.

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

M/V Eagle or
M/V Nantucket

Triple crew - Operates 7 days a week from 6:30am to 10:15pm.

M/V Gay Head
M/V Sankaty

Triple crew - Operates 7 days a week from 5:30am to 9:00pm.
Two single crews - Operates Monday thru Friday from 6:30am to 10:15pm

05/24/2019 - 05/29/2019

| | TRIP | LV HY | DUE NT | VESSEL | TRIP | LV NT | DUE HY |
|--------------|------------|-------|-----------------|------------------------|------------|------------|-----------------|
| DAILY | | | | EAG | 102 | 6:30 AM | 8:45 AM |
| DAILY | 301 | * | 5:30 AM | 7:45 AM HAZ/M-F | GAY | 302 | * |
| DAILY | 101 | | 6:30 AM | 8:45 AM | NAN | 104 | 9:15 AM |
| DAILY | 103 | | 9:15 AM | 11:30 AM | EAG | 106 | 12:00 PM |
| DAILY | 305 | * | 10:45 AM | 1:00 PM HAZ/M-F | GAY | 306 | * |
| DAILY | 105 | | 12:00 PM | 2:15 PM | NAN | 108 | 2:45 PM |
| DAILY | 107 | | 2:45 PM | 5:00 PM | EAG | 110 | 5:30 PM |
| DAILY | 309 | | 4:15 PM | 6:30 PM | GAY | 310 | 6:45 PM |
| DAILY | 109 | | 5:30 PM | 7:45 PM | NAN | 112 | 8:00 PM |
| DAILY | 111 | | 8:00 PM | 10:15 PM | EAG | | |

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochures.

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

* Hazardous trips Monday - Friday and non-hazardous when running on Saturday and Sunday

M/V Eagle
M/V Nantucket
M/V Gay Head

Triple crew - Operates 7 days a week from 6:30am to 10:15pm.
Triple crew - Operates 7 days a week from 6:30am to 10:15pm.
Triple crew - Operates 7 days a week from 5:30am to 9:00pm.

2019
Nantucket

06/20/2019 - 09/08/2019

| TRIP | LV HY | DUE NT | VESSEL | TRIP | LV NT | DUE HY | | | |
|-------|------------|-----------------|-----------------|------------------------|----------------|------------|-----------------|-----------------|-------------------------|
| DAILY | | | EAG | 102 | 6:30 AM | 8:45 AM | | | |
| DAILY | 301 | * | 5:30 AM | 7:45 AM HAZ/M-F | GAY/KAT | 302 | * | 8:00 AM | 10:15 AM HAZ/M-F |
| DAILY | 101 | 6:30 AM | 8:45 AM | | WH | 104 | 9:15 AM | 11:30 AM | |
| DAILY | 103 | 9:15 AM | 11:30 AM | | EAG | 106 | 12:00 PM | 2:15 PM | |
| DAILY | 305 | * | 10:45 AM | 1:00 PM HAZ/M-F | GAY/KAT | 306 | * | 1:30 PM | 3:45 PM HAZ/M-F |
| DAILY | 105 | 12:00 PM | 2:15 PM | | WH | 108 | 2:45 PM | 5:00 PM | |
| DAILY | 107 | 2:45 PM | 5:00 PM | | EAG | 110 | 5:30 PM | 7:45 PM | |
| DAILY | 309 | 4:15 PM | 6:30 PM | | GAY/KAT | 310 | 6:45 PM | 9:00 PM | |
| DAILY | 109 | 5:30 PM | 7:45 PM | | WH | 112 | 8:00 PM | 10:15 PM | |
| DAILY | 111 | 8:00 PM | 10:15 PM | | EAG | | | | |

M/V Gay Head 06/20/19 - 07/01/19

M/V Katama 07/02/19 - 09/08/19

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochures.

*Hazardous Monday thru Friday and non-hazardous when running on Saturdays, Sundays & Holidays (7/4 & 9/2)

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

M/V Eagle

Triple crew - Operates 7 days a week from 6:30am to 10:15pm.

M/V Woods Hole

Triple crew - Operates 7 days a week from 6:30am to 10:15pm.

M/V Gay Head or

Triple crew - Operates 7 days a week from 5:30am to 9:00pm.

