

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

The Meeting in Public Session

January 16, 2018

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 16th day of January, 2018, beginning at 10:00 a.m., in the Cultural Center of the Falmouth Historical Society's Museums on the Green, located at 55 Palmer Avenue, Falmouth, Massachusetts. All five Members were present: Chairman Robert F. Ranney of Nantucket; Vice Chairman Robert R. Jones of Barnstable; Secretary Marc N. Hanover of Dukes County (who participated remotely by telephone conference call); Elizabeth H. Gladfelter of Falmouth; and Moira E. Tierney of New Bedford.

Port Council Chairman Robert V. Huss of Oak Bluffs and Port Council member George J. Balco of Tisbury were also present, as were the following members of management: General Manager Robert B. Davis; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Director of Marketing Kimberlee McHugh; Director of Engineering and Maintenance Carl R. Walker; Director of Human Resources Phillip J. Parent; Operations Manager Mark K. Rozum; and General Counsel Steven M. Sayers.

Video and Audio Recording of Today's Meeting:

Mr. Ranney announced that Steve Baty of All Media Productions was making a video and audio recording of today's meeting in public session for Martha's Vineyard Community Television, also known as MVTV, and that Louisa Hufstader was also making an audio recording of today's meeting in public session.

Remote Participation by Dukes County Member Marc N. Hanover:

Mr. Ranney announced that he had been notified by Secretary Marc N. Hanover that he desired to participate remotely in today's meeting because his physical attendance today would be unreasonably difficult. Mr. Ranney stated that he agreed with Mr. Hanover and had determined that Mr. Hanover's physical

attendance today would be unreasonably difficult and that, therefore, he may participate remotely in this meeting, which includes voting on all matters as well. Mr. Ranney also stated that Mr. Hanover would be participating in the meeting by telephone conference call, that he would be clearly audible to the Members, and that the Members would be clearly audible to him. Mr. Ranney also noted that as a result of Mr. Hanover's remote participation in this meeting, all votes taken by the Members that day would be by roll call vote.

Minutes:

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Ms. Tierney -- to approve the minutes of the Members' meeting in public session on December 19, 2017.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|--------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | _____ |
| TOTAL | 100 % | 0 % |

Results of Operations:

Mr. Davis then summarized the results of the Authority's operations for November 2017, as set forth in a business summary for that month which had been provided to the Members and the public. Mr. Davis reported that the Authority had carried more passengers (up 2.0%), more automobiles (up 1.0%) and more trucks (up 4.6%) during the month than it had carried during the same month in 2016, but that the Authority had parked fewer cars that month (down 1.8%) than it had parked in November 2016. Mr. Davis further reported that, for the first eleven months of 2017, the Authority had carried fewer passengers (down 2.2%), fewer automobiles (down 0.3%) and more trucks (up 4.1%) than during the first eleven months of 2016.

Mr. Davis also reported that the Authority's net operating loss for the month of November had been around \$2,536,000, approximately \$897,000 higher than what had been projected, with operating revenues and other income

\$665,000 higher than projected, and operating expenses, fixed charges and other expenses \$1,562,000 higher than projected. But Mr. Davis noted that the increase in operating expenses was principally due to a \$1,600,000 increase in the Authority's maintenance expenses, as there had been increases in the dry-dock expenses for the *M/V Martha's Vineyard* (\$617,000), the *M/V Governor* (\$471,000), the *M/V Woods Hole* (\$219,000) and the *M/V Sankaty* (\$124,000) that month.

Mr. Davis further reported that, the Authority's total operating income for the first eleven months of 2017 had been around \$14,122,000, approximately \$3,029,000 higher than the amount projected in the 2017 Operating Budget. Mr. Davis noted that, although operating revenues and other income during this period had been \$515,000 lower than projected, that decrease was attributable to lower passenger revenue (\$2,076,000 lower than budgeted) and automobile revenue (\$685,000 lower than budgeted), while there had been more revenue than projected from trucks (\$1,440,000 higher than budgeted) and license fees (\$706,000 higher than budgeted). In addition, Mr. Davis said, the Authority's operating expenses and fixed charges had been \$3,544,000 lower than projected during this period, with vessel maintenance expenses \$2,770,000 lower than budgeted and terminal maintenance expenses \$848,000 lower than budgeted.

Mr. Davis also noted that the Authority's fund balances remained in decent shape, and that the transfers to the Replacement Fund were expected to be \$322,000 higher than projected.

Temporary Woods Hole Terminal Building:

Mr. Davis reported that the Authority has been addressing some open items with respect to the temporary Woods Hole terminal building since it opened for use on December 4, 2017, including installing indoor/outdoor carpeting on the decking in order to keep it from being slippery. Mr. Davis stated that, based upon how it works over the winter, the staff will determine next spring whether the carpeting is only going to be a temporary measure or a permanent solution.

Mr. Davis also reported that the contractor has finished installing the air curtains for both sets of doors to the lobby, although he recounted how, on Christmas Day, a storm had knocked a string of lights down so that they were hanging in front of the north lobby door, causing the door to open and close constantly. Mr. Davis reported that the open doors had allowed the wind to blow into the lobby, which then blew the south doors off of their tracks. But Mr. Davis assured the Members that the doors since have been fixed.

