

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

The Meeting in Public Session

January 16, 1997

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 16th day of January, 1997, beginning at 9:30 a.m., in the conference room of the Authority's Woods Hole Terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts.

Present were all four of the Authority's Members: Chairman Grace S. Grossman of Nantucket; Vice Chairman Ronald H. Rappaport of Dukes County; Secretary Paul R. Kelleher of Falmouth; and Associate Secretary Robert L. O'Brien of Barnstable.

Also present were all three Members of the Authority's Finance Advisory Board: Robert C. Murphy of Dukes County; Norman F. Beach of Nantucket; and S. Eric Asendorf of Falmouth.

The following members of the Authority's management staff were also present: General Manager Armand L. Tiberio; Treasurer/Comptroller Wayne C. Lamson; General Counsel Steven M. Sayers; Customer Services Manager Gina Barboza; and Executive Secretary to the General Manager Maxine Horn.

Minutes:

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. O'Brien -- to approve the minutes of the Members' meeting in public session on December 19, 1996.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
 Mr. Kelleher

VOTING NAY: None

Hyannis Terminal Reconstruction Project:

Mr. Tiberio reported that the Hyannis Terminal Reconstruction Project was still proceeding pretty much on schedule, and that the new slip and transfer bridge would be operational by the end of April or the first part of May 1997 even though the pier itself would not be able to be used until sometime after that date. Mr. Tiberio also stated that J.K. Scanlan Co., Inc. would be repairing the damage to the concrete plaza later this winter after the remaining pile driving is completed. Finally, Mr. Tiberio said that the improvements to the Hinckley parking lot should also be completed prior to the commencement of the summer schedule.

Replacement Vessel:

Mr. Tiberio then reported that management was in the process of preparing an analysis of what type of vessel (i.e., a vessel with a conventional hull or a "double-enders") should replace the M/V Islander. Mr. Tiberio stated that the analysis, which should be completed and released to the public by February 4, 1997, would include considerations of cost (both design and construction), efficiencies (e.g., fuel consumption), environmental issues (e.g., wake and noise), maneuverability and reliability. After that analysis is completed, Mr. Tiberio said, management would be in a position to make a firm recommendation to the Members on this subject at their next meeting on February 20, 1997.

Noting that the decision as to what type of vessel would replace the M/V Islander was a very important one for the Authority, Mr. Rappaport commented that he had received a number of letters and comments on the subject which he had passed on to Mr. Tiberio. Mr. Rappaport also stated that he hoped the island residents would make known whatever concerns they may have on the matter at the public forum which was being hosted by the Duke County Commissioners on January 23, 1997 and which Mr. Tiberio and others from the Authority would attend.

Automated Reservation and Ticketing System:

Mr. Tiberio reported that the development of the new Automated Reservations and Ticketing System was in its final stages, and that the system would be on-line in time for Headstart 1997. Mr. Tiberio said that truck reservations would be entered into the system beginning on January 27, 1997,

followed by mail-in requests through February 23, 1997. Then, on February 24, 1997, the Reservations Department would begin entering telephone reservations into the system, at which time their office hours will expand to 5:00 a.m. through 10:00 p.m. and the Authority's toll-free "800" telephone number would be activated for a period of thirty days.

Fare Elasticity Study:

Joseph Savage of KJS Associates, Inc. and economist Frank Mahady then gave a presentation on the results of the Fare Elasticity Study they had undertaken concerning the Authority's passenger and automobile fares. Mr. Savage stated that the purpose of the study, which was an outgrowth of the work they had done on the statistical model for ferry traffic forecasting that they had presented to the Members in September 1996, was to look at the Authority's ridership, fare and revenue data for the last 25 years; to analyze the market segments of the population which use the ferry system to see how each has responded to fare increases in the past; to develop certain statistical relationships; and, finally, to identify fare policy issues and recommend a course of action to enable the Authority to develop a comprehensive fare policy.

Mr. Mahady began the presentation by explaining what is meant by the term "fare elasticity." Essentially, Mr. Mahady said, an "elastic" market is one where an increase in a fare results in a decrease in ridership, while an "inelastic" market is one where the ridership will stay the same regardless of how much the Authority might increase or decrease the fare. Mr. Mahady stated that many factors influence the elasticity of the market for a particular service, such as the extent to which the service is viewed as a luxury or necessity, the number of substitute services available, the price of the service in relation to the buyers' income, and the amount of time which the public is given to react to a change in price.

Mr. Savage then recounted how he and Mr. Mahady had looked at sixteen occasions during the last 25 years when the Authority had increased its fares and had determined that, on half of those occasions, the overall vehicle and passenger ridership went up (on the basis of the number of automobiles carried per island resident) and on the other occasions the ridership went down. Therefore, he declared, the findings were pretty conclusively inconclusive.

Nevertheless, Mr. Mahady stated that their findings show that, despite the significant fare increases for automobiles that the Authority has made over the years, which have been greater than the rate of inflation, the public's enthusiasm to take their cars to the islands had not been dampened and, in fact, they are taking more cars now than they used to notwithstanding the fare increases (again, on the basis of the number of automobiles carried per island resident). Accordingly, Mr. Mahady declared, his conclusion was that people make decisions as to whether or not to take their cars for reasons that do not have much to do with the amount of the fare.

Mr. Savage stated that price elasticity research for other ferry systems, such as Washington State and North Carolina, had ended up with similar inconclusive results, finding that the amount of automobile traffic was just as likely to go up after a fare increase as go down. Based on those studies, Mr. Savage said, it appeared that fares were only a minor factor in the travel decisions that were being made by users of ferry systems.

Messrs. Savage and Mahady then reviewed with the Members certain statistics that they had developed in the course of their study, as follows:

- In 1969, the Authority's automobile fares were three times as high as its passenger fares. In 1995, they were eight and one-half times as high as the passenger fares.
- In 1969, the Authority's Nantucket automobile fare was one and one-half times as high as its Martha's Vineyard automobile fare. In 1995, it was two and one-half times as high.
- After adjusting for inflation, Martha's Vineyard automobile fares have increased 23% from 1969 to 1995, while Nantucket automobile fares have increased 81%. By contrast, after adjusting for inflation, passenger fares have decreased 45% since 1969.
- In 1995, the per capita income on the islands was roughly five to seven times what it was in 1969. The automobile fares have pretty much kept pace with that rise in per capita income, while passenger fares are only double what they were in 1969.
- Automobiles account for 45% of the Authority's revenues; passengers account for 40%; and trucks 15%.