M/V Katama

09/09/2019 - 10/23/2019

| TRIP | LV HY | DUE NT | VESSEL | TRIP | LV NT | DUE HY | | | |
|-----------|------------|-----------------|-----------------|------------------------|------------|------------|-----------------|-----------------|-------------------------|
| DAILY | | | EAG | 102 | 6:30 AM | 8:45 AM | | | |
| M-F | 301 | * | 5:30 AM | 7:45 AM HAZ/M-F | GAY | 302 | * | 8:00 AM | 10:15 AM HAZ/M-F |
| DAILY | 101 | 6:30 AM | 8:45 AM | | WH | 104 | 9:15 AM | 11:30 AM | |
| DAILY | 103 | 9:15 AM | 11:30 AM | | EAG | 106 | 12:00 PM | 2:15 PM | |
| M-F | 305 | * | 10:45 AM | 1:00 PM HAZ/M-F | GAY | 306 | * | 1:30 PM | 3:45 PM HAZ/M-F |
| DAILY | 105 | 12:00 PM | 2:15 PM | | WH | 108 | 2:45 PM | 5:00 PM | |
| DAILY | 107 | 2:45 PM | 5:00 PM | | EAG | 110 | 5:30 PM | 7:45 PM | |
| As Needed | 309 | 4:15 PM | 6:30 PM | | GAY | 310 | 6:45 PM | 9:00 PM | |
| DAILY | 109 | 5:30 PM | 7:45 PM | | WH | 112 | 8:00 PM | 10:15 PM | |
| DAILY | 111 | 8:00 PM | 10:15 PM | | EAG | | | | |

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochures.

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

* Hazardous trips Monday - Friday and non-hazardous when running on Saturday and Sunday

M/V Eagle

Triple crew - Operates 7 days a week from 6:30am to 10:15pm.

M/V Woods Hole

Triple crew - Operates 7 days a week from 6:30am to 10:15pm.

M/V Gay Head

Single crew - Operates Monday thru Friday from 5:30am to 3:45pm

or

Two single crews - Monday thru Friday from 5:30am to 9:00pm

**2019
Nantucket**

10/24/2019 - 01/03/2020

| | TRIP | LV HY | DUET NT | VESSEL | TRIP | LV NT | DUET HY |
|------------------|-------------|--------------|-----------------|--------------------------|----------------|--------------|-----------------|
| DAILY | | | | | | | |
| Mon - Sat | 301 | * | 5:45 AM | 8:00 AM HAZ/M-Sat | EAG/NAN | 102 | 6:30 AM |
| | | | | | GAY/WH | 302 | 8:45 AM |
| | 103 | | 9:15 AM | 11:30 AM | EAG/NAN | 106 | 10:45 AM |
| | 305 | ** | 11:15 AM | 1:30 PM HAZ/M-F | GAY/WH | 306 | 2:15 PM |
| | 107 | | 2:45 PM | 5:00 PM | EAG/NAN | 110 | 4:00 PM |
| Sun - Fri | 309 | | 4:30 PM | 6:45 PM | GAY/WH | 310 | 7:45 PM |
| | 111 | | 8:00 PM | 10:15 PM | EAG/NAN | | 9:30 PM |

M/V Eagle 10/24/2019 - 12/01/2019

M/V Gay Head 10/24/2019 - 12/04/2020

M/V Nantucket 12/02/2019 - 01/03/2020

M/V Woods Hole 12/05/2019 - 01/03/2020

Bold indicates freight vessel - limited passenger capacity.

Freight vessel trips will not appear on pocket schedules or color brochures.

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

Trips 301, 302, 305, 306, 309 & 310 will not operate on Thanksgiving (11/28) & Christmas (12/25)

Trips 301 & 306 will not be hazardous on 12/07/19

Trips 309 & 310 are not scheduled to operate on Saturdays, however these trips are available to operate if necessary.

* Hazardous trips Monday - Saturday and non-hazardous when running on Sunday

** Hazardous trips Monday - Friday and non-hazardous when running on Saturday and Sunday

M/V Eagle or
M/V Nantucket

triple crew - Operates 7 days a week from 6:30am to 10:15pm.

M/V Gay Head or
M/V Woods Hole

triple crew - Operates 7 days a week from 5:45am to 9:30pm.