After Mr. Davis noted that the lobby in the old terminal building will continue to remain open as a waiting area for the Authority's customers until the end of the month, when the building will need to be vacated so that it can be demolished, he reported that, through the end of November 2017, the cost of the building had been \$2,713,000, which represented the \$2,591,000 original contract amount plus \$122,000 in change orders, and that the Authority had paid the contractor \$2,612,000 of that amount.

Construction of the Authority's New General Offices:

Mr. Davis reported that the construction of the Authority's new administrative office building was progressing, noting that:

- the contractor has continued working on the mechanical, electrical and plumbing systems on all floors of the building;
- the second and third floors have been carpeted and the finished painting has wrapped up;
- the contractor has installed the interior drywall and the glass partitions on the first floor;
- the exterior stone veneer on the lower part of the building has been installed, as well as the stone veneer on the elevator shaft, and the exterior siding has been installed;
- the stair towers are currently being finished with flooring and hand rails;
- furniture on the third floor has been installed and the furniture for the second floor has been delivered and is being installed; and
- the electricians continue to wire the server room, including the UPS system for the room, working ten hours per day, six days per week.

Mr. Davis also noted the contractor was still attempting to have the building ready for occupancy by January 26, 2018, but he cautioned that it was going to be tight and everything would have to proceed smoothly to meet that deadline. Mr. Davis further stated that the current plan was for the Authority's Accounting Department employees to move into the new administrative office building on January 29th and then to move the rest of the employees a week later, although he noted that each of those dates probably would be pushed out a week. In addition, Mr. Davis said, while some of the equipment from the Authority's current offices will be moved to the new building, other equipment will be repurposed to the Mashpee Reservations Office and various terminals and maintenance facilities.

Mr. Davis further reported that the cost of the building then stood at approximately \$13,303,000, which represented the \$12,687,000 original contract amount plus \$578,000 in change orders, and that the Authority had paid the contractor \$11,057,000 of that amount

Woods Hole Terminal Reconstruction Project:

Mr. Davis then reported that Jay Cashman, Inc., the contractor for the Woods Hole terminal reconstruction project's waterside work (Phases 2-4), was mobilizing that week by bringing in a construction trailer, which will be located behind the temporary terminal building. Mr. Davis also noted that Cashman was currently digging trenches at the site to reroute the power to Slip 3, which is now routed out of the existing administration/terminal building. In addition, Mr. Davis said, this spring Cashman will:

- move the passenger ramp and gangway system that is currently on the wharf to a location between existing Slips 1 and 2;
- install a temporary fender system on the north side of Slip 1 for support when the wharf is excavated; and
- start the excavation of the wharf after the terminal building is demolished.

Mr. Davis also reported that last week the Authority had sent its initial email update about the status of the terminal reconstruction project to the Woods Hole community, and that the staff planned to send future email updates to the Authority's neighbors on a regular basis to keep them informed about the Authority's construction plans.

M/V Martha's Vineyard Mid-Life Refurbishment Project:

Mr. Walker reported that, while that the schedule for the *M/V Martha's Vineyard* mid-life refurbishment project still called for the delivery of the vessel at the Authority's Fairhaven Vessel Maintenance Facility on February 16, 2018, last week the shipyard submitted two requests for further extensions of time totaling another four days, and he would be negotiating those requests later this week. Mr. Walker stated that one request was for a three-day extension of time due to the storm on January 4th and 5th, and that the other request was for a one-day extension for a delay due to a hull-related issue when the shipyard was attempting to dry-dock the vessel.

Mr. Walker also reported that, due to the already extended time for the vessel's delivery, the Authority had begun sending machinists and other employees to the shipyard to perform work on the vessel's main engines so that it will be ready to return to service on March 3, 2018. Mr. Walker noted that the schedule was going to be very tight and that, while the vessel's exterior is now in good shape, with the paint on and all of the windows in, there was still a lot of work to be done in its interior. Specifically, Mr. Walker stated that the crew spaces were between 60% and 70% completed; that the passenger cabins were around 40% completed; that the exterior painting was 95% completed; that the interior painting, including the freight deck and the voids, was around 75% completed; and that the generator and switchboard work was also around 75% completed.

Mr. Walker also recounted how, at the Authority's last meeting, he had reported that the project's change orders had amounted to around \$1,800,000, which was approximately \$200,000 higher than budgeted. But Mr. Walker stated that, since then, the change orders definitely had slowed down and that he hoped the Authority will now be able to control them for the rest of the project.