- More than one-third of the automobiles carried by the Authority travel on discounted fares (e.g., excursion fares). As a result, those automobiles bring in only 13% of the Authority's total automobile revenues, while the remaining two-thirds of the automobiles which travel full-fare account for 87% of automobile revenues.
- On an annual basis, year-round and seasonal residents account for somewhere between 50% and 75% of the automobiles carried by the Authority.

Ultimately, Messrs. Savage and Mahady concluded that fare increases have had no significant adverse effects on Authority ridership in the past. Therefore, they cautioned the Members not to use fare increases in the future in an attempt to control growth on the islands. Rather, they recommended that the Authority base its fares on the projected cost of its operations necessary to meet explicit service criteria, and to take into consideration issues of equity among the various market segments of its patrons.

Messrs. Savage and Mahady also emphasized that certain market segments of the Authority's customer base will be burdened by any fare increase, even though the overall demand is relatively inelastic, and that the Authority's fare policy and service levels should both be sensitive to the needs of those market segments. Further, they said, the Authority needed to develop a comprehensive fare policy based on up-to-date information that presently does not exist, which can be obtained by conducting surveys of its passengers, freight shippers and the business community.

After the conclusion of the presentation, Mrs. Grossman and Mr. Rappaport noted that both islands were attempting to develop a consensus on how best to control traffic and growth. However, they expressed their concern that any limitation on the number of cars carried by the Authority would inevitably lead to future fare increases, and that the island residents were the ones who would be most sensitive to those increases.

Mrs. Grossman also observed that the traffic situation might be somewhat alleviated if tourists visiting the islands were assured of being able to transport all of their belongings to wherever they wanted to go, since they might then no longer feel that it was necessary to take their cars. However, Mr. Mahady cautioned the Members that, even during the summer season, most of the islands' traffic was being generated by year-round or seasonal residents and that, therefore, the amount of automobile

congestion would not be significantly reduced simply by eliminating the number of cars driven by short-term tourists.

Finally, noting that Martha's Vineyard was holding a traffic symposium in March, Mr. Rappaport said that he had received a request from a county commissioner for the Authority to videotape the two presentations that have been made by Messrs. Savage and Mahady on ferry traffic forecasting and fare elasticity, and to make those videotapes available for the symposium.

Treasurer's Report:

Mr. Lamson reported that it appeared that the Authority would do a little better than anticipated in the 1996 Operating Budget for the month of December 1996, but not well enough to keep the Authority in the black for the year. Mr. Lamson stated that the Authority's net operating income after the first eleven months of 1996 stood at \$689,000, and that the estimated net operating loss for December would be somewhere between \$850,000 and \$900,000. As a result, the Authority would be left with a small operating loss for the year of about \$200,000, which would still be well within the Authority's current reserve fund balance of almost \$2,000,000. Mr. Lamson also informed the Members that, since 1962, the Authority has had three annual operating losses (in 1967, 1973 and 1982) prior to 1996.

Finally, Mr. Lamson stated that the staff would be closing the books the following week, that the Authority's auditors were scheduled to begin their year-end work on February 3, 1997, and that the auditors' report should be available by mid-March.

Old and New Business:

IT WAS VOTED -- on Mr. O'Brien's motion, seconded by Mr. Rappaport -- to go into executive session to discuss the Authority's strategy with respect to collective bargaining and litigation matters, the purchase and value of real estate, and personnel matters.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
 Mr. Kelleher

VOTING NAY: None

January 16, 1997 Meeting
Minutes of the Public Session

Before the Members voted to go into executive session at approximately 11:00 a.m., Mrs. Grossman stated that the Members would not reconvene in public after the conclusion of the executive session.

A TRUE RECORD



PAUL R. KELLEHER, Secretary

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

The Meeting in Public Session

February 20, 1997

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 20th day of February, 1997, beginning at 9:30 a.m., in the conference room of the Authority's Woods Hole Terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts.

Present were all four of the Authority's Members: Chairman Grace S. Grossman of Nantucket; Vice Chairman Ronald H. Rappaport of Dukes County; Secretary Paul R. Kelleher of Falmouth; and Associate Secretary Robert L. O'Brien of Barnstable.

Also present were all three Members of the Authority's Finance Advisory Board: Robert C. Murphy of Dukes County; Norman F. Beach of Nantucket; and S. Eric Asendorf of Falmouth.

The following members of the Authority's management staff were also present: General Manager Armand L. Tiberio; Treasurer/Comptroller Wayne C. Lamson; General Counsel Steven M. Sayers; Engineering and Construction Manager James P. Swindler; Customer Services Manager Gina Barboza; and Executive Secretary to the General Manager Maxine Horn.

Minutes:

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. Kelleher -- to approve the minutes of the Members' meeting in public session on January 16, 1997.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
 Mr. Kelleher

VOTING NAY: None

Replacement Vessel:

Mr. Tiberio announced that the first matter on the agenda was the issue of what type of replacement vessel should replace the *Islander*, namely, whether the new vessel should have a single-ended conventional hull or whether she should be a "double-ender." Mr. Tiberio stated that the literature which management had submitted on this subject essentially spoke for itself, and then addressed two additional issues that had arisen after the written materials had been prepared.

First, with respect to which type of vessel the Authority's captains would prefer to operate on the Martha's Vineyard route, Mr. Tiberio reported that a supplemental survey had been conducted of the captains and that 59% of them said that they would favor a vessel with a single-ended design for the run between Woods Hole and Vineyard Haven, while 41% said that they would prefer a double-ender. Mr. Tiberio further reported that 73% of the captains said that they would also prefer a "single-ender" for the run between Woods Hole and Oak Bluffs, while 27% favored a double-ended vessel.

