

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

The Meeting in Public Session

July 17, 1997

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 17th day of July, 1997, beginning at 9:30 a.m., in the Large Group Instruction Room of the Nantucket High School, 10 Surfside Road, Nantucket, Massachusetts.

Present were three of the Authority's Members: Chairman Grace S. Grossman of Nantucket; Secretary Paul R. Kelleher of Falmouth; and Associate Secretary Robert L. O'Brien of Barnstable.

Also present was Finance Advisory Board Member Norman F. Beach of Nantucket.

The following members of the Authority's management staff were also present: General Manager Armand L. Tiberio; and Nantucket Terminal Manager Paul Harrington.

Present in the audience were fifty to sixty people, including Chairman Arthur Desrocher of the Nantucket Board of Selectmen, former State Senator William Q. MacLean, Jr., John Moore, Linda Holland, Barry Byrne, Nat Lowell, Jay Riggs, Richard Gamble, Augie Ramos, Rooky Ramos, Dorothy Vollans, Barbara Bennett, Robert Bennett, Dennis Gazaille, Curtis Barnes, Joan Barnes, Bobby Lamb, Dorothy Bartlett, Rick Hilger, Joe Gondek, and Bergan Van Doren. Members of the press included Julie Wells of the *Vineyard Gazette*, Michael Manville of the *Nantucket Beacon*, and Julia Fairclough of the *Nantucket Inquirer & Mirror*.

Mrs. Grossman announced that Vice Chairman Ronald H. Rappaport of Dukes County, Finance Advisory Board Members Robert C. Murphy of Dukes County and S. Eric Asendorf of Nantucket, and other members of the

Authority's management staff were unable to be in attendance because the Nantucket Airport was closed due to fog.

Minutes:

IT WAS VOTED -- to approve the minutes of the Members' meeting in public session on June 19, 1997.

VOTING AYE: Mrs. Grossman and Mr. Kelleher
VOTING NAY: None

Freight Study:

Mrs. Grossman opened discussion regarding the freight study performed by KJS Associates, Inc. The ensuing discussion by island residents and truck operators centered on appropriate freight service levels.

At approximately 10:45 a.m., Messrs. Rappaport and Murphy arrived at the meeting.

Hyannis Terminal Reconstruction Project:

Mr. Tiberio referred the Members to Staff Summary #SP-075, dated July 9, 1997, for a status report on the Hyannis Terminal Reconstruction Project.

1998 Budget Policy Statement:

IT WAS VOTED -- to approve the 1998 Budget Policy Statement as recommended by management in Staff Summary #A-356, dated July 9, 1997.

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

VOTING NAY: None

Deferred Compensation Plan:

IT WAS VOTED -- to appoint General Counsel Steven Sayers, Personnel Manager Phillip Parent and Treasurer/Comptroller Wayne Lamson as the committee responsible for administering the Authority's Deferred Compensation Plan, the restatement of which is to be reviewed and approved by the Members prior to implementation, as recommended by management in Staff Summary #A-357, dated July 10, 1997.

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

VOTING NAY: None

Town of Tisbury's Request Regarding
The Dredging of Vineyard Haven Harbor:

The Members deferred any action on the Town of Tisbury's request regarding the dredging of Vineyard Haven Harbor, as described in Staff Summary #GM-364, dated July 10, 1997, pending further clarification of the Town of Tisbury's application status.

Consultant Contract:

IT WAS VOTED -- to authorize the General Manager to execute a Letter Agreement with John E. Murphy, Jr. regarding consulting services to be performed by Mr. Murphy for the Authority for a period of five years commencing January 1, 1997, in the form attached to Mr. Tiberio's memorandum to the Members dated July 7, 1997.

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

VOTING NAY: None

Allocation of 1996 Operating Revenues and Cost of Service:

The Members discussed the allocation of 1996 operating revenues and cost of service by routes to and from Martha's Vineyard and Nantucket, as described in Mr. Lamson's memorandum to the Members dated March 10, 1997.