Mr. Walker then gave a PowerPoint presentation on the progress of the shipyard work, noting that:

- the exterior is taking shape; the paint is on; the bow door is in place and operational, and the new rescue boat is installed;
- the new pilot house and all-aluminum mast are up; all of the windows are in; and the vessel is floating;
- the vessel has all new railings that match the railings on the *M/V Woods Hole* and the *M/V Island Home*;
- the stern door, which is a stainless steel roller curtain door that is not hydraulic but will be operated by the crew, is installed;
- the 03 deck now has an extended exterior area that will have seats which will be installed after the deck is painted;
- the 03 deck also has a new stack to match the starboard stack (both of which will be painted buff);
- passenger access to the 03 deck will be via an after ladder instead of by the pilot house;
- all of the insulation in the freight deck had to be removed because of additional steel replacements, which was taking up a lot of time and deck space on the freight deck;

- the old stanchion on the freight deck had been moved by approximately six feet to allow cars to go in and out of the wing more easily;
- there will be seats and tables along windows on the 02 passenger deck where the food concession area was previously located;
- there will be a new food concession area, where the shipyard is still working on the wiring and ceiling;
- the crew spaces were coming along, with all new decking, furniture and bulkheads; and
- the equipment in the pilot house console was being installed and the wires terminated.

In response to a question from Ms. Gladfelter, Mr. Walker stated that the Authority was not seeking an increase in the vessel's passenger capacity even though there would be additional space on the 03 deck. Indeed, Mr. Walker stated that the vessel originally had a capacity of 1,398 passengers, but that the Authority asked that the vessel's capacity be reduced to only 1,200 passengers because that was the capacity of the lifesaving equipment installed on the vessel.

In response to a question from Mr. Jones, Mr. Davis stated that, as a result of this mid-life refurbishment, the vessel (which was now around 25 years old) should be able to provide another 25 years of service. Mr. Jones then observed that it was time for this work to be done, as the vessel is really the workhorse on the Martha's Vineyard route and has gone through a lot of abuse over the years. In response to another question from Mr. Jones, Mr. Walker stated that the vessel's EMD main engines were working well and the Authority should be able to maintain them without the need to repower the vessel.

Update on the Status of Service on the Nantucket Route:

Mr. Davis then updated the Members on what service the Authority has been able to provide for Nantucket with all of the ice that has been in the Hyannis and Nantucket channels this past month, reporting that:

- On Saturday, January 6th, the USCGC icebreaker *Bollard* made a path into the Hyannis channel, making it possible for the *M/V Nantucket* to be the first vessel to transit to Nantucket in three days, loaded with food deliveries as well as a truck with a needed part for Nantucket's sewer system. Only one round trip could be made that day.

- The following day, the *M/V Nantucket* and the *M/V Gay Head* were both able to make the trip, again after the *Bollard* cleared the Hyannis channel. The *Bollard* then had to go to Nantucket to clear ice from that channel, and the Authority hired a tug to continue breaking the ice in the Hyannis channel.
- Also on Sunday, January 7th, the *M/V Sankaty* was placed into service and carried fuel trucks from Woods Hole to Nantucket. Because the Authority was restricted to daylight hours when transiting the Hyannis channel, the *M/V Sankaty* continued to carry fuel and food shipments to Nantucket from Woods Hole this past week.

Mr. Davis finished his report by observing that, with the change in the weather, the Authority should be back to normal operations on the Nantucket route within the next day or so.

Online Reservations for the Authority's Summer Schedule:

Mr. Davis also reported that the Authority had experienced issues with respect to its internet reservation system when it opened reservations the previous Thursday, January 11th, for travel by the general public during the Authority's 2018 summer season, observing that the issues prevented many people from being able to access the system that day. But Mr. Davis recounted how the Authority's Information Technology programmers and employees, along with the system's hardware vendors, methodically checked everything to isolate the problem and finally resolved it by making a configuration change around 4:30 p.m. that day. Ultimately, Mr. Davis said, the Authority processed a similar number of reservations that day as it did last year. Nevertheless, Mr. Davis apologized to the Authority's customers for the inconvenience they experienced that day, and he also assured them that the Authority will be looking into what changes it can make to avoid a similar occurrence in the future.

Customer Television Programming Guidelines:

Mr. Davis then recounted how, over the years, the Authority has received complaints from its customers about what channels were being watched on the televisions in the ferries' passenger areas. Mr. Davis noted that, in response to those complaints, the Authority had issued guidelines in 2013 instructing the vessel crews generally to display regular news broadcasts on FOX, CNN, MSNBC or PBS channels, unless there was a general consensus among the passengers to watch a sports or weather event. But Mr. Davis stated that, since then, a

number of customers have still expressed concern over some of the Authority's choices.

Mr. Davis stated that, in response to those continuing complaints, the staff had decided to implement new customer television programming guidelines. Specifically, Mr. Davis said, whenever possible television programming on the vessels and in the ticket offices were to be displayed in the following order:

- NECN in the ticket offices during local news broadcasts; and local news on other channels (Channels 4, 5, 7 and 10) on the ferries. Local news is generally aired from 5:00 a.m. to 8:00 a.m., from 4:00 p.m. to 7:30 p.m., and from 9:00 p.m. to 11:30 p.m.);
- Local Sports, such as New England Patriots and Boston Red Sox games;
- National Sports, such as ESPN broadcasts or nationally televised NFL games;
- The Weather Channel, the Food Channel or the Discovery Channel.