Mr. Tiberio also advised the Members that, at the request of the Town of Tisbury, management had contracted with Dr. Arthur Gaines of the Woods Hole Oceanographic Institution to undertake an expanded comparative analysis of the impact which the *Islander* and the *Martha's Vineyard* had on sediment suspension in Vineyard Haven harbor. Mr. Tiberio said that Dr. Gaines' conclusion was that organisms within the harbor were probably not significantly affected by the ferry dockings and that he did not find any significant difference between the environmental impacts of the two types of vessels. In other words, Mr. Tiberio noted, while Dr. Gaines did not dispute that possibility that one vessel or another might produce a lesser amount of turbulence, his conclusion was that neither vessel was producing any environmentally significant impact at this time.

Based upon the information received, Mr. Tiberio declared that management was maintaining its recommendation that the Authority proceed to develop general design and engineering drawings for a new vessel based on a single-ended design similar to the *Martha's Vineyard*, rather than moving in the direction of a double-ender, and that management would like to present the Members with a completed set of general design drawings for their consideration at the April 1997 meeting. Mr. Tiberio also noted that Kenneth Fox of Art Anderson Associates, on whose expertise management had heavily relied over the prior six months in arriving at its recommendation, was present at the meeting and available to answer any questions the Members might have.

In response to questions from Mr. Rappaport, Mr. Fox listed a number of entities for which his firm had designed passenger/vehicle ferries, including the Washington State Ferry System and the Alaska Marine Highway System. Mr. Fox also stated that he was familiar with the Voith Schneider propulsion system and that he essentially had concluded that a single-ended vessel like the *Martha's Vineyard* would be comparable to a double-ender with a Voith Schneider propulsion system in terms of her ability to maneuver on the Woods Hole/*Martha's Vineyard* route.

Mr. Fox also confirmed that the construction cost estimates for the two types of vessels in the supplemental report were based on his own calculations, and that he estimated that a double-ender with a Voith Schneider propulsion system would cost approximately \$4,000,000 more to build than a single-ender. He also confirmed that, based upon calculations of one of his colleagues, which he reviewed, his estimate was that a double-ender with a Voith Schneider propulsion system would cost around \$140,000 more a year to operate than a single-ended vessel, although he noted that the cost comparison was made only on the basis of open water running at full speed and did not include the cost of maneuvering, which Mr. Fox said would be very difficult to estimate in the absence of a specific vessel design.

After Mrs. Grossman opened the discussion to the audience, Vineyard Haven Harbormaster Jay Wilbur said that he was very confused by the results of Mr. Fox's study, and asked Mr. Fox if he could explain how his calculations of the wakes produced by the *Martha's Vineyard* and the *Islander* were completely contrary to what he asserted were the observations of everyone who lived and worked in Vineyard Haven harbor. Specifically, Mr. Wilbur stated that, based upon his own observations, the *Martha's Vineyard* throws a very steep wake of about two feet right through the anchorages as she turns around in the harbor, as well as a powerful four-foot wake as she begins to enter the harbor that travels right through all of the anchorages and mooring areas and has injured several people and vessels over the years.

In response, Mr. Fox stated that it was very difficult to estimate the wave height and energy of a wake by visual observations and, therefore, they had measured the wakes of the *Islander* and the *Martha's Vineyard* by using a pressure probe and following a standard procedure that they had developed with other vessels. Mr. Fox also said that the wake tests of the two vessels also had been conducted on the same hour of the same day under the same conditions, and while the vessels were traveling at approximately the same reported speeds and were at the same distance from the pressure probe.

Vineyard resident Robert Douglas also urged the Members to approve the design of a double-ended vessel like the *Islander*, saying that she could run at full speed in Vineyard Haven harbor without impacting anyone because the large bow wave produced by the vessel was completely recovered by her stern. Mr. Douglas also criticized the large wakes produced by the Authority's freight vessels, asserting that those boats were not even hull forms, but were simply barges with bows on them. Tisbury Selectman Henry Burt similarly asked the Members to replace the *Islander* with a double-ended vessel so that there would be no need for the new vessel to turn around in Vineyard Haven harbor.

Mr. Fox agreed with Mr. Douglas that the freight boats had a much worse wake profile than either the *Islander* or the *Martha's Vineyard*. However, Mr. Fox noted that the new vessel, regardless of whether it is single-ended and double-ended, could be designed to reduce wake wash. Historically, Mr. Fox said, vessels had not been so designed because such a characteristic had not been considered important.

Mr. Rappaport then questioned Mr. Fox about Mr. Wilbur's statement that the *Martha's Vineyard* was generating a two-foot wake as it turned around in the harbor, saying that this was the first time he had ever heard of such an observation. In response, Mr. Fox stated that he had not observed that amount of wash at all. Mr. Rappaport also asked whether anyone in the audience could corroborate Mr. Wilbur's observation, but no one did. Mr. Wilbur then stated that such a wake was an odd occurrence, that it did not happen every time the vessel turned around, and that he did not know exactly where the wake came from.

Both Virginia Jones of the Martha's Vineyard Commission's Special Task Force on Transportation and Tisbury Selectman Tristan Israel asked the Authority to delay any decision on a new replacement vessel until after the island could address its traffic problems. Tisbury resident Harriet Barrow similarly asked the Members to delay any decision until further tests could be done to compare the wakes of the *Islander* and the *Martha's Vineyard*.

Janet Fredericks of the Falmouth League of Women Voters and the Falmouth Transportation Management Commission reminded the Members that her organizations opposed the replacement of any vessel with a larger capacity vessel until the Authority had solved the parking problems that existed in Falmouth due to its operations. But Mr. Tiberio noted that replacing the *Islander* with a larger capacity vessel would not necessarily mean that the Authority would carry more passengers. Rather, Mr. Tiberio said,

the Authority might limit the operations of its freight boats such as the *Sankaty*, which now follows the *Islander* to carry passengers who could not get on that boat, and thereby reduce operating costs.