Acquisition of Two Shuttle Buses:

IT WAS VOTED -- to award Contract No. 7-97 for Two New Medium Duty Handicapped Equipped Buses to the lowest responsible and eligible bidder for the contract, The Bus Stop of Plainville, Connecticut, for a Total Contract Price of \$169,860.00.

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

VOTING NAY: None

Glidden's Island Seafoods Agreement:

IT WAS VOTED -- as recommended by management in Staff Summary #L-276, dated June 12, 1997 -- to authorize the General Manager to enter into a renewal of the Authority's Agreement with Glidden's Island Seafoods ("Glidden's") so that Glidden's can continue to draw seawater from Nantucket Harbor through a subsurface pipe under the Nantucket terminal through December 31, 1999, provided that Glidden's pays the Authority a one-time fee in the amount of \$500 (which will include the two \$100 payments due for 1996 and 1997).

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

VOTING NAY: None

Old and New Business:

IT WAS VOTED -- 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

July 17, 1997 Meeting
Minutes of the Public Session

Before the Members voted to go into executive session at approximately 11:15 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

August 20, 1997

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 20th day of August, 1997, beginning at 9:30 a.m., in the second floor conference room of the Authority's Hyannis terminal, located at 141 School Street, Hyannis, 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; 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 July 17, 1997.

**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 nearing final completion, and that the new slip should be fully operational by the end of the month. Nevertheless, Mr. Tiberio said, the Authority would not be able to load or unload passengers from the new pier until the plaza was reconstructed, which was scheduled to be completed by the end of September.

Hyannis Channel Improvements:

Mr. Tiberio then requested authorization to execute a Project Cooperation Agreement with the U.S. Army Corps of Engineers for the construction of improvements to the Hyannis Harbor entrance channel, and introduced Mark Habel, the Project Manager for the Corps, who was in attendance at the meeting that day.

Mr. Habel advised the Members that, assuming the Members authorized Mr. Tiberio to execute the agreement, the project would be constructed in two phases. The first phase, which would be undertaken that winter, consisted of constructing a new entrance channel from Nantucket Sound to the first turn in the outer harbor in order to provide the Authority with a straight, wide and deep approach for its vessels. The remainder of the project would be completed the following winter, and would include the widening and deepening of the channel around the jetty through Lewis Bay and into the inner harbor. Mr. Habel stated that the project thus would benefit the Authority by shortening the length of its trips to and from Nantucket, increasing safety, and reducing the Authority's long term hull maintenance costs. Mr. Habel also assured the Members that the Authority could opt out of the agreement at any time, which the Authority might want to do, for example, if the project were to run into significant cost increases.

In response to a question from Mr. Rappaport, Mr. Lamson stated that the Authority would consider the dredging project a capital project and, as a result, would amortize its cost over the project's useful life rather than expensing it all in the year in which the funds were expended. Mr. Lamson also confirmed that the project's cost would be charged entirely to the Hyannis-Nantucket route.

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. O'Brien -- to authorize the General Manager to execute the Project Cooperation Agreement with the U.S. Army Corps of Engineers, in the form attached to Staff Summary #SP-076, dated August 14, 1997, for the construction of improvements to the Hyannis harbor entrance channel, and to take all necessary and appropriate actions to fulfill the Authority's obligations under that agreement.