After Mr. Davis noted that, at their meeting earlier this month, the Port Council had recommended the approval of these guidelines, Mr. Jones moved that the Members approve them; but after Mr. Ranney observed that the staff already was implementing the new guidelines and that the Members needed to take action only if they disagreed with them, Mr. Jones withdrew his motion. Mr. Ranney also noted that, while complaints from the Authority's customers had been about political broadcasting on the Authority's televisions, he knew that that sports can be a contentious subject as well.

Amendment to the Authority's By-Laws:

After noting that the Authority's By-Laws require that the Authority's principal office be located in Woods Hole, Mr. Sayers asked the Members to vote to amend the By-Laws to provide that the Authority's principal office can be located anywhere in the Town of Falmouth, given that the Authority was scheduled to occupy its new administrative office building within the next few weeks. In addition, Mr. Sayers asked the Members to vote to change the address of the Authority's principal office from the Foot of Railroad Avenue, Woods Hole, Massachusetts 02543 to 228 Palmer Avenue, Falmouth, Massachusetts 02540 effective upon the Authority's occupancy of the new office building.

IT WAS VOTED -- upon Ms. Tierney's motion, seconded by Ms. Gladfelter -- to amend the Authority's By-Laws by deleting the words "in Woods Hole" in the first sentence of Article II thereof, entitled "Offices," and to change the address of the Authority's principal office from "the Foot of Railroad Avenue, Woods Hole, Massachusetts 02543" to "228 Palmer Avenue, Falmouth, Massachusetts 02540" effective upon the Authority's occupancy of its new administrative office building, as recommended by management in Staff Summary #L-475, dated January 10, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|--------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | <hr/> |
| TOTAL | 100 % | 0 % |

Preliminary Draft of the 2018 Capital Budget:

Mr. Davis then presented the preliminary version of the staff's proposed 2018 Capital Budget to the Members for their initial consideration, noting that the final version of the proposed 2018 Capital Budget would be presented for the Members' approval next month. In this regard, Mr. Davis noted that:

- as of November 30, 2017, the Authority had \$35,733,000 in funds available for its capital projects;
- no additional transfers were made to the Replacement Fund or Bond Redemption Account in December 2017;
- the staff was anticipating that an additional \$18,000,000 will be provided through the issuance of bonds or bond anticipation notes to fund the 2018 marine construction associated with Phases 2-2A of the Woods Hole terminal reconstruction project; and
- \$46,754,000 is needed to complete current projects which already have been approved, leaving \$6,980,000 currently available for new projects.

Mr. Davis further reported that the staff's proposed new capital projects for 2018 totaled \$2,241,000 (including a \$250,000 allowance for miscellaneous projects under \$50,000) and that, if all of those proposed new projects are approved next month, the Authority will therefore still have \$4,738,000 available for contingencies and/or future projects. Mr. Davis stated that the proposed new capital projects included:

- the purchase of three luggage trailers, two power pushers, one Kubota utility vehicle with plow, and two tow motors (\$153,000);
- the purchase of an automated passenger counting system for the Authority's shuttle buses (\$100,000);
- the replacement of four oil pollution response boats (\$90,000);
- the replacement of davits on the *M/V Eagle* and the *M/V Nantucket* (\$220,000);
- the installation of trench drains around the perimeter of the pier of the Fairhaven Vessel Maintenance Facility (\$275,000);
- HVAC systems for the Fairhaven Vessel Maintenance Facility's paint room and the Mashpee Reservations Office (\$50,000);
- the purchase of a machinist truck and trailer, a plumber service van, and a rack-body truck (\$162,250);
- web environment for the new administrative offices (\$535,00);
- upgrade of backup hardware and storage devices (\$236,000); and
- upgrade of passenger boarding/check-in hardware at terminal passenger loading areas (\$170,000).

Mr. Davis further noted that the staff's proposed 2018 Capital Budget also included the construction of a new maintenance shop building and related site work on the Authority's property at 50 Bernard St. Jean Drive, Falmouth, but that the project was contingent upon the Authority's ability to obtain additional funding for the project through state and/or federal grants.

Mr. Jones observed that the \$35,733,000 which the Authority then had on hand to complete its capital projects was certainly a lot of money, and he asked how that much money had been accumulated. In response, Mr. Davis stated that all but \$6,300,000 of that amount had been generated internally over a period of years through transfers to the Authority's special purpose funds, and that the staff expected that the Authority will transfer another \$10,000,000 next year to its Replacement Fund.

Mr. Jones stated that he was glad the Authority was continuing to transfer \$10,000,000 a year into its Replacement Fund and that it also will have \$17,000,000 left in its bond authorization to draw on if needed, because he hoped that the Authority was not living too close to the edge. Mr. Jones also complimented Mr. Davis on the staff's ten-year Capital Improvement Plan, which he stated was excellent and very smart planning, and noted that it assumed that the Authority will acquire only one additional vessel over the next ten years, which was why he had asked about the longevity of the *M/V Martha's Vineyard* after its mid-life refurbishment.