In response to several questions about the Authority's role in a recent decision by the United States Coast Guard to place buoys at certain locations in Vineyard Haven harbor, Mr. Tiberio recounted how, when he had met with the Harbor Management Committee the previous summer, a number of different people had raised a number of concerns about the number of vessels in the harbor and their impact on navigation and safety there. Mr. Tiberio said that he then contacted the Coast Guard, as he had indicated he would at the time, and asked them whether they would look at the level of activity that was taking place in the harbor from a safety standpoint. Mr. Tiberio stated that the Coast Guard, upon being apprised of the situation, expressed some concern, especially given the fact that Authority vessels at times carry hazardous cargo into the harbor. The Coast Guard then suggested that the Authority should submit an application laying out what it thought would be a prudent marcation of the harbor for navigational purposes, which the Authority did, believing that the Coast Guard would be responsible for notifying other interested parties of the Authority's application.

Ms. Jones confirmed that the Coast Guard usually provides notice of such proposed changes in the local notices to mariners, and acknowledged that the Authority was probably as surprised as everyone else when the Coast Guard provided no such notification in this instance. Indeed, Ms. Jones stated that the buoys may prove to be valuable for safety in a multi-purpose harbor like Vineyard Haven harbor. However, Ms. Jones said, the fact was that neither the Town nor any waterfront entities around the harbor had any input in the buoys' suggested placement, and both she and Vineyard resident Joseph Hall suggested that it would be a good idea to have everyone involved in the decision because of how the buoys might impinge on other people's legitimate use of the harbor.

Mr. Rappaport agreed and, noting that the buoys had not yet been positioned in the harbor, stated that such an opportunity was still available. In any event, Mr. Tiberio said, any issues that might be raised by the possible location of buoys in the harbor were not related to the Authority's decision as to what type of vessel should replace the *Islander*.

Mr. Beach then stated that the members of the Finance Advisory Board appreciated the opportunity to make a statement as to the design of the proposed new vessel, i.e., conventional vs. "double-ended." Mr. Beach said that the members had individually

followed the many previous discussions, both public and in-house, which had culminated in the 25-page Supplement to the Vessel Optimization Study prepared by Art Anderson Associates that had been issued on February 4, 1997. Solely from a financial standpoint, Mr. Beach declared, which is the primary concern of the Finance Advisory Board, a conventional vessel of the same speed and capacity as a double-ender would cost from two to four million dollars less to build, and would be cheaper to operate based on fuel needs. Mr. Beach also stated that there were additional unpriced but valuable advantages in achieving uniformity throughout the fleet in equipment, spare parts, maintenance and training. Finally, noting that the thorough analysis contained in the February 4, 1997 report addressed many other operating characteristics such as maneuverability, reliability, noise and wake, which did not show the proposed design at any significant disadvantage, Mr. Beach reported that the Finance Advisory Board was therefore unanimously recommending to the Members that they vote in favor of the single-ender conventional design.

Noting that management had examined just about every issue on the subject, Mr. O'Brien declared that he also had to support the selection of a single-ended vessel on the basis of construction cost, operating costs, commonality among vessels as far as their parts and crew training were concerned, and fleet flexibility in having the vessel being available for use on other routes.

Mrs. Grossman then thanked everyone present for their input, noting that all of the Members were faced with a very difficult decision. Agreeing with Mr. O'Brien that management's extensive research had studied every aspect of this matter, Mrs. Grossman declared that she too was leaning towards the selection of a single-ended vessel on the basis of safety, reliability, versatility and economics, all of which had to play a part in their decision. In particular, Mrs. Grossman said that she felt it was prudent for the Authority to have the same kind of vessel for every port for both maintenance and economic reasons.

Mr. Rappaport then explained the reasons why he also would vote to support management's recommendation to proceed with the design of a single-ended vessel to replace the *Islander*, and the substance of his statements has been attached as a supplement to these minutes.

Finally, Mr. Kelleher stated that, while he had read and listened to all of the concerns of the Vineyard Haven residents with respect to this matter and recognized that it was a very important issue to them, he had not heard anything that would cause him to change his support of what he considered to be the very professional report that had been submitted by Mr. Tiberio.

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. O'Brien -- that management proceed, consistent with the recommendations contained in the Vessel Optimization Study, dated October 1996, prepared by Art Anderson Associates, with the development of conceptual general arrangement drawings for a single-ended *Martha's Vineyard* type vessel with certain modifications.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
 Mr. Kelleher

VOTING NAY: None

Hyannis Terminal Reconstruction Project:

Mr. Tiberio reported that the Hyannis Terminal Reconstruction Project was still proceeding pretty much on schedule, and that the new slip and transfer bridge would be operational by the first part of May 1997 even though the pier itself would not be able to be used until sometime after that date. Mr. Tiberio also stated that J.K. Scanlan Co., Inc. was in the process of removing the damaged concrete plaza, which will be replaced after the remaining pile driving is completed.

Automated Reservation and Ticketing System:

Mr. Tiberio reported that the new Automated Reservations and Ticketing System had encountered a few problems in the final stages of its development, but none that appeared insurmountable. Mr. Tiberio said that the Reservations Department was processing around 6,000 mail-in reservation requests, which had to be completed before the Authority began accepting telephone reservations on Monday, February 24, 1997.

Procurement:

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. Kelleher -- to authorize the General Manager to award Contract No. 04-97 for drydocking and overhaul services for the M/V Eagle to the lowest eligible and responsible bidder therefor after bids for the contract are opened on February 27, 1997.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
Mr. Kelleher

VOTING NAY: None

Treasurer's Report:

Mr. Lamson reported that the Authority's net operating loss for calendar year 1996 was \$146,444, with operating revenues for the year totaling \$40,415,000 (a 0.5% decrease from the prior year) and operating expenses up \$1,659,000 from 1995 (a 4.5% increase). Mr. Lamson said that the Authority's independent auditors, Deloitte & Touche, had completed their audit and that management expected to have a draft copy of their audited financial statements within the new few weeks.

With respect to the Authority's current financial performance, Mr. Lamson reported that the Authority's net operating loss for the month of January 1997 was expected to be approximately \$1,700,000, which was about what was projected in the 1997 Operating Budget.

Finally, Mr. Lamson advised the Members that management was in the process of soliciting proposals for both its marine and non-marine insurance policies for the new policy year beginning June 30, 1997. Mr. Lamson stated that, although the Authority had a very good program in place, including excellent claims coverage, it had been eight years since the Authority last sought competitive proposals for its marine insurance coverage, while the premiums had basically remained the same during this period. Mr. Lamson also said that, similarly, it had been five years since the Authority's non-marine coverage had been the subject of competitive proposals. Mr. Lamson reported that the Authority's insurance consultant, Edward Taylor, was assisting management in this endeavor and, after the completion of a pre-qualification process, final proposals should be received by the beginning of May 1997.