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

VOTING NAY: None

Proposed 1998 Service Operating Schedules:

Mr. Tiberio then reviewed the management staff's proposed 1998 service operating schedules, as set forth in Staff Summary #CS-9701, dated August 14, 1997, which were on the agenda for discussion purposes only. The Members made several comments and suggestions regarding the schedules, which they asked Mr. Tiberio to review before they are submitted for approval at the Members' September 24, 1997 meeting. The Members' comments and suggestions included the following:

- (1) Mr. Asendorf suggested that some of the public's confusion with the reservations-only program might be eliminated if the Authority were to maintain the system throughout the summer instead of switching back and forth from reservations-only to guaranteed standby and then back to reservations-only again.
- (2) Mr. Murphy noted that, during the summer, different vessels continued to be scheduled to arrive and leave the same port at the same time, particularly at Oak Bluffs, which results in the arriving boat having to wait while the other boat leaves the slip.
- (3) Mr. Kelleher asked Mr. Tiberio to review the 4:00 afternoon trip from Oak Bluffs to Woods Hole during the summer to see whether it could be moved up or delayed by fifteen minutes (and the appropriate bus

schedules changed accordingly) in order to alleviate a major traffic congestion problem that existed in Falmouth around that time of day.

- (4) Mrs. Grossman noted that, during the summer, no freight boats were scheduled to arrive at Nantucket from Friday morning through Monday evening, which she did not feel was acceptable. Nor did she believe that it was appropriate to schedule freight boats to arrive at Nantucket at 2:00 in the morning.
- (5) Mrs. Grossman also noted that Nantucket would like to have a daily freight trip scheduled from May through October to arrive early in the morning in order to allow the freight trucks time to unload and get out of the downtown area before business hours. Observing that such a trip was going to be mandated anyway in Nantucket's comprehensive plan, Mrs. Grossman suggested that it would be better for the Authority to adjust its schedule before the plan was issued.
- (6) Mr. Asendorf stated that he was not opposed to the request from the Tisbury Board of Selectmen to change the 5:00 PM boat from Martha's Vineyard during the summer so that it would leave from Oak Bluffs instead of Vineyard Haven, provided that the 4:00 PM boat from Martha's Vineyard was changed to leave from Vineyard Haven instead of Oak Bluffs. Otherwise, Mr. Asendorf noted, Vineyard Haven would have no service from 2:30 in the afternoon to 7:00 at night.

Strategic Business Plan:

Mr. Tiberio requested that the Members endorse the Strategic Business Plan for the Authority that the management staff had developed over the prior four months, as set forth in Staff Summary #GM-365, dated August 14, 1997, and he reviewed the plan's provisions for the Members and the audience.

The Members commended Mr. Tiberio and the management staff for what they considered to be an excellent document, although they noted that it was inevitable that each of them would have individual comments and suggestions regarding certain of the plan's specific recommendations. For example, Mr. Kelleher, noting that the Woods Hole terminal was expected to reach its capacity for freight traffic within the next few years, asked that the plan also

specifically address the issue of whether an alternative mainland port should be developed to handle the anticipated freight traffic increase.

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. Rappaport -- to support the overall direction embodied in the management staff's proposed Strategic Business Plan, as set forth in Staff Summary #GM-365, dated August 14, 1997, with the understanding that certain items need further discussion.

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

VOTING NAY: None

With respect to the other recommendations contained in Staff Summary #GM-365, dated August 14, 1997, Mr. Rappaport agreed that addressing the need for additional freight capacity should be the Authority's first priority. He also agreed that the Authority should seriously investigate the possibility of operating passenger-only high speed vessels to the islands, but he did not feel that he was in a position at that time to endorse such service for Martha's Vineyard without first receiving input from his community on the subject. Therefore, the Members decided to approve only Phase 1 of the high speed pilot project, which would be for Nantucket only. Mr. Rappaport stated that he could support that action because the Authority would be leasing the high speed vessel during the pilot project and, therefore, the venture would not be so costly as to preclude other potential projects that the Authority might need to undertake.

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. O'Brien -- to authorize management to:

- (1) To proceed with final plans, specifications and engineering for the conversion of the freight vessels, the *Katama* and the *Gay Head*, as provided in the working documents attached to Staff Summary #GM-365, dated August 14, 1997; and**

- (2) **To finalize the requisite actions necessary for the conversion of the freight vessels, including the possible lease and/or purchase of a vessel to be utilized during those conversions.**

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

VOTING NAY: None

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. O'Brien -- to authorize management to finalize the requisite actions, including the possible lease of a high speed passenger only vessel and terminal facilities, to implement Phase 1 of the passenger-only pilot project as described in the working documents attached to Staff Summary #GM-365.