After Mr. Jones observed that it seemed that the Authority was on track with its capital planning, Mr. Davis noted that the principal and interest payment schedule for the new bond issue will also be structured in such a manner so that principal amounts of the new bonds will begin to be paid off as soon as there is a reduction in the amount of principal payments of the Authority's currently outstanding bonds. Mr. Davis observed that this aggressive approach to paying off the Authority's debt will provide the Authority with more bonding capacity when it needs to pay for a new vessel.

Accounting System Replacement:

Mr. Davis asked the Members for authorization to execute two contracts for a new accounting system and associated consulting services for the purpose of replacing the Authority's 40-year-old "legacy" accounting system. Mr. Davis stated that one contract would be for business technology and professional consulting services with CBIZ MHN, Inc. ("CBIZ") for a total contract price of \$672,150; and that the second contract would be for project consulting services with RSM US LLP ("RSM") for a total contract price not to exceed \$120,000.

Mr. Davis then recounted how, beginning in 2016, the staff with the RSM consulting group had developed a "Functional and Technical Requirements" matrix for the Authority's new account system which is now referred to as an Enterprise Resource Planning (ERP) software system, and had documented more than 350 requirements for the business applications, including:

- System and Technical;
- Systems Integrations;
- Finance, Budgeting and Reporting;
- Accounts Receivable;
- Accounts Payable;

- Payroll and Personnel;
- Supply Chain Management;
- Inventory and Warehouse Management; and
- Point-of-Sale System.

Mr. Davis stated that the staff then issued a request for information (RFI) to potential vendors and received several onsite demonstrations of software from two vendors that the staff felt had the most promise, both of which were proposing Microsoft product solutions that RSM had concluded would meet the Authority's needs. Mr. Davis also stated that the staff then issued a request for proposals (RFP) to 25 different firms, but that neither of those two vendors submitted a proposal in response to the RFP. Indeed, Mr. Davis said, the Authority had received only two proposals in response to the RFP and both of those proposals were nonresponsive to the RFP's requirements.

Mr. Davis further reported that, after the Members then authorized him to negotiate directly with one or more accounting system providers to obtain a new accounting system, the staff met with CBIZ, whose proposed software solution was a Microsoft Dynamics NAV (Navision) Enterprise Resource Planning (ERP) software product, with a time and attendance capability from Time Clock Plus and a payroll and human resource capability from Kenex Vision Payroll. After seeing CBIZ's demonstration of this product, Mr. Davis said, the staff became even more convinced that this was the system that the Authority needs to address its accounting software needs.

Mr. Davis noted that CBIZ had proposed two licensing options for the ERP software product:

- a "Subscription Licensing" option based upon the number of users, which provides a lower upfront cost but requires a monthly recurring charge; and
- a "Perpetual Licensing" option which requires the Authority to purchase the software and to pay an annual maintenance fee for updates.

Mr. Davis stated that the staff was recommending that the Authority select the "Perpetual Licensing" option, even though its initial software selection cost is \$343,070, as over five years it would result in a 49% reduction in cost compared to the "Subscription Licensing" option.

Mr. Davis noted that CBIZ would also serve as a consultant to guide the Authority in implementing the system and that this guidance, which will cost an additional \$223,200, includes a "Day in the Life" workshop phase where CBIZ will document the Authority's current requirements and methodologies, and

then demonstrate exactly how the system will work for the Authority in a normal day-to-day operation. In addition, Mr. Davis said, the hardware investment costs associated with the project will include \$105,880 for Time Clock Plus terminals that will be installed at vessel and landside locations, and \$182,000 for server and data storage requirements that the Authority will purchase directly.

Finally, Mr. Davis stated that, while the Authority's in-house staff will be responsible for the management of this project, he was recommending that the Authority also engage RSM to assist it with the system's administration and implementation at an estimated cost of \$120,000, observing that RSM will be able to provide project management tools and guidance, facilitate discussions between the parties, define and assign project activity, and monitor and report on the project's status.

In response to questions from Mr. Jones, Mr. Davis stated that the staff was proposing that the Authority enter into two separate contracts to replace its accounting system, as follows:

- One contract with CBIZ, which is both an accounting firm and a vendor of accounting software. Mr. Davis noted that the Authority would buy the product from CBIZ, which will then guide the Authority through its implementation by observing what processes the Authority goes through during a "Day in the Life" workshop phase, tailoring the system, rolling it out, testing it, and then going live with it.
- Another contract with RSM, who are also the Authority's independent auditors, to help coordinate the transition to the new accounting system. Mr. Davis noted that RSM would only serve the Authority in an advisory capacity in order to maintain their independence and that, in any event, because the accounting system will be the Authority's own system, the Authority's employees will need to take ownership of it.

However, Mr. Jones expressed his concern that it appeared that neither consulting firm will have any liabilities with respect to this project, and that their only role will be telling the Authority how they feel it should be implemented. Accordingly, Mr. Jones asked Mr. Davis whether he expects the project to be seamless or whether he anticipates any problems during the process, and he also asked how the transition will be made from the old system to the new one.