Freight Operations:

Mr. Tiberio reported that the number of freight reservation requests had been greater than anticipated that year and that, in the long term, it appeared that the demand would exceed the Authority's ability to provide adequate freight service. Mr. Tiberio said that the Authority would have to address its whole freight operation so that it could be more flexible than it has been in the past.

Old and New Business:

In response to a question from Richard Sherman, Mr. Tiberio reported that the Authority was in continuing discussions with representatives of the Massachusetts Military Reservation with the objective of having a temporary parking lot located there for the 1997 summer season. Mr. Tiberio stated that the discussions to date had been positive, although there still were a number of issues that remained to be resolved. Mr. Tiberio also confirmed that the Authority would not be required to prepare an environmental impact report for the project if the capacity of the parking lot were less than 300 cars.

IT WAS VOTED -- on Mr. Kelleher's motion, seconded by Mr. Rappaport -- to go into executive session to discuss the Authority's strategy with respect to collective bargaining and litigation matters, the purchase and value of real estate, and personnel matters.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
Mr. Kelleher

VOTING NAY: None

Before the Members voted to go into executive session at approximately 11:37 a.m., Mrs. Grossman stated that the Members would not reconvene in public after the conclusion of the executive session.

A TRUE RECORD



PAUL R. KELLEHER, Secretary

STATEMENT MADE BY
RONALD H. RAPPAPORT, DUKES COUNTY MEMBER
OF THE
WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

February 20, 1997

This is a very difficult issue for me. I have had a lot of calls, a lot of letters and a lot of discussion with a whole host of people I know and respect -- not only those in this room, but others -- and it is very difficult for me to balance wanting to do the right thing for the Vineyard -- which obviously I do -- and wanting to respond to what are very thoughtful comments that have been raised, but yet listening to a General Manager who I respect immensely, who has approached this with an open mind, and who has retained the best experts that he can to help analyze the question.

I just want to make a few introductory comments in response to things that came up today, and then I will share my thoughts.

To Tristan Israel and Virginia Jones, who mentioned the issue of why is the Authority going ahead with a boat when there is a transportation study ongoing, I don't see the two as tied together. The conclusion was reached that the *Islander* needs to be replaced given its age and that a new vessel is needed. The new vessel will have slightly more automobile capacity and will have significantly larger passenger capacity. The decision to replace the *Islander* makes sense on its own. The size of the vessel is dictated to a certain extent by maneuverability and length and how long a boat we can have, and I am advised that safely we should be looking at a boat of about 245 feet in length. Whether that ends up increasing traffic depends, as Armand has indicated, on whether we take one of the freight boats off line and not use it as a back-up vessel. So I do not see the issues as related.

The *Islander* was built in 1950, which was a year after I was born, and like a lot of others in the room and a lot of the people on the Vineyard, I have traveled to Woods Hole and back in that boat my whole life -- in high winds, rough seas, and in the dead of winter -- and I have come to depend on it as a safe and dependable means of transportation. I have also come to the belief that that vessel is a better neighbor for Vineyard Haven harbor because it does not turn around and it makes no visible wake. If I were to vote my perceptions and my sentiment, I would vote for another double-ender modeled after the *Islander*. And I

also believe that is what a majority of the people feel that they would like to have.

But as a public official charged with making decisions which are in the best overall interests of not only the people of the Vineyard, but the Steamship Authority and the traveling public, I have to analyze the facts as they have been raised as best as I am able, and first and foremost is the issue of reliability and safety. I was surprised to learn, as I think a lot of other people on the Vineyard were, that the weather-related cancellations for the *Islander* and the *Martha's Vineyard* are virtually identical. In 1996, the *Martha's Vineyard* made over 4,000 sailings, of which only 45 were canceled due to weather. The *Islander* made approximately 3,700 sailings, and approximately 55 were canceled due to weather.

In 1994, the number of weather-related cancellations were similarly very close, but with the *Islander* having slightly fewer cancellations than the *Martha's Vineyard*. And in January, each vessel with a similar number of sailings had the same number of cancellations. Each had four.

Certain people have questioned whether these cancellations are weather-related cancellations only, and I have been assured by management that they are. Others have questioned whether the *Islander* was prevented from running on occasion due to the inability of the single-ended boats to leave the slips in Woods Hole, and I have asked Armand about this and I have been assured that those occasions when that may have occurred are both undocumented and, in any event, would be very few in number. So based on a review of the statistical data, both vessels appear to be approximately equal in terms of ability to run in weather.

I must also note that, looking at the 1996 cancellations, approximately eighteen cancellations of each vessel were due to Hurricane Edouard, and if you were to subtract those numbers, the number of cancellations averages about two a month -- which is a remarkably small number -- and I think we tend to take for granted that the Steamship Authority provides safe and reliable service and runs in almost all kinds of weather. These figures underscore that and compare very favorably to other public transportation agencies.

As I have been able to gather, the proponents of a double-ender point to three main benefits from a double-ender: the issue of the reduced wake, decreased turbidity and the intrusion from having a single-ended boat come to a stop, turn around and back into the slip in what we all know is a small and precious harbor. These are very legitimate issues for public debate.

I know Mr. Fox and Armand have addressed them in the report, but Buoy Six, which sits outside of the breakwater in Vineyard Haven harbor, is the beginning of a no wake zone. It is my

understanding from everyone I have talked to that any Steamship Authority vessel -- double-ender or single-ender -- which reduces its speed to four knots at Buoy Six will generate no wake. This past summer, the Vineyard Haven Harbormaster complained that Steamship Authority vessels were not slowing to four knots at Buoy Six. I have discussed this issue with Armand and he has assured me that all Steamship Authority vessels will slow to four knots at Buoy Six, and that any captain who fails to slow to that speed will be dealt with appropriately. Assuming that the rules of the road are adhered to, there appears to be no wake issue inside Buoy Six or inside the confines of Vineyard Haven harbor.