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

VOTING NAY: None

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. O'Brien -- to defer the issue of the construction of a replacement vessel for the *Islander*.

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

VOTING NAY: None

**Town of Tisbury's Request Regarding
The Dredging of Vineyard Haven Harbor:**

Mr. Tiberio recommended to the Members that the Authority participate in the Vineyard Haven Harbor Dredging Project, as requested by the Town of Tisbury, in an effort to reduce small boat activity in the main channel and

improve vessel safety in the harbor. Mr. Rappaport then stated that he also supported the request, believing that the project would benefit the Authority by enabling small boats to use the inner channel where they would not interfere with the Authority's vessels.

While Mr. Kelleher stated that he supported the project, he asked that the Authority's share not be released until after the remainder of the financing was obtained and the project was actually going forward. In response, Peter L. Fohlin, Executive Secretary for the Town of Tisbury, assured Mr. Kelleher that the Town would not request payment of the Authority's share until that time.

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. O'Brien -- to authorize the expenditure of up to \$28,550 as the Authority's share in support of the Vineyard Haven Harbor Dredging Project.

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

VOTING NAY: None

License Request from
Island Commuter Corp.:

Advising the Members that he was a member of the Woods Hole Golf Club, Mr. Kelleher declined to participate in the matter regarding Island Commuter Corp.'s license request, and he abstained from voting on the proposed agreement.

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. O'Brien -- to authorize the General Manager to execute the renewal of a License and Dockage Agreement with Island Commuter Corp., contingent upon there being space available for berthing at the Nantucket terminal, and to take all necessary and appropriate actions to fulfill the Authority's obligations under that agreement.

VOTING AYE: Mrs. Grossman and Mr. Rappaport
VOTING NAY: None

Deferred Compensation Plan:

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. Rappaport -- as follows:

- (1) To approve the restated Deferred Compensation Plan Document, Trust Agreement and Plan Administrator/Coordinator Agreement as proposed in Staff Summary #A-358, dated August 14, 1997;**
- (2) To appoint the Treasurer/Comptroller as Administrator of the Authority's Deferred Compensation Plan; and**
- (3) To authorize the Chairman, Secretary and Treasurer/Comptroller to execute all necessary and appropriate documents and agreements in connection therewith.**

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

VOTING NAY: None

Authorization to Establish Bank Accounts:

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. Rappaport -- to authorize the Treasurer/Comptroller to establish up to four new bank accounts at Cape Cod Bank and Trust Company in order to replace and/or supplement accounts currently maintained with BankBoston.

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

VOTING NAY: None

Treasurer's Report:

Mr. Lamson reported that the Authority's net operating income for the month of July was expected to be very close to the original budget projections, although the Authority's operating loss for the first seven months was still expected to be around \$770,000 higher than the amount projected in the 1997 operating budget. In this regard, Mr. Lamson stated that year-to-date revenues were approximately 1.2% lower than what had been projected, while operating expenses were up by about 2%. Nevertheless, Mr. Lamson said, he was still projecting a budget surplus at the end of the year of approximately \$1,400,000, assuming that the Authority met its budget projections for the remainder of the year.

Procurement:

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. Rappaport -- to authorize the General Manager to execute an extra work order with KJS Associates, Inc., in the amount of \$21,224, for extra work related to the freight study, as described in Staff Summary #SP-078, dated August 14, 1997.

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

VOTING NAY: None

Old and New Business:

With respect to the proposed 1998 service operating schedules, Joseph Mahoney, President of the Tisbury Business Association, asked the Members to consider closing the Oak Bluffs terminal at the end of September instead of October 13, 1998. Mr. Mahoney stated that many shops in Oak Bluffs would be closed by that time, while the shops in Vineyard Haven that are open year-round needed the business brought in by the boats.