In response, Mr. Davis stated that CBIZ will be responsible for certain deliverables with respect to the project, including the software, some of the hardware, and the scoping out of some of the necessary programming changes. But Mr. Davis acknowledged that RSM would just be assisting the Authority through this process, which Mr. Davis said was appropriate because of RSM's

expertise and the fact that the Authority simply does not have the resources to implement the transition from its old accounting system to the new one on its own.

After Mr. Davis noted that the timeline for the project calls for the new accounting system to go live on January 1, 2019, the beginning of the Authority's next fiscal year, Ms. Gladfelter asked whether the Authority would operate both systems at some point next fall. In response, Mr. Davis stated that the new system will be operating during that time so that the Authority can test it and make certain it is performing as it should in all aspects of its operations, but that the staff did not envision having dual systems performing duplicative functions. Rather, Mr. Davis said, the old system will continue to be the system through the 2018 fiscal year, including whatever reports and documentation is needed for the audit of that year's activities, and the new system will be used for activities beginning with the 2019 fiscal year.

IT WAS VOTED -- upon Mr. Jones's motion, seconded by Ms. Gladfelter -- to authorize the General Manager to execute a contract with CBIZ MHM, LLC for business technology and professional consulting services for a total contract price of \$672,150, and a statement of work for project consulting services with RSM US LLP for a total contract price not to exceed \$120,000, as recommended by management in Staff Summary #GM-694, dated January 10, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|--------------|-----------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | <u>10 %</u> | <u> </u> |
| TOTAL | 100 % | 0 % |

Approval of Change Order for Contract No. 15-2016
for the *M/V Martha's Vineyard* Mid-Life Refurbishment:

Mr. Davis then asked the Members for approval of a change order to the Authority's contract with Senesco Marine for the mid-life refurbishment of the *M/V Martha's Vineyard* in the amount of \$108,768 for steel plate replacement inserts in the vessel's port mezzanine deck, which Mr. Davis stated were required as a result of a United States Coast Guard inspection. Mr. Davis also recounted how, when the vessel was dry-docked during the initial phase of this project, extensive steel work was found to be required as Senesco performed the complete sandblasting and recoating of the vessel's exterior surfaces, the painting of the freight deck, and the water blasting and recoating of the vessel's void spaces. In total, Mr. Davis said, steel replacement change orders have amounted to around \$850,000, of which this change order for \$108,768 encompassed 32 individual steel inserts. Mr. Davis noted that because none of the other change orders for steel replacement exceeded \$100,000, they did not need to be approved by the Members.

IT WAS VOTED -- upon Mr. Jones's motion, seconded by Ms. Tierney -- to approve Change Order #56 to Contract No. 15-2016 for the *M/V Martha's Vineyard* Mid-Life Refurbishment for steel hull replacement inserts, in the amount of \$108,768, as recommended by management in Staff Summary #E 2018-01, dated January 10, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|--------------|-----------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | <u>10 %</u> | <u> </u> |
| TOTAL | 100 % | 0 % |

At this time, Ms. Gladfelter left the meeting.

Contract for Dredging the Woods Hole Terminal's Slip 2:

Mr. Davis asked the Members for authorization to award Contract No. 01-2018 for maintenance dredging of the Woods Hole terminal's Slip 2 to the lowest eligible and responsible bidder for the contract after bids are opened on January 25th. Mr. Davis noted that dredge quantities for the work were estimated at 306 cubic yards of base dredge and 136 cubic yards of over-dredge, and that the dredged materials will be removed with conventional dredging equipment, dewatered on a barge, and then transported by truck to an approved beach nourishment site within the Town of Falmouth.

Mr. Davis stated that before the Authority can commence any dredging, it still needs to receive an Order of Conditions from the Falmouth Conservation Commission and an exemption from the Division of Marine Fisheries' prohibition against dredging between January 15th and May 31st in order to protect spawning, larval and juvenile development of winter flounder. In this regard, Mr. Davis also noted that due to a recent setback in having the Commission issue its Order of Conditions and the seasonal restrictions when the work can be performed, the staff was asking for this authorization to be able to proceed with the work in the event the contract ends up being more than \$100,000, even though it was expected to cost less than that.

Ms. Gladfelter did not participate in this matter or vote on Ms. Tierney's motion.

IT WAS VOTED -- upon Ms. Tierney's motion, seconded by Mr. Jones -- to authorize the General Manager to approve Contract No. 02-2018 for the dredging of the Woods Hole Terminal's Slip 2 to the lowest eligible and responsible bidder for the contract after the opening of bids therefor, as recommended by management in Staff Summary #E 2018-02, dated January 10, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|---------------|-------------|-----------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Tierney | <u>10 %</u> | <u> </u> |
| TOTAL | 90 % | 0 % |

At this time, Ms. Gladfelter rejoined the meeting.