I do not believe that the matter should end there. A number of boats are moored in the area between Buoy Six and Buoy Four out near West Chop. We have heard today and I am informed that Steamship Authority vessels -- as well as a number of other vessels -- travel at speeds which generate a wake which is offensive to boats which are moored in that area. I understand that wake is a function of speed and hull design. It is my understanding that if the hull were designed to be more wake sensitive and if the *Martha's Vineyard* or other vessels were to slow to eleven knots or thereabouts in the area of those two buoys, then the wake which is generated will be considerably less than it is now.

I have asked and expect that management will take appropriate steps to address this issue in the operation of all of our vessels and in the hull design of a new vessel. But as I understand it, this is not a single-ender vs. double-ender issue.

As to turbidity, questions have been raised about the turbidity which results from the use of the bow thrusters and the turning of the vessels. Dr. Arthur Gaines, who is a scientist at the Woods Hole Oceanographic Institution and who has undertaken a considerable number of studies on the Vineyard, has authored a 25-page report, in which he concludes, in essence, that Steamship Authority vessels have a minimal impact in Vineyard Haven harbor, and that sediment which is stirred up by the turbulence is localized to a very small area of the harbor directly in front of the terminal representing only approximately one percent of the total harbor area. He has also concluded that the sediment which is stirred up settles within minutes and that there is no discernible impact on marine life. So based on Dr. Gaines' analysis, turbidity does not appear to be an issue which would impact the decision of which type of vessel to purchase.

There is no question that a vessel turning around occupies a portion of the harbor for periods up to three minutes and that compares unfavorably to a double-ended vessel, like the *Islander*, which glides in and out of a slip without turning around. When it is all added up, this turning occurs only coming in to, not going out of, Vineyard Haven harbor, it occurs seven times a day -- or approximately twenty minutes out of every twenty-four hours

-- and while it is no doubt preferable that this exercise not occur, I have not been informed of any incidents which have been caused as a result of it.

So these issues do not dictate that one type of vessel over another is markedly preferable. When I look at seaworthiness, Armand was the Director of Marine Operations at the Washington State Ferry System before becoming General Manager of the Steamship Authority. That system has all double-ended vessels, and I understand that there are 27 double-ended vessels which go into 16 ports -- although the run to Victoria has recently been abandoned. He is intimately familiar with double-enders and if any general manager were to be their proponent, I have suspected that it would have been Armand.

At his request, the Steamship Authority retained Ken Fox of Art Anderson Associates, who has also designed or been involved in the design of double-ended vessels for the Washington State Ferry Service. Mr. Fox was asked to undertake an analysis of which type of vessel should be the replacement vessel, and I have asked him whether he was given any direction as to which conclusion he was to come out with, and he has assured me that he was not, and that his conclusion was independently reached. And, again, he designs boats for the Washington State Ferry System, and the Alaska State Ferry System. He has concluded, as has Mr. Tiberio, that a single-ended vessel like the *Martha's Vineyard*, is preferable -- even if the vessel were limited to the Vineyard only run. That view is reflected by a questionnaire answered by the captains, who were asked specifically what vessel they would prefer for the Vineyard run only. In the supplemental report, 22 out of 25 captains answered, 59% said they preferred the single-ended vessel on the Woods Hole/Vineyard Haven run, and 73% said they preferred the single-ended vessel on the Woods Hole/Oak Bluffs run.

So there seems to be a unanimity of opinion among Armand, Art Anderson, and an overwhelming majority of the captains. I am not in a position to substitute my judgment for theirs.

On the issue of cost, Art Anderson has computed that the cost of constructing a double-ended ferry, with enhanced maneuvering capability, is approximately four million dollars more than a *Martha's Vineyard* type vessel. I asked him this morning earlier and again today whether these were his calculations and he says that they are. He also has determined that the costs of operating and maintaining the vessel are significantly greater on an annual basis than the costs of a single-ender, and I have asked him whether these are his calculations and he says that they are.

The Steamship Authority has a fifty million dollar bonding limit, with a current indebtedness of approximately thirty-seven million dollars. While cost is not a significant issue when it

is capitalized over an extended period of time, the level of indebtedness does have an impact on the Authority's ability to undertake additional needed capital improvements.

A decision on which type of vessel to purchase should not be a political decision. In the final analysis, I have to listen to Mr. Tiberio, Art Anderson and the captains, who believe for all kinds of reasons, which they have outlined in the report, that the benefits of a single-ender outweigh the benefits of a double-ender. They have reached this conclusion without looking at fleet flexibility.

I greatly appreciate the time, energy and thought of extremely knowledgeable people on the Vineyard who strongly favor a double-ender, and I appreciate the burden on Vineyard Haven and Vineyard Haven harbor from the increasing number of trips which the Steamship Authority is making there. I believe that the Steamship Authority has an obligation to alleviate the burden by improving the Oak Bluffs facility and rerouting some of our vessels to Oak Bluffs.

I have looked at each argument that has been raised as best as I am able. For me, the choice is difficult, but I believe it is clear. With reluctance and difficulty, I will vote to support Mr. Tiberio's recommendation. But as we move forward to the design phase and deal with issues such as hull configuration and passenger comfort and design, I have asked Mr. Tiberio, and he has agreed, that there will be Vineyard Haven representation in the design process. We will shortly be moving into public meetings with the community on a variety of aspects, and I hope that we have made the right choice.

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

The Meeting in Public Session

March 20, 1997

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 20th day of March, 1997, beginning at 9:30 a.m., in the conference room of the Authority's Woods Hole Terminal, located at the Foot of Railroad Avenue, Woods Hole, Massachusetts.

Present were all four of the Authority's Members: Chairman Grace S. Grossman of Nantucket; Vice Chairman Ronald H. Rappaport of Dukes County; Secretary Paul R. Kelleher of Falmouth; and Associate Secretary Robert L. O'Brien of Barnstable.

Also present were all three Members of the Authority's Finance Advisory Board: Robert C. Murphy of Dukes County; Norman F. Beach of Nantucket; and S. Eric Asendorf of Falmouth.

