

**STATE OF ALASKA DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES  
ALASKA MARINE HIGHWAY SYSTEM: ALASKA MARINE HIGHWAY OPERATIONS BOARD (AMHOB)**

**July 22<sup>st</sup>, 2022 1:30-3:30**

**PHONE LINE:** 1-855-925-2801 **Meeting Code:** 5612 *(If you call in during the meeting, you can stay on the line to listen to the meeting. To leave a voice message, press \*2 (star, then the number 2). You can also request to speak by pressing \*3 (star, then the number 3).*

**PUBLIC FACEBOOK LIVE STREAM:** <https://dot.alaska.gov/amhob/engage.shtml>

**Board Members:** Alan Austerman, Wanetta Ayers, Cynthia Berns, Norm Carson, Paul Johnsen, Shirley Marquardt, Captain Keith Hillard, and Deputy Commissioner Rob Carpenter

**Staff:** Katherine Keith, Tera Ollila, and Captain Falvey

Opening				
1:30	Item 1	Call to Order/Roll Call		
	Item 2	Minutes Approval (Item S4 attached)		
	Item 3	Report of Board Chair	Chair Shirley Marquardt	Information
	Item 4	Report of Members	All Board Members	Information
1:40	Item 5	General Public Comments		
New Business				
	Item 6	STIP Amendment #4 Comment Process	James Marks	Discussion
	Item 7	FTA Ferry Formula Funding Guidance	James Marks	Discussion
Old Business				
	Item 8	AMHOB CY22 HB63 Deadlines ( <i>Tabled on 7/1/22</i> )	Andy Mills	Action
	Item 9	Outline of the AMHS Long-term Plan	James Marks	Discussion
	Item 10	Modernization Plan/Short-term Plan	Katherine Keith	Discussion
Supplemental Information (Not on Agenda)				
	Item S1	AMHOB Meeting Minutes from 7/1/22	Katherine Keith	Information
Pending Completion				
	Prepared	Innovation Norway "Lessons Learned"		
	Pending	Best recommendation for retirement status of Aurora or LeConte when Hubbard comes into service.		
	Pending	Basic level of service with the fleet make-up in the modernization plan.		
	Pending	Fare options/rate structures tried in the past ten years and what kind of success they did or didn't have based on past performance and rider response.		
	Pending	Possible third new vessel in the fleet to serve the 5 small market ports in the Icy Straits region.		
	Pending	Outline of the AMHS Comprehensive Long-Term Plan		
	Pending	Updated Modernization Plan		
	Pending	\$100 change fee is a different question that is affecting riders in a different way, and we would like to understand why it was implemented and what has its impact on the system been		
	Pending	Update on the Kodiak dock design for the new Tustusmena (based on comments and concerns by Trident recently).		

# AMHOB Meeting Materials

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### AGENDA ITEM 1: CALL TO ORDER/ROLL CALL

[No Materials]

### AGENDA ITEM 2: MINUTES APPROVALS

[Minutes Attached as item “S4: Meeting Minutes”]

### AGENDA ITEM 3: REPORT OF BOARD CHAIR

[No Materials]

### AGENDA ITEM 4: REPORT OF BOARD MEMBERS

[No Materials]

### AGENDA ITEM 5: GENERAL PUBLIC COMMENTS

[No Materials]

[No Materials] **PHONE LINE:** 1-855-925-2801 **Meeting Code:** 5612 (*If you call in during the meeting, you can stay on the line to listen to the meeting. To leave a voice message, press \*2 (star, then the number 2). You can also request to speak by pressing \*3 (star, then the number 3).*)

**AGENDA ITEM 6: STIP AMENDMENT #4 COMMENT PROCESS**

[No Materials]

**AGENDA ITEM 7: FTA FERRY FORMULA FUNDING GUIDANCE**

[No Materials]

**AGENDA ITEM 8: AMHOB CY22 HB63 DEADLINES** (*TABLED ON 7/1/22*)**Meeting:** July 22<sup>nd</sup>, 2022**MEMORANDUM**

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**TO:** AMHOB Members  
**FROM:** Andy Mills, Special Assistant to the Commissioner Legislative Liaison, DOT&PF  
**SUBJECT:** AMHOB Deadlines and Deliverables

**Recommendation**

To ensure compliance with the legislative language and intent of HB 63 restructuring the Marine Transportation Advisory Board (MTAB) into the Alaska Marine Highway Operations Board (AMHOB), the department puts forth the following legislative deliverables with their associated deadlines. Additionally, given the significant onboarding of information necessary to fully craft the long/short plans and the longer terms of the board members, we recommend for CY 2022 to truncate the efforts.

**Background**

A briefing of enabling statutes (AS 19.65) was initially provided to the board on February 11, 2022. This briefing was to ground the new board in their renewed and reaffirmed duties but also to be sure they were afforded ample time to prepare for the short-term and long-term plan development requirements as detailed in the statutes. With so much information and unprecedented engagement by the board members, it is clear that interim goals should be considered and made clear - for the board, their assisting staff, and the public – so that clear expectations and real deadlines can be established. While not fully prepared to write a comprehensive long-term plan that meets the requirements of this new AMHOB, initial plans and provide, in part, direction to policymakers in the budgetary consideration are both anticipated and required by the new law.