Port Council's Report:

Mr. Huss then reported that, at their meeting earlier this month, the Port Council had discussed all of the matters that the Members had considered that day, including:

- The staff's preliminary version of their proposed 2018 Capital Budget, with respect to which the Port Council had asked some of the same questions that had been discussed today;
- The staff's proposed customer television programming guidelines, which Mr. Huss stated were fine unless passengers traveling from the south want to watch the Yankees or the Giants instead of the Red Sox or the Patriots;
- The staff's proposed new accounting system, which Mr. Huss said had been recommended by the Port Council after an extended discussion and with one member abstaining because he was not certain about it; and
- A question from a Falmouth resident as to whether the plans for the new Woods Hole terminal building could be shown to the public. In this regard, Mr. Huss noted that the answer was that the building is still being designed and the design will be shown to the public for their comments after it is finalized and reviewed by the Port Council and the Authority Members.

Mr. Davis stated that he would be remiss if he did not mention that Falmouth Port Council member Robert S. C. Munier had abstained from voting to recommend the staff's proposed new accounting system in part because the staff had just received CBIZ's formal proposal the day before the Port Council's meeting and had not been able to provide it to the Port Council for their review in advance of their meeting.

Public Comment:

Mr. Ranney then asked if anyone from the public wished to make any comments, but no one responded.

Then, at approximately 11:07 a.m., Mr. Ranney entertained a motion to go into executive session to discuss the Authority's strategy with respect to collective bargaining matters, because a public discussion of those matters may have a detrimental effect on the Authority's bargaining positions. After Mr. Ranney announced that these matters included a jurisdictional dispute with Teamsters Union Local No. 59 over janitorial and landscaping services for the Authority, he stated that the public disclosure of any more information with respect to these matters would compromise the purpose for which the executive session was being called. Finally, Mr. Ranney announced that the Members would not reconvene in public after the conclusion of the executive session.

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Ms. Tierney -- to go into executive session to discuss the Authority's strategy with respect to collective bargaining matters.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|--------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | |
| Ms. Tierney | 10 % | _____ |
| TOTAL | 100 % | 0 % |

A TRUE RECORD

MARC N. HANOVER, Secretary

**Documents and Exhibits Used at the
January 16, 2018 Meeting in Public Session of the
Woods Hole, Martha's Vineyard and Nantucket Steamship Authority**

1. January 16, 2018 Meeting Memorandum, dated January 10, 2018.
2. Video and Audio Recording Announcement.
3. Remote Participation Announcement.
4. Minutes of the December 19, 2017 Meeting in Public Session (draft).
5. Business Summary for the Month of November 2017.
6. PowerPoint Presentation – M/V Martha's Vineyard Mid-Life Project Update – Steamship Authority Board Meeting – January 16, 2018.
7. Staff Summary #L-474, dated January 9, 2018 – Customer Television Programming Guidelines.
8. Staff Summary #L-475, dated January 10, 2018 – Amendment to By-Laws.
9. Staff Summary #A-619, dated January 10, 2018 – Preliminary Draft of 2018 Capital Budget.
10. Staff Summary #GM-694, dated January 10, 2018 – Accounting System Replacement.
11. Staff Summary #E 2018-01, dated January 10, 2018 – Contract No. 15-2016, “*M/V Martha's Vineyard* Mid-Life Refurbishment.”
12. Staff Summary #E 2018-02, dated January 10, 2018 – Contract No. 01-2018, “Dredging – Woods Hole Terminal – Slip 2.”
13. Minutes of the Port Council's January 3, 2018 Meeting (draft).
14. Statement to be Read Prior to Going into Executive Session.

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

**The Meeting in Public Session
February 20, 2018**

The Members of the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority met this 20th day of February, 2018, beginning at 10:30 a.m., in the Falmouth Art Center, located at 137 Gifford Street, Falmouth, Massachusetts. Four Members were present: Chairman Robert F. Ranney of Nantucket; Vice Chairman Robert R. Jones of Barnstable; Secretary Marc N. Hanover of Dukes County; and Elizabeth H. Gladfelter of Falmouth. Moira E. Tierney of New Bedford was absent.

Port Council Chairman Robert V. Huss of Oak Bluffs and Port Council member George J. Balco of Tisbury were also present, as were the following members of management: General Manager Robert B. Davis; Treasurer/Comptroller Gerard J. Murphy; Reservations and Customer Relations Manager Gina L. Barboza; Director of Information Technologies Mary T.H. Claffey; Director of Marketing Kimberlee McHugh; Director of Engineering and Maintenance Carl R. Walker; Director of Human Resources Phillip J. Parent; Operations Manager Mark K. Rozum; and General Counsel Steven M. Sayers.

Video and Audio Recording of Today's Meeting:

Mr. Ranney announced that Steve Baty of All Media Productions was making a video and audio recording of today's meeting in public session for Martha's Vineyard Community Television, also known as MVTV, and that Louisa Hufstader was also making an audio recording of today's meeting in public session.

Minutes:

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Mr. Jones -- to approve the minutes of the Members' meeting in public session on January 16, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Ms. Gladfelter | 10 % | _____ |
| TOTAL | 55 % | 0 % |

Mr. Hanover abstained from voting on the motion.