Vineyard Haven resident Therese Fuller relayed a request from football fans on Martha's Vineyard for the Authority to consider regularly scheduling a boat to accommodate the Nantucket/Martha's Vineyard football game that is played each year on the Saturday before Thanksgiving. In response, Mr. Rappaport noted that the Authority had provided a vessel for the football game every year since he had become a Member, and he declared it was his hope that a vessel would continue to be available in the future as it had in the past.

Ms. Fuller also asked Mr. Kelleher whether, based upon comments he made during the Members' discussion of the Authority's proposed Strategic Business Plan, he believed that freight traffic for Martha's Vineyard would one day originate from a mainland port other than Woods Hole. In response, Mr. Kelleher noted that the freight survey that had just been completed by KJS Associates, Inc. indicated that the Woods Hole terminal was approximately three years away from reaching capacity, and he wanted to make certain that the issue of the Woods Hole terminal not being able to absorb any more than a small amount of additional freight traffic would be addressed in the Authority's Strategic Business Plan. Mr. Kelleher stated that it was possible that additional freight operations would have to go somewhere else if Woods Hole could not handle the additional traffic, although he said that the issue had not yet been specifically addressed, which was why he wanted to ensure that it was part of the scope of the plan.

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

Before the Members voted to go into executive session at approximately 11:47 a.m., Mrs. Grossman stated that the Members would reconvene in public after the conclusion of the executive session at the Tara Hyannis Hotel, where they would discuss informally such subjects as the Authority's 1998 budget

and the proposed Strategic Business Plan. However, Mrs. Grossman said, no action would be taken that day on any matter that the Members might discuss during the afternoon.

At approximately 1:30 p.m. that same day, the Members reconvened their meeting in public session in Room 104 of the Tara Hyannis Hotel & Resort, West End Circle, Hyannis, Massachusetts.

Present were all four of the Authority's Members. Also present were Finance Advisory Board Members Robert C. Murphy and S. Eric Asendorf, and General Manager Armand Tiberio.

The Members took no action on any matter during this second public session of their meeting. Instead, they discussed informally such subjects as the Authority's 1998 budget and management's proposed strategic business plan.

Messrs. Rappaport, Murphy and Asendorf left the meeting at approximately 4:00 p.m. Mrs. Grossman and Messrs. Kelleher, O'Brien and Tiberio remained until approximately 7:30 p.m., at which time the meeting was suspended without a formal vote.

A TRUE RECORD


PAUL R. KELLEHER, Secretary

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

The Meeting in Public Session

September 24, 1997

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 24th day of September, 1997, beginning at 9:30 a.m., in the Katharine Cornell Theatre, 51 Spring Street, Vineyard Haven, 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. Kelleher -- to approve the minutes of the Members' meeting in public session on August 20, 1997.

**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 very near completion, and that the Authority had started operating out of the new slip earlier that month. Mr. Tiberio also reported that the Authority would be able to load and unload passengers from the new pier within the next few weeks.

1998 Reservation Program:

Mr. Tiberio began the discussion regarding the management staff's proposed 1998 reservation program by reviewing what had been accomplished by the implementation of the reservations-only system during the weekends of the 1997 summer season. As a general proposition, Mr. Tiberio stated, the program had been successful in reducing traffic congestion at the Authority's mainland and island terminals, neither of which had encountered any major traffic problems the past summer. The program also had reduced the long waiting times that customers previously had to endure when traveling on a standby basis. Nevertheless, Mr. Tiberio acknowledged that the Authority had encountered some difficulties in implementing the program, most notably the problems with its telephone capabilities. Mr. Tiberio said that the Authority had to continue to work to finetune the program in order to resolve the new issues that had arisen.

Mr. Tiberio then reviewed the management staff's recommended changes to the Authority's reservation program for 1998, as set forth in Staff Summary #GM-367, dated September 18, 1997 and Staff Summary #GM-368, dated September 22, 1997.