**2019
Nantucket**

M/V IYANOUGH

04/03/2019 - 05/14/2019

| | LV HY | DUET NT | TRIP | LV NT | DUET HY | TRIP |
|-------|----------|----------|------|----------|----------|------|
| DAILY | 8:15 AM | 9:15 AM | 403 | 9:30 AM | 10:30 AM | 404 |
| DAILY | 11:00 AM | 12:00 PM | 405 | 12:30 PM | 1:30 PM | 406 |
| DAILY | 2:00 PM | 3:00 PM | 407 | 3:30 PM | 4:30 PM | 408 |
| DAILY | 5:00 PM | 6:00 PM | 409 | 6:15 PM | 7:15 PM | 410 |

DOUBLE CREWED

05/15/2019 - 10/23/2019

| | LV HY | DUET NT | TRIP | LV NT | DUET HY | TRIP |
|-------|----------|----------|------|----------|----------|------|
| DAILY | 8:15 AM | 9:15 AM | 403 | 9:30 AM | 10:30 AM | 404 |
| DAILY | 11:00 AM | 12:00 PM | 405 | 12:30 PM | 1:30 PM | 406 |
| DAILY | 2:00 PM | 3:00 PM | 407 | 3:30 PM | 4:30 PM | 408 |
| DAILY | 5:00 PM | 6:00 PM | 409 | 6:15 PM | 7:15 PM | 410 |
| DAILY | 7:30 PM | 8:30 PM | 411 | 8:45 PM | 9:45 PM | 412 |

TRIPLE CREWED

10/24/2019 - 01/03/2020

| | LV HY | DUET NT | TRIP | LV NT | DUET HY | TRIP |
|-------|----------|----------|------|----------|----------|------|
| DAILY | 8:15 AM | 9:15 AM | 403 | 9:30 AM | 10:30 AM | 404 |
| DAILY | 11:00 AM | 12:00 PM | 405 | 12:30 PM | 1:30 PM | 406 |
| DAILY | 2:00 PM | 3:00 PM | 407 | 3:30 PM | 4:30 PM | 408 |
| DAILY | 5:00 PM | 6:00 PM | 409 | 6:15 PM | 7:15 PM | 410 |

DOUBLE CREWED

During peak travel periods, such as school vacation weeks, unscheduled trips may be added to meet traffic demands.

Martha's Vineyard Route Summer and Fall Schedules

| <u>2017</u> | <u>2018</u> | <u>Proposed 2019</u> |
|--|--|--|
| May 16 - June 14 | May 11 - June 18 | May 15 - June 19 |
| 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) | 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) | 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) |
| June 15 - September 6 | June 19 - September 7 | June 20 - September 8 |
| 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) | 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) 1 Freight Boat (single-crewed) | 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) 1 Freight Boat (single-crewed) |
| September 7 - October 27 | September 8 - October 22 | September 9 - October 23 |
| 2 Passenger Boats (triple-crewed) 1 Freight Boat (triple-crewed) | 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) | 2 Passenger Boats (triple-crewed) 2 Freight Boats (triple-crewed) |
| 1 Freight Boat (double-crewed) | | |

Martha's Vineyard Route Summer and Fall Schedules

| <u>2017</u> | <u>2018</u> | <u>Proposed 2019</u> |
|---|---|---|
| October 28 - December 5 | October 23 - January 2 | October 24 - January 3 |
| 2 Passenger Boats (triple-crewed) 1 Freight Boat (triple-crewed) | 2 Passenger Boats (triple-crewed) 1 Freight Boat (triple-crewed) | 2 Passenger Boats (triple-crewed) 1 Freight Boat (triple-crewed) |

Nantucket Route Summer and Fall Schedules

| <u>2017</u> | <u>2018</u> | <u>Proposed 2019</u> |
|---|---|---|
| May 16 - May 24 & May 31 - June 14 | May 11 - May 22 & May 29 - June 18 | May 15 - May 23 & May 30 - June 19 |
| 1 Passenger Boat (triple-crewed) 1 Freight Boat (triple-crewed) 1 Freight Boat (two single-crews) | 1 Passenger Boat (triple-crewed) 1 Freight Boat (triple-crewed) 1 Freight Boat (two single-crews) | 1 Passenger Boat (triple-crewed) 1 Freight Boat (triple-crewed) 1 Freight Boat (two single-crews) |
| May 25 - May 30 | May 23 - May 28 | May 24 - May 29 |
| | 2 Passenger Boats (triple-crewed) 1 Freight Boat (triple-crewed) | 2 Passenger Boats (triple-crewed) 1 Freight Boat (triple-crewed) |
| June 15 - September 6 | June 19 - September 7 | June 20 - September 8 |
| | | 2 Passenger Boats (triple-crewed) 1 Freight Boat (triple-crewed) |