Results of Operations:

Mr. Davis then summarized the results of the Authority's operations for December 2017, as set forth in a business summary for that month which had been provided to the Members and the public. Mr. Davis reported that the Authority had carried fewer passengers (down 1.5%), more automobiles (up 0.3%) and more trucks (up 2.5%) during the month than it had carried during the same month in 2016, and that the Authority had parked essentially the same number of cars that month as it had parked in December 2016. Mr. Davis further reported that, for the 2017 calendar year, the Authority had carried fewer passengers (down 2.2%), fewer automobiles (down 0.3%) and more trucks (up 4.0%) than it had carried the year before.

Mr. Davis also reported that the Authority's net operating loss for the month of December had been around \$5,503,000, approximately \$2,696,000 higher than what had been projected, with operating revenues and other income \$104,000 higher than projected, and operating expenses, fixed charges and other expenses \$2,800,000 higher than projected. But Mr. Davis noted that the increase in operating expenses was due to a \$1,139,000 increase in the Authority's maintenance expenses, as there had been increases in the dry-dock expenses for the *M/V Martha's Vineyard* (\$626,000) and the *M/V Sankaty* (\$120,000) that month, and dock repair expenses at the Oak Bluffs terminal (\$176,000) and the Vineyard Haven terminal (\$73,000). In addition, Mr. Davis said, the Authority's administration expenses had been \$444,000 higher than projected principally due to its pension expenses (up \$501,000).

Mr. Davis further reported that, the Authority's total operating income for the 2017 calendar year had been around \$8,619,000, approximately \$333,000 higher than the amount projected in the 2017 Operating Budget. Mr. Davis noted that, although operating revenues and other income during this period had been \$412,000 lower than projected, that decrease was attributable to lower

passenger revenue (\$2,134,000 lower than budgeted) and automobile revenue (\$766,000 lower than budgeted), while there had been more revenue than projected from trucks (\$1,492,000 higher than budgeted) and license fees (\$950,000 higher than budgeted). In addition, Mr. Davis said, the Authority's operating expenses and fixed charges had been \$744,000 lower than projected during the year, with vessel maintenance expenses (excluding labor) \$2,182,000 lower than budgeted and terminal maintenance expenses (excluding labor) \$591,000 lower than budgeted. However, Mr. Davis observed that these results for the 2017 calendar year were still unaudited and that the Authority would not have its audited financial statements until the end of March 2018.

Mr. Davis also noted that the Authority's fund balances remained in decent shape, with the transfers to the Replacement Fund having been \$322,000 higher than projected, and that page 6 of the business summary, which shows the Authority's market share of passengers carried between the mainland and the islands compared with the market shares of its licensed private operators, now includes the 165 passengers carried by Hy-Line between Hyannis and Edgartown in December 2017 for the Christmas in Edgartown weekend.

Construction of the Authority's New General Offices:

Mr. Davis stated that he was pleased to report that, on February 2nd, the Authority's new administrative office building at 228 Palmer Avenue in Falmouth had sufficiently passed the requisite tests for the State Building Inspector to issue the building a temporary occupancy permit, although a few items still need to be addressed before a final occupancy permit can be issued. Mr. Davis noted that the most significant item will be the installation of a "BDA" (bi-directional amplifier) communications system within the building that has been required by the Falmouth Fire Department, which will need its own shaft and be fire rated for a minimum of two hours.

Mr. Davis further reported that, on February 5th, most of the Authority's Accounting Department employees moved into the third floor of the new building, that the Authority's Payroll Department employees then moved into the new building the following Wednesday, and that the rest of the employees in the old Woods Hole terminal building reported to work at the new building on Monday, February 12th. But Mr. Davis noted that there still remains some unfinished work at the building which the contractor, G & R Construction, will continue to address over the next month or so.

Mr. Davis thanked all of the employees in the Authority's MIS Department for working tirelessly over the last few weeks disconnecting all of the Authority's computer systems in Woods Hole, moving them to the new office building and reconnecting them there, and then reprogramming everything so that all of the equipment works seamlessly at its new location. Mr. Davis observed that those employees have been responsible for moving not only each employee's personal computer, but also all of the equipment needed to operate the Authority's reservation and ticketing systems, website, credit card processing, computer networks, and electronic and telecommunications. Mr. Davis also noted that their last move of the remaining equipment in Woods Hole, including the servers for the Authority's reservation system, will take place Wednesday night and that, as a result, that system (including customers' ability to make reservations over the internet), will be unavailable from 4:00 p.m. on Wednesday through 6:00 a.m. on Thursday.

Mr. Davis further reported that the cost of the building then stood at approximately \$13,348,000, which represented the original contract amount of \$12,687,000 plus \$661,000 in change orders, and that the Authority had paid the contractor \$11,841,000 of that amount. Finally, Mr. Davis stated that he anticipated that the Members will be able to have their first meeting in the new building next month.

Woods Hole Terminal Reconstruction Project:

Mr. Davis reported that Jay Cashman, Inc., the contractor for the Woods Hole terminal reconstruction project's waterside work (Phases 2-4), had begun some of the preliminary work for the project and had moved its construction trailer on site behind the temporary terminal building. Mr. Davis also reported that, in addition to having weekly planning meetings, Cashman has completed virtually all the work necessary to power the ferry slips from the freight shed, and that the only remaining work requires the power at the site to be shut off so that the