After Mr. Tiberio's presentation, Mr. Kelleher asked the staff to consider allowing customers to make reservations by fax prior to the time that telephone reservations open to the general public on March 1, 1998. Mr. Kelleher also suggested that unsold early morning resident "preferred space" reservations be released for sale to the general public a few days prior to sailing rather than the day of sailing so that they could be better utilized. In addition, Mr. Kelleher questioned whether the Authority needed to have a more restrictive definition of "resident" for the purpose of defining who was eligible for make transferable

reservations, and said that he felt it would be more appropriate for the Authority to charge a transfer fee of \$20.

Mrs. Grossman then invited members of the audience to speak on the subject. While a number of individuals asked the Members to increase the number of Headstart reservations which could be transferred and also to allow them to be transferred later than April 15, 1998, Randi Vega of the Martha's Vineyard Chamber of Commerce acknowledged that Mr. Tiberio had explored the issue of transferability with the Chamber in great depth and had arrived at this proposal as a compromise that would still address the problem that previously existed with the block buying of tickets. Accordingly, Ms. Vega stated that she supported management's proposed changes to the program. Other comments from the public included the following:

- (1) There was a general recognition that the traffic situation in downtown Vineyard Haven, and at Five Corners in particular, had greatly improved the past summer. Indeed, it appeared that many people in the audience generally approved of the expanded reservations policy, and did not want the Authority to increase its capacity by adding more service or more vessels. The problem was stated to be the island's failure to establish an effective public transportation system rather than the Authority's failure to allow as many people as possible to bring their cars to the island whenever they wanted.
- (2) A concern was expressed that the Authority was not enforcing its policy due to its employees' failure to check that the license plates of vehicles arriving at the terminals were the same as those stated on the reservations.
- (3) Several people asked the Authority to consider reinstituting at least a limited form of standby to make certain that all of the boats are filled with vehicles. They stated that a particular source of aggravation was when they were informed by the Authority's reservations office that no reservations were available on certain trips or on certain days and then, upon arriving at the terminal, they saw boats running that were not filled with cars.
- (4) There was a general recognition that the Authority had to greatly improve its telephone system. Several people also felt that the

Authority should begin accepting telephone reservations prior to March 1, 1998.

- (5) While some felt that the Authority was penalizing the hotel and motel industry by allowing only residents to transfer some of their reservations, others agreed that the Authority had to provide for the special needs of the people who live on the island.

After members of the audience were finished with their comments, Mr. Rappaport declared that he felt the reservations-only program had worked the past summer to address what had been the port communities' serious problem with traffic congestion. In this regard, Mr. Rappaport noted that 1997 was the first time in three years that the Authority did not experience a traffic crisis around any of its terminals, and he commended Mr. Tiberio for taking what he considered to be a brave and bold step in implementing the program. Mr. Rappaport also stated that he had heard from many people this year that for the first time ever they had been able to obtain reservations during the busy summer season. Therefore, Mr. Rappaport said, the Authority had provided better service to the traveling public as a result of the new program than what had existed in the past.

Mr. Rappaport further declared that he was skeptical about allowing any reservations to be transferred, and expressed his concern that management's proposal in this area could result in another form of block buying that the new program had so successfully eliminated. Nevertheless, Mr. Rappaport stated that he was willing to give the proposal a chance despite his skepticism, but that if residents began purchasing transferable reservations and transferring them to others in a manner that again impeded the traveling public right of access to the Authority's vessels, he would not vote for the program again.

In response to a question from Mr. O'Brien, Mr. Tiberio stated that management had proposed the April 15th deadline for transferring reservations because it was felt that the rental industry would have sufficient time before that date to come in contact with renters who would need them. On the other hand, Mr. Tiberio said, management did not feel that the deadline should be established any later because, if the reservations were not going to be used, they should come back into the system as soon as possible so that other people who were attempting to make their vacation plans could use them before they decided to travel somewhere else.

