

**Alaska Marine Highway Operation Board (AMHOB)  
Meeting Minutes Summary March 5, 2024**

**Facebook livestream available:**

<https://www.facebook.com/share/v/4spNDhpQJpqFGnBf/?mibextid=w8EBqM>

**Meeting called to order by Chair Shirley Marquardt, 9:00 am**

**Roll call**

**Board members present:** Chair Shirley Marquardt, Vice Chair Captain Edward Page, Wanetta Ayers, Norm Carson, Paul Johnsen, Captain Keith Hillard, DOT&PF Deputy Commissioner Katherine Keith and Captain Robert Horchover (virtual)

**DOT&PF:** Craig Tornga, Chris Goins, Sam Dapcevich and Kim Griffith

Minutes approved for the December 1, 2023, meeting with no objections. Agenda for March 5, 2024, approved without objection.

**Summary:**

The AMHOB (Alaska Marine Highway Operations Board) meeting covered a range of topics from event approvals, board member roles, to transportation committee concerns and a vacant seat on the tribal suite due to Cynthia Burns's resignation. There were discussions about updates and future plans for the marine highway system, with emphasis on securing funding for the New Cascade Point Terminal by 2026.

**Item 6, Elections:** The AMHOB elected Shirley Marquardt to serve as the chairperson and Ed Page as vice chairperson to serve one-year terms.

**Item 7, Director Report:** The AMHOB was briefed by Craig Tornga on safety statistics, noting four injuries and no spills year to date. He also touched on crew recruitment, hiring a new recruiter, and seeing improved retention rates, but struggled with crew numbers in certain areas, particularly the wheelhouse and engineering. The team highlighted challenges in engineering and recruitment, proposing incentives for third mates to get their pilotage and seeking external funding for training programs. They emphasized the importance of organizing the fleet more efficiently and increasing uptime through improved management. Craig Tornga also discussed various projects related to marine operations, including hiring a project management team, reservations system upgrades, and upgrading the crew's quarters. Troy Sherril discussed the progress and updates on several projects, highlighting successful completions and ongoing projects. The meeting primarily focused on the status of the overhaul of the Matanuska. It was noted that the completion of a comprehensive survey, probably taking about a month, is necessary before deciding on the vessel's future role in service. There were also discussions about the need for cabin deck modifications and the financial implications of these changes. The issue of the lack of vessels for service was raised, with a concern that they might be retiring a decade from now. The need for the

replacement of the main line vessel was also discussed, with an estimated 7-10 years for planning and execution.

**Item 8, Letter to Leg.:** The AMHOB meeting approved a report to the Governor and legislature with some amendments.

**Item 9, CP Update:** The AMHOB was briefed by Christopher Goins (State DOT Southcoast Regional Director) provided a brief on the proposed Cascade Point terminal and the various options for the establishment of a berth for the new Alaska Class vessels. The options included a bow configuration, a side berth option, and a stern berth option. The briefing also touched on issues related to logistics, dredging, and infrastructure development. The costs associated with these options and the potential benefits were also discussed. Towards the end, the AMHOB meeting was briefed on the ongoing negotiations with the federal government regarding the Surface Transportation Movement Program. The AMHOB meeting concluded with a question-and-answer session. The discussion revolved around the feasibility and potential costs of various operational options for the Alaska Marine Highway System (AMHS). The team acknowledged the need to analyze the financial implications of the Cascade Point options and present them to the public for further understanding. There were also concerns about the stability of land and snow in the proposed locations, as well as the potential increased cost of winter maintenance. The team stressed the importance of aligning with the project's goals and rigorously analyzing the data.