Nantucket Route Summer and Fall Schedules

| <u>2017</u> | <u>2018</u> | <u>Proposed 2019</u> |
|---|--|--|
| September 7 - October 15 | September 8 - October 22 | September 9 - October 23 |
| 2 Passenger Boats (triple-crewed) 1 Freight Boat (single-crewed) | 2 Passenger Boats (triple-crewed) 1 Freight Boat (single-crewed) | 2 Passenger Boats (triple-crewed) 1 Freight Boat (single-crewed or two single crews) |
| October 16 - October 27 | | |
| | 1 Passenger Boat (triple-crewed) 1 Freight Boat (triple-crewed) 1 Freight Boat (single-crewed) | |
| October 28 - January 4 | | |
| | 1 Passenger Boat (triple-crewed) 1 Freight Boat (triple-crewed) | October 24 - January 3 1 Passenger Boat (triple-crewed) 1 Freight Boat (triple-crewed) |

STAFF SUMMARY

Date:

July 12, 2018

E 2018-06
File #



| TO: | | FOR: | | FROM: |
|-----|-----------------|------|-------------|---|
| X | General Manager | X | Vote | Dept.: Engineering & Maint. Author: Carl Walker |
| X | Board Members | | Information | Subject: "M/V Martha's Vineyard Surplus Steering Stand" |

PURPOSE: To request the Members authorize the General Manager to declare the *M/V Martha's Vineyard* steering stand as surplus property in accordance with the Authority's Procurement Policy and transfer the property to the State University of New York (SUNY) Maritime College of Bronx, New York.

BACKGROUND: The *M/V Martha's Vineyard* steering stand was removed during its 2017-2018 Mid-Life Refurbishment project. The parts were retained but since have been determined to be obsolete to the needs of the Authority's vessels.

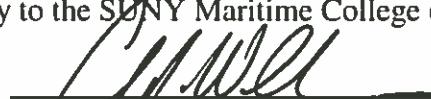
According to Section 7, Disposal for Less than Fair Market Value, of Part B of Chapter III: Disposals, of the Authority's Procurement Policy:

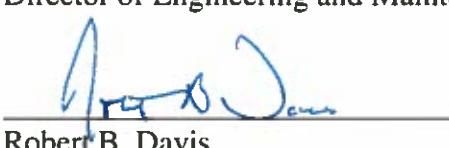
"Notwithstanding any other requirement of this Policy, the Members, by majority vote at a duly constituted public meeting, unless otherwise prohibited by law, may dispose of a tangible supply no longer useful to the Authority but having resale value or salvage value, at less than its fair market value to a governmental entity described in paragraph (b) (i) of Section 1 of Part A of Chapter II of this Policy or a charitable organization which has received a tax exemption from the United States by reason of its charitable nature."

SUNY Maritime College has the same steering stand aboard its training ship, *TS Empire State VI*, and would be able to find use in the retained steering stand as a spare.

Upon receiving authorization to declare the steering stand as surplus property, the Authority intends to dispose of the stand via transfer to SUNY Maritime College.

RECOMMENDATION: To request the Members authorize the General Manager to declare the *M/V Martha's Vineyard* steering stand as surplus property in accordance with the Authority's Procurement Policy and transfer the property to the SUNY Maritime College of Bronx, New York.


Carl R. Walker
Director of Engineering and Maintenance

APPROVED: 

Robert B. Davis
General Manager

Attachment



AUTHORIZATION FOR DISPOSITION OF PROPERTY

No. 2018-01

DEPARTMENT: ENGINEERING & MAINTENANCE

DATE: 07/12/2018

DESCRIPTION: M/V Martha's Vineyard steering stand retained during Mid-Life Construction.

Condition Code: U – Worthless
(Property that has no value at all.)

REASON FOR DISPOSITION: The M/V Martha's Vineyard steering stand was retained from the vessel after its replacement during the 2017-2018 Mid-Life Construction. The equipment is obsolete to the needs of the Authority and of no value to the M/V Martha's Vineyard or any other Authority vessels.