**Discussion**

While the short-term and long-term plans (A 19.65.011) are deliverables that are clear in their statutory intent, their level of detail and iterative improvement are left to the will and capacity of the board. This resolution is produced for your consideration so that everyone involved, including the participating public, has the opportunity to set expectations that fulfill, to the extent practical, the intent of the new board.

**Fiscal Impact**

The potential resolution below for deliverables and deadlines established for CY 2022 is for the board's consideration and does not currently contemplate a fiscal impact.

**\*End\***

## RESOLUTION 2022-01

**Alaska Marine Highway Operations Board**

Recommends AMHOB deadlines and deliverables.

**WHEREAS**, the Alaska Marine Highway Operations Board (AMHOB) was tasked by House Bill 63, having been unanimously passed by the 32<sup>nd</sup> Alaska Legislature and signed into law by Alaska Governor Mike Dunleavy, to replace the Marine Transportation Advisory Board (MTAB) with a renewed purpose and to provide the Alaska Department of Transportation and Public Facilities (DOT&PF) with recommendations on the operations of the Alaska Marine Highway System; and

**WHEREAS**, AS 19.65.011 details a short-term plan and a comprehensive long-term plan that shall be prepared by AMHS in consultation with AMHOB as deliverables to the legislature, the Governor, and the public; and

**WHEREAS**, the significant work that is required to accomplish those deliverables for a system as complex as the AMHS requires significant onboarding, data mining, planning, and education will take members more meetings than are typically required of a state board and of volunteer members.

**BE IT RESOLVED** that the AMHOB, DOT&PF, and AMHS shall adopt the following deadlines for statutorily required deliverables under AS 19.65 as initial plans as a beginning framework to guide the budgetary discussion in the coming FY24 planning cycle and to be considered partial, iterative documents that provide a basic starting place to build from for future plans. These initial plans shall be delivered.

- No later than September 15, 2022 (annually) there shall be produced and provided as final an *initial short-term plan* that provides preliminary guidance to the budgeting process that occurs in the fall in preparation for the Governor's December 15 statutory deadline to roll out a proposed budget. AS 19.65.011 defines what shall be in the report and an emphasis in this preliminary plan should include:
  - Simplified 3-to-5-year AMHS capital expenditure recommendations as relates to new or modified vessels (no more than one page).
  - Simplified 3-to-5-year AMHS operating budget recommendations (no more than one page).
  - Simplified list of competency gaps of the board as required by the statute.
- No later than March 15, 2023, an *initial comprehensive long-term plan*, denoting its partial fulfillment of the full intent, shall be produced to better inform the 2023 short-term plan to be produced, in full, per original legislative intent, once the board was ready to provide recommendations that account for the entire scope of AMHS operations.

**CERTIFICATION**

YEA:

NAY:

ABSTAIN:

ABSENT:

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Board Admin Assistant

## AGENDA ITEM 9: OUTLINE OF THE AMHS LONG-TERM PLAN

**Meeting:** July 22<sup>nd</sup>, 2022

### MEMORANDUM

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**TO:** AMHOB Members  
**FROM:** James Marks, Planning Director  
**SUBJECT:** Outline of the AMHS Long-term Plan  
[No Materials]

**AGENDA ITEM 10: MODERNIZATION PLAN/SHORT-TERM PLAN****Meeting:** July 22<sup>nd</sup>, 2022**MEMORANDUM**

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**TO:** AMHOB Members  
**FROM:** Katherine Keith, Change Management Director  
**SUBJECT:** Transition from a Modernization Plan to a Short-Term Plan

**Recommendation**

There is no recommendation. DOT&PF/AMHS will continue working with AMHOB to collaborate on the draft Short-Term Plan.

**Background**

DOT&PF/AMHS has recharacterized the previously and publicly shared Modernization Plan (dated 3/21/22) as the statute-required Short-term Plan created based on currently available information. With significant concurrent planning underway, the Short-term Plan will be updated as results from planning efforts materialize. The Short-Term Plan forms the framework for present-day capital investments while long-term planning recommendations are pending. Financial forecasting is also pending BIL-IIJA evaluation and will be added when available.

DOT&PF has a draft long-term plan, "Alaska Moves 2050." While the AMHS Long-term Comprehensive Plan is under development, the statewide goals can inform the objectives of AMHS's Short-term Plan. The strategic themes are safety, state of good repair, economic vitality, resiliency, sustainability, and mobility. Each mode and area plan develops focus areas and targets that drive towards the state's overall target.

**Discussion**

This plan presents a framework to capture a baseline of capital and operation status, present near-term capital decisions, and identify how AMHS is working towards the overall performance goals. This plan presented to AMHOB is intended to facilitate collaboration with the AMHOB members. It is the goal of DOT&PF to present a final AMHS Short-term plan to AMHOB for approval prior to 10/1/2022.

**Fiscal Impact**

None at this time.

**\*End\***

## AGENDA ITEM S1: MEETING MINUTES FROM JULY 1<sup>ST</sup>, 2022

**Meeting:** July 22<sup>nd</sup>, 2022

### **MEMORANDUM**

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Pending