**Item 10, LRP Update:** The AMHOB meeting also discussed the need for a long-term plan for the AMHS, including updates and adjustments as necessary. Public engagement and feedback were also key topics of discussion. Katie of the Elliott Bay Design Group also discussed the long-term planning for marine highway services in coastal Alaska, focusing on population and industry trends over a 20-year period. She emphasized that the Alaska Marine Highway System (AMHS) provides essential infrastructure for population growth and economic development, regardless of changes in service levels. Katie highlighted the anticipated population declines across Coastal Alaska, the aging of the population, and the impact of global warming on the seafood industry. However, she did not expect significant changes in the level of passenger or cargo demand on the marine highway system due to these changes. The discussion also revolved around the impact of service cost on demand and the potential for business growth in smaller communities. Proposed solutions included creating a dedicated route from Bellingham to Whittier, which could potentially attract more passengers and federal funding. A meeting was held to discuss the future development of the ferry service in Alaska. The participants discussed the challenges and opportunities that come with expanding the service, including the need to increase reliability and meet the demands of various communities. They also considered the impact of the Covid-19 pandemic on the service. The conversation also focused on the need to prioritize the needs of type C and D communities, which have lower levels of access to resources and alternative modes of transportation. The participants also reviewed preliminary service levels and discussed the need to balance the desire for increased service with feasibility and practicality. The AMHOB discussed the progress of various projects including the functional design of a new vessel, the NoLow (No – Low Emissions) ferry project, and the Mainline Vessel new builds. They also discussed the challenges of generating revenue and the potential of partnering with local businesses to sell items on board the vessels. The AMHOB also touched upon the need for a project management plan and the requirement of an FDA review for the project. The status of the operating and capital budgets for 2025 was also

discussed, with a request for a summary to be provided for the board.

The AMHOB meeting also touched upon the need for a project management plan and the requirement of an FDA review for the project. The status of the operating and capital budgets for 2025 was also discussed, with a request for a summary to be provided for the board. The AMHOB meeting discussion revolved around the scheduling, operation, and safety concerns of ferry services in Alaska. Participants highlighted the importance of maintaining consistent year-round service to small communities like Seldovia, which rely on the ferry for freight, vehicle, and passenger transportation. They also discussed the challenges of managing the ferry schedules, especially during peak seasons, and the need for effective communication with the communities. The topic of the risk assessment for Seldovia, which led to the decision to discontinue service, was also brought up. Towards the end, the issue of maintaining ferry service to Seldovia was raised, with concerns about the docking difficulties and tight turns of the vessels. The AMHOB discussed various issues related to the department's work. There was a focus on the need for expertise and the importance of supporting contracts now.

**Item 11, New Vessel Construction Update:** The AMHOB discussed various options for the establishment of a berth for a new class of vessels. The AMHOB meeting also touched on issues related to logistics, dredging, and infrastructure development. The costs associated with these options and the potential benefits were also discussed.

The AMHOB meeting discussed the progress of various projects including the functional design of a new vessel, the Novo ferry project, and the MRB new build. They also discussed the challenges of generating revenue and the potential of partnering with local businesses to sell items on board the vessels.

**Item 12: Public comment summary:** Participants highlighted the importance of maintaining consistent year-round service to small communities like Seldovia, which rely on the ferry for freight, vehicle, and passenger transportation. They also discussed the challenges of managing the ferry schedules, especially during peak seasons, and the need for effective communication with the communities. The topic of the risk assessment for Seldovia, which led to the decision to discontinue service, was also brought up. Towards the end, the issue of maintaining ferry service to Seldovia was raised, with concerns about the docking difficulties and tight turns of the vessels.

Participants expressed concerns about the feasibility of new Federal mandates for vessel propulsion and construction, especially in terms of their potential impact on the ferry system's long rural routes.

There were also discussions about the potential use of hybrid systems and the challenges posed by the Buy America requirements. A point of contention was the Cascade Point Project, with some participants expressing concerns about its operational feasibility and customer-centric approach. The need for more detailed information and analysis was highlighted.

Participants expressed concerns about challenges faced, such as funding issues, fuel costs, and covid-19's impact on ridership and revenues. The meeting also addressed public comments, with concerns raised about the diversion of public funds to private sectors and the lack of updates on the port's website.

**Item 13, Scheduling/agenda:** The AMHOB meeting also touched upon the need to change the way business is done in the region and address processing and manufacturing issues. Other topics included the importance of tourism, the need for reliable transportation, and the idea of providing incentives for employees to get pilotage. The AMHOB also discussed the idea of paying for in-state travel for employees and applicants. Lastly, the AMHOB scheduled the next meeting for the end of May and discussed the agenda for that meeting.

Meeting adjourned 3:05 pm.

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