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. Kelleher -- to approve the vehicle reservation program for 1998, as recommended by management and set forth in Staff Summary #GM-367, dated September 18, 1997.

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

VOTING NAY: None

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. Kelleher -- to approve management's proposed method for a one time transferability of reservation tickets during the 1998 season on a provisional basis to determine what effect, if any, the policy has on the matter of blockbuying, as set forth in Staff Summary #GM-368, dated September 22, 1997.

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

VOTING NAY: None

Proposed 1998 Service Operating Schedules:

Mr. Tiberio then reviewed the management staff's proposed 1998 service operating schedules, as set forth in Staff Summary #CS-9701, dated August 14, 1997. Mr. Tiberio also stated that there had been several changes to the proposed schedules since the preparation of that staff summary, as follows:

- (1) The Authority would not be scheduling the three freight trips provided by the *Gay Head* on the Hyannis/Nantucket 1998 Schedule for March 3, 1998 through May 10, 1998 until agreement was reached with the Town of Barnstable regarding the Authority's ability to provide more than three freight trips per day from the Hyannis terminal;

- (2) The 6:00 a.m. and 8:30 a.m. freight trips on the Woods Hole/Martha's Vineyard 1998 Schedule for March 3, 1998 through June 15, 1998 would be operating only Mondays through Fridays instead of seven days a week;
- (3) The Authority would provide service for the Nantucket/Martha's Vineyard football game with the *Nantucket*, and would replace the *Nantucket* on the Woods Hole/Martha's Vineyard run that day with the *Sankaty* to augment the remaining service provided by the *Islander*;
- (4) Although the Hyannis/Nantucket 1998 Schedule for June 15, 1998 through September 10, 1998 did not reflect any freight trips on Saturdays or Sundays, the Authority would be preparing and implementing a freight schedule for those days as needed to meet the demand, without any impact to the freight service scheduled for Martha's Vineyard;
- (5) The 4:15 p.m. freight trip on Saturdays and Sundays during the Woods Hole/Martha's Vineyard 1998 Schedule for June 16, 1998 through September 10, 1998 would be rerouted to arrive in Oak Bluffs instead of Vineyard Haven; and
- (6) The management staff was still in the process of making arrangements to provide more service for Nantucket during the Daffodil and Christmas Stroll Weekends.

After Mr. Tiberio finished his statements, several members of the public questioned why the Authority was proposing to reroute to Vineyard Haven four weekend freight trips that had been operating out of Oak Bluffs during the 1997 summer season. In this regard, they noted that the rerouting of those freight trips would result in additional traffic congestion in Vineyard Haven, as well as having three vessels arrive there within one-half hour of each other four times a day, with the last freight boat attempting to get into a slip at the same time the *Islander* would be leaving it. In response, Mr. Tiberio stated that management would further review the proposed operating schedules to see whether some of those freight trips could be diverted back to Oak Bluffs.

IT WAS VOTED -- upon Mr. Rappaport's motion, seconded by Mr. Kelleher -- to approve management's proposed 1998 Service Operating Schedules, as set forth in Staff Summary #CS-9702, dated September 18, 1997, with the above changes noted by Mr. Tiberio and with the understanding that the management staff would attempt to reroute more freight boats from Vineyard Haven to Oak Bluffs.

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

VOTING NAY: None

Treasurer's Report:

IT WAS VOTED -- upon Mr. Kelleher's motion, seconded by Mr. Rappaport -- to approve the resolution attached to Staff Summary #A-340, dated September 18, 1997, authorizing the Treasurer to issue and sell up to \$10,000,000 Bond Anticipation Notes, on a competitive or a negotiated basis, as may be necessary from time to time to pay for the cost of constructing or acquiring vessels or other facilities required to provide adequate service.

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

VOTING NAY: None

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

Before the Members voted to go into executive session at approximately 11:20 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