



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Transportation and  
Public Facilities

OFFICE OF THE COMMISSIONER  
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*Via Email*

Dear Alaska Marine Highway Operations Board:

Over the past year, I've learned much about the Alaska Marine Highway System (AMHS) and its impact on Alaskans from all over our great state, spanning from Ketchikan to Dutch Harbor, from Kodiak to the Interior. With recent announcements by the Federal Transit Administration (FTA), and with the Governor's budget support, we have great opportunities to modernize our AMHS fleet and significantly improve service and reliability. We also have significant challenges with crewing and maintaining our aging fleet. I want to thank you personally for your service on this important Board as we take on both the opportunities and challenges. The Alaska Department of Transportation and Public Facilities (DOT&PF) and AMHS staff are up for these challenges!

At the board meeting on February 3, 2023, several questions were asked, and statements were made that require clarification. I want to reassure you that DOT&PF is committed to consultation with the board in short-term and comprehensive long-term planning. We are going through a transition phase and seeking new AMHS leadership, and we ask for patience as we work through our processes.

**Marine Director Position Advertisement**

The first clarification is regarding the recently posted Division Director position, formally known as the General Manager. This position is currently advertised as the Marine Director to better align with our State of Alaska position descriptions. The board will be provided an opportunity to confer on the hire, after DOT&PF's screening process, prior to appointment. My goal is to move quickly on this process to alleviate the additional workload on staff, and ensure we continue the positive momentum we have gained over the past month.

*"Keep Alaska Moving through service and infrastructure."*

### **Organizational Change**

I would also like to clarify how DOT&PF is working with AMHS during this transition period. DOT&PF has taken several proactive steps to ensure the continuity of operations while we seek out the new Division Director position. We have moved the Acting Division Director to directly report to the Commissioner (myself) to ensure overall operational challenges are addressed quickly and satisfactorily, and DOT&PF resources can be leveraged to achieve success. Several of the business management and engineering functions have been directed to the Deputy Commissioner to support the Acting Division Director. We have also assigned the Designated Person Ashore a direct line to the Commissioner's Office to meet the requirements of the International Safety Management Code. The remainder of the organizational structure remains in place with no substantive changes.

On the topic of organizational change, I encourage the board to provide recommendations to myself regarding the operation and management of the Alaska Marine Highway System, including advice and recommendations regarding business to enhance revenue and reduce costs, personnel management, commercial service options, ship maintenance, construction and repair, fleet strategy, reliability and regulatory compliance, and other service objectives. To date, I have received no recommendations, and as we work through the process of hiring a new division director, as well as the 2023 legislative session, written recommendations would be valuable. DOT&PF is in the final phases of conducting an operational audit, and we hope the results will assist you if providing recommendations is desirable.

I would also remind you that if the board determines that the Alaska Marine Highway System has deviated from a plan, policy, or procedure described in the short-term plan or comprehensive long-range plan prepared under AS 19.65.011, the board may prepare a report recommending corrective action. The board shall submit an electronic report prepared under this subsection to the legislature and the governor and shall make the report available to the public.

### **Short-Term Plan**

DOT&PF continues the important work on the short-term plan. I encourage the board to continue consultations with the Department to contribute to DOT&PF's work in finalizing the document to meet the annual requirements. I look forward to seeing the board's written comments on the plan and written recommendations prior to our submittal to the Legislature and the Governor anticipated in the next 30 days.

### **Long-Term Comprehensive Plan**

DOT&PF is also continuing work on the Long-Term Comprehensive Plan. We have several contractors supporting these efforts through data collection and planning services. Our goal is to consult with the board throughout the planning process and provide regular opportunities for meaningful input. This is an important plan, and we are establishing solid resources to support its development.

### **DOT&PF Long Range Transportation Plan**

While not included in the Board's legislative intent, I'd like to offer the board an opportunity to provide comments on the DOT&PF Long Range Transportation Plan. This plan is in its final stages, and if interested, we can provide the board with a copy of the plan and a two-week comment period. The plan is the highest-level planning effort at DOT&PF and covers every mode of travel.

### **Route Scheduling**

I understand there was a topic regarding route scheduling at the last board meeting. DOT&PF is currently working through a FHWA Title VI equity review regarding AMHS scheduling, and I would like for DOT&PF Civil Rights staff to inform the Board about the review at the next meeting. While our operational staff are aware of the review and corrective action requirements, the details are being worked out by our Civil Rights Division, and we are working on a Policy and Procedure update to address inconsistencies in our scheduling processes. I don't believe the discussion regarding service levels at the last meeting was comprehensive.

**By-Laws**

Staff has informed me of some procedural confusion during certain board actions. I strongly encourage the board to adopt simple by-laws if a majority of members deem it beneficial DOT&PF is happy to assist in the collating and adoption of such by-laws if the board desires. Transparency and clarity are keys to our successful future collaboration. The Department of Education has simple bylaws that could be considered as a template if so desired.

**Board Staffing Support**

DOT&PF continues to provide significant resources to support this board, far more than was provided to the previous Marine Transportation Advisory Board (MTAB) in contrast. During 2022, DOT&PF provided administrative, communications, and facilitation support for thirteen virtual meetings and four full days of in-person meetings. These meetings and preparation hours have required us to increase our original budget for the board. We will continue efforts to fill the dedicated AMHS planner position, and in the absence of that position, we have assigned James Marks, Program Development Division Director, as your contact for planning support. He will be working with the Board to ensure planning efforts are supported.

As we move forward together, I look forward to the ideas and recommendations the Alaska Marine Highway Operations Board offers. We have had success with board recommendations, such as AMHOB Resolution 2022\_01, which advised DOT&PF to proceed with crew quarters on the Tazlina. In the absence of other board recommendations and planning products, DOT&PF will proceed with improving the service and reliability of the Alaska Marine Highway System, with a focus on modernization. We will continue to tackle our challenges with an aging fleet and lack of crewing in positive, proactive ways, and we will keep the board informed of our progress.

Sincerely,



Ryan Anderson, PE  
Commissioner

Cc: Tony Karvelas, Acting General Manager, AMHS/DOT&PF  
Katherine Keith, Deputy Commissioner, DOT&PF  
James Marks, Director, Division of Program Development and Statewide Planning  
Andy Mills, Legislative Liaison, DOT&PF