HISTORY:

ACQUISITION DATE: October 1993, under original construction of the vessel

GROSS BOOK VALUE: N/A – Not required under GASB Standards 1993

ACCUMULATED DEPRECIATION: N/A

NET BOOK VALUE: \$0.00

EST. SALVAGE VALUE: \$0.00

AUTHORIZATIONS:

SUBMITTED BY: Carl Walker **DATE:** 7/12/2018

REVIEWED BY: Courtney Oliveira **DATE:** 7/12/2018

APPROVED BY: _____ **DATE:** _____

APPROVAL BY AUTHORITY MEMBERS:**

**REQUIRED FOR REMOVALS OR DISPOSITIONS OF \$1,000.00 OR MORE.

DISPOSITION DATA:

Transfer of Property

METHOD OF DISPOSITION: _____

TO WHOM SOLD: SUNY Maritime College

VALUE RECEIVED: \$0.00

DATE OF RECEIPT: _____

STAFF SUMMARY

Date: July 12, 2018

File # A-627



| TO: | | FOR: | | FROM: |
|-----|-----------------|------|-------------|--|
| X | General Manager | X | Vote | Dept.: Accounting Author: Gerard J. Murphy |
| X | Board Members | | Information | Subject: Transfer of Bond Redemption Funds to The Replacement Fund |

PURPOSE: For the Board to authorize the Treasurer to transfer \$14,000,000 from the Bond Redemption Account to the Steamship Authority's Replacement Fund.

BACKGROUND: At the February 2018 Board meeting, Management Staff presented, for the Board's approval, the 2018 Capital Budget. The approved new capital projects for 2018 totaled \$2,241,250 including a \$250,000 allowance for miscellaneous projects with an estimated cost between \$5,000 and \$50,000. Projects ranged from information technologies upgrades to infrastructure improvements and equipment purchases, amongst other projects.

These additional projects together with existing projects were expected to be funded through available resources in the Authority's Replacement Fund as well as funds available in the Bond Redemption Account. As part of the adopted 2018 capital budget, a transfer of \$12,000,000 from the Bond Redemption Account to the Replacement Fund was assumed. At the time the Capital Budget was presented authorization was not requested to transfer the required funds from the Bond Redemption Account. The most recent analysis of the remaining funds needed to complete the authorized capital projects indicate a transfer of \$14,000,000 would be required due to updated cost estimates.

The Steamship Authority's Enabling Act requires that the funds from the Bond Redemption Account are "to be used within a reasonable time for the purchase or redemption of bonds or, in the Authority's discretion, to be transferred to the replacement fund or to the capital improvement fund to be used for any purposes for which bonds may be issued." Currently, there is approximately \$14,800,000 in the Bond Redemption account which will be needed to fund approved capital projects

RECOMMENDATION: That the Board authorizes the Treasurer to transfer \$14,000,000 from the Bond Redemption Account to the Replacement Fund as proposed.


Gerard J. Murphy
Treasurer/Comptroller

APPROVED: 
Robert B. Davis
General Manager

STAFF SUMMARY

Date: June 11, 2018

File # MIS 1-2018



| TO: | | FOR: | | FROM: |
|-------------------------------------|-----------------|-------------------------------------|-------------|--|
| <input checked="" type="checkbox"/> | General Manager | <input checked="" type="checkbox"/> | Vote | Dept.: MIS Department Author: Mary T.H. Claffey |
| <input checked="" type="checkbox"/> | Board Members | | Information | Subject: Request for Authorization to Purchase Equipment for 2018 MIS CIP - Web Environ. Upgrade |

PURPOSE:

To request a vote of the Members authorizing the procurement and purchase of Firewall Components for the 2018 MIS Capital Improvement Project, Web Environment Upgrade.

BACKGROUND:

This request supports purchasing the Firewall Components for the 2018 MIS Capital Improvement Project, Web Environment Upgrade with a complete budget of \$535,000. This initial portion of Firewall Components and associated support for this project will allow us to begin configuring the upgrades for the web environment. The Steamship Authority web environment supports all of our online functions relative to website access, online reservations, our e-News processes and various other in-house applications. The cost of the Firewall Components is \$69,842.00 and the associated five year support is \$86,729.00, for a total cost of \$156,751.00, through a state vendor contract with IntraSystems, Inc., of Braintree, MA. Additional purchases will be forthcoming after the Firewall portion is configured.

RECOMMENDATION:

It is requested that the Members authorize the General Manager to purchase the Firewall Components for the 2018 MIS Capital Improvement Project, Web Environment Upgrade at the cost of \$156,751.00.

Mary T.H. Claffey
Director of Information Technologies

APPROVED:

Robert B. Davis
General Manager