The following members of the Authority's management staff were also present: General Manager Armand L. Tiberio; Treasurer/Comptroller Wayne C. Lamson; General Counsel Steven M. Sayers; Engineering and Construction Manager James P. Swindler; Customer Services Manager Gina Barboza; and Executive Secretary to the General Manager Maxine Horn.

Minutes:

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. O'Brien -- to approve the minutes of the Members' meeting in public session on February 20, 1997.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
 Mr. Kelleher

VOTING NAY: None

After approval of the minutes, Mrs. Grossman made the following statement:

"I would like to take a minute on behalf of the Board to thank our General Manager, Armand Tiberio, for his leadership, perseverance, and patience during some difficult and tumultuous times.

"Mr. Tiberio has a vision for a much improved Steamship Authority addressing the needs and comfort of our varied customers. In instituting new policies to achieve this goal, he has faced the firing line with dignity, humility, a sense of humor, and the ability to admit to some shortcomings in our system. He has met and is willing to meet with all segments of our population and has listened to and absorbed the criticism and suggestions from a variety of constituents.

"Along with a strong and capable management team, Mr. Tiberio is leading us into the next century with a concern for the needs of the islands, our tourists, as well as an understanding of the effects upon our host towns. At the same time, enabling the Steamship Authority to be an economically sound lifeline to both islands.

"Armand, we are most appreciative of your devotion and dedication to the Steamship Authority. With you at the helm, our future will be bright with smooth sailing, calm seas, and hopefully happy customers."

Hyannis Terminal Reconstruction Project:

Mr. Tiberio reported that the Hyannis Terminal Reconstruction Project was still proceeding pretty much on schedule, and that the new slip and transfer bridge should be operational by Daffodil Weekend, although the Authority would have to board passengers through the vessels' freight decks until the pier is completed later in the year. Mr. Tiberio also stated that the remaining timber piles had been driven without any further soil movement, and that the damaged concrete plaza had been removed. The replacement plaza was being somewhat redesigned so that the Authority's shuttle buses will be able to drop off and pick up passengers from School Street at that location when the terminal is busy.

Automated Reservation and Ticketing System:

Mr. Tiberio reported that the level of telephone activity for vehicle reservations had settled off considerably to a manageable level, and that the Authority was beginning to transition out of the system the additional forty people who had been brought in to assist the Reservations Bureau during the first week the Authority began accepting reservations by telephone. Mr. Tiberio also stated that reservations to and from Nantucket during summer weekends were essentially sold out, but that some space was still available on the Vineyard run for almost all of those weekends, and on both runs during the mid-week periods. Finally, Mr. Tiberio advised the Members that management was reviewing its recent experience in order to develop a plan to prevent the problems that had been encountered from occurring again in 1998. Mr. Tiberio said that he hoped such a plan would be finalized within the next ninety days so that it could be communicated to the Authority's customers during the 1997 summer season.

Mr. Rappaport then made the following statement:

"For about five days, beginning on February 24, 1997, Steamship Authority customers suffered through an extremely frustrating period for them when they had to endure either extensive busy signals or long waits on the telephone in an attempt to reach the Authority's Reservation Bureau. The telephone frenzy was obviously unanticipated by the Steamship Authority; but immediate steps were taken by Armand to ease the telephone gridlock, including going to 24-hour service, opening up fax lines, and moving up the date for mail-ins.

"It is important for those present and the public to recognize that the system was modified in 1997 in three significant respects. For Martha's Vineyard service only, reservation-only was expanded to include virtually all weekends Friday through Monday on the summer schedule ending slightly after Labor Day weekend and the July Fourth week. Nantucket service has never had guaranteed stand-by. For the first time, automobile tickets were made non-transferable, and a new computer system was installed with a waiting list capacity for the first time.

"These steps were taken to address tangible problems and sources of frustration -- not just for our customers, but for our port communities, including intolerable traffic jams around the terminals. We all know about the incidents that reached dangerous proportions in Woods

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Hole and Vineyard Haven in 1995 and 1996. But these were only symptomatic of other occasions when the traffic around the terminals rose to unacceptable levels. The reservations-only policy should address this problem.

"Steamship Authority customers waited upwards of fourteen hours in stand-by lines. The reservations-only policy is designed to eliminate this wait.

"Block ticketing purchasing by real estate interests prevented customers from obtaining prime reservation slots. This has been addressed by the non-transferability of tickets.

"Certain entities have been charging a fee for obtaining Steamship Authority tickets. The right to travel on a public transportation system should not be purchased at a premium. The waiting list feature is designed to address that problem.

"The actions that were taken in instituting this program should serve and will serve the greater public interest and provide a tangible benefit to the traveling public and to our port communities. While the initial implementation of the telephone portion of the program was flawed in certain respects, most persons who have contacted me have indicated that ultimately they were able to obtain reservations either at or near the times they sought, and for many, this was the first time that they were able to do so.

"I am gratified that several entities have contacted me and Armand and have offered their assistance to improve the telephone portion of the program for 1998. I thank them for those offers of assistance, and I want to join in what Mrs. Grossman said in thanking Armand for having the courage to undertake these types of needed improvements. And I want to thank Gina and the rest of the staff for implementing this program during a very trying time. While the Steamship Authority has, and will continue to provide safe, dependable and reliable transportation, it has never claimed to be a leader in the field of computer software, but it is getting there.

"I wish to re-emphasize to our port communities that we need your guidance on issues relating to traffic management and growth. The events symbolized by the unacceptable backup of traffic during those July Fourth periods, by the telephone gridlock this year, and by the significant increase in automobile and freight traffic

for the first two months in 1997, simply underscore the tremendous growth which is occurring on our islands. The Steamship Authority is at a critical moment. Both later in the agenda and elsewhere, we will be dealing with issues involving the need for additional freight service, the question of whether the Steamship Authority should be providing passenger-only service, and other major issues in terms of licensing of carriers. We need community guidance in our efforts to address these questions. I look forward to the results of the ballot questions on Nantucket and on the Vineyard so that we can work together to create a transportation system which can accommodate our needs as we move forward."

Traffic Research and Evaluation:

Mr. Tiberio then reported that, following the completion of the traffic forecasting model and fare elasticity study in 1996, it had become apparent that additional information and data collection were needed on certain traffic issues, such as seasonality, market segments, and possible economic impacts of fare increases on permanent residents and lower income groups, in order to develop a rational fare policy. In addition, Mr. Tiberio said, research was needed to assist the Authority in quantifying the growing demands for freight on the islands, and to identify options for managing how the Authority provides that service. Accordingly, Mr. Tiberio stated that management was seeking authorization to proceed with a supplemental contract with KJS Associates, Inc. for the purpose of conducting further research with respect to these issues.

Agreeing with Mr. Tiberio, the Members suggested that KJS should be directed first to focus on issues involving freight and goods movement because of concerns over the Authority's current inability to handle all of the islands' freight needs. Mr. Rappaport also noted that Mr. Tiberio had sent copies of KJS's proposal to the port communities' local planning agencies for their review, and asked that the portion of KJS's contract pertaining to the remainder of the research be prepared after those agencies advised the Authority whether there was any additional information they felt should be gathered during the process.

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. Kelleher -- to authorize management to proceed with a supplemental contract with KJS Associates, Inc. for the purpose of conducting the research as presented in the proposal attached to Staff Summary #GM-357, dated March 14, 1997, provided that the total amount to be expended on this project not exceed \$94,200.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
 Mr. Kelleher

VOTING NAY: None

Treasurer's Report:

Mr. Lamson reported that the Authority's net operating loss for the month of February 1997 was expected to be a little better than what was projected in the 1997 Operating Budget and that, as a result, the Authority's net operating loss for the first two months of 1997 was expected to be very close to management's original budget projections.

Barge Tariffs:

Mr. Tiberio then asked the Members to approve management's recommendation to lower fees charged by the Authority to unload barges at the Nantucket terminal. At that time, Mr. Tiberio noted, the Authority's freight deck capacity was inadequate to meet the level of demand for freight on the Nantucket route. Mr. Tiberio stated that by lowering its unloading fees and increasing the period when those lower rates are in effect, the Authority would provide a financial incentive to shippers of bulk material to transport their material by barge instead of on the Authority's vessels, which would then free up additional deck space for other types of freight. Indeed, Mr. Tiberio stated that he did not think a reduction in the unloading fees would necessarily result in lower overall revenues, since there would be an increase in barge activity at the terminal and the deck space that would open up on the vessels would give the Authority the opportunity to carry other products that cannot be barged in bulk.

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Currently, Mr. Tiberio said, the Authority's unloading fees were \$10 per ton from May 15th through October 14th, and \$5 per ton during the remainder of the year. Mr. Tiberio stated that management's recommendation was to lower those fees to \$6.50 per ton from June 16th through September 30th, and to \$1 per ton the rest of the year.

However, Mr. Tiberio cautioned that the Authority would have to review the Nantucket terminal's operations from both a safety and logistical standpoint if that terminal were going to remain as the only facility on Nantucket that can accommodate barge operations, since it had not been designed or built to handle the kind of barge activity in which the Authority was already engaged. In the long term, Mr. Tiberio suggested, the Authority might want to consider making some modifications to the south slip to allow a "roll on/roll off" barge operation, but for the next year or so barges would continue to be unloaded from the face of the pier.

Mr. Rappaport also observed that this issue raised some fundamental strategic questions regarding how the Authority should commit its money and bonding capacity for the future. Noting that the Members had just decided to proceed with the design of a new passenger vessel, Mr. Rappaport wondered whether the Authority should instead focus on the clear need for additional freight service and defer the acquisition of that new vessel. In response, Mr. Tiberio said that he saw no need to reconsider the Members' decision regarding the new passenger vessel at that time, because the Authority would be spending only a minimal amount of money on design work for the vessel over the next few months and the final decision to authorize the vessel's construction would not be made until around the end of 1997.

Nevertheless, Mr. Tiberio agreed that management should immediately begin to address the Authority's overall strategy for transporting passengers, automobiles and freight, including such issues as whether the Authority should absorb all of the freight demand within its own operations or look towards other means of providing that service, and whether the Authority should begin operating passenger-only service. Mr. Tiberio also stated that he thought management should be able to develop such a strategy within the next three months, at least with respect to the most pressing freight issues, with whatever direction the Authority may receive from the islands by that time.

In response to questions from the Members, Mr. Tiberio confirmed that there were no limitations in the Authority's tariff regarding what types of materials could be carried by barge, although Mr. Sayers stated that Paul Harrington, the

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Authority's Nantucket Terminal Manager, could refuse to allow any material to be unloaded at the terminal under the terms of the unloading agreement that each barge operator is required to enter into with the Authority.

However, noting that such agreements did not address what limitations should be placed on materials carried by barge to private facilities on Martha's Vineyard, the Members asked management to consider establishing a policy on that issue under the Authority's enabling act after consulting with the local harbor masters. In this regard, Mr. Murphy suggested that such a policy should continue the rule, which he thought already existed, that allowed barge operators to carry only such freight between the mainland and the islands that was impractical for the Authority to carry itself, unless the Authority otherwise gave its permission.

Finally, Mr. Kelleher requested that management review the policy of basing the unloading fees on the tonnage of the material being transported, which results in having a barge load of gravel being charged far more than a barge load of modular homes and, with that understanding, he moved to approve management's recommendation.

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. O'Brien -- to change the Authority's barge unloading fees as recommended by management in Staff Summary #GM-358, dated March 20, 1997, and to direct management to review the new fees prior to establishing the 1998 budget to determine the effect of lowering the rates on revenue and the success of transferring bulk freight from the ferries to barge operations.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
 Mr. Kelleher

VOTING NAY: None

Old and New Business:

IT WAS VOTED -- on Mr. Kelleher's motion, seconded by Mr. Rappaport -- to go into executive session to discuss the Authority's strategy with respect to collective bargaining and litigation matters, the purchase and value of real estate, and personnel matters.

VOTING AYE: Mrs. Grossman, Mr. Rappaport and
Mr. Kelleher

VOTING NAY: None

Before the Members voted to go into executive session at approximately 10:37 a.m., Mrs. Grossman stated that the Members would not reconvene in public after the conclusion of the executive session.

A TRUE RECORD



PAUL R. KELLEHER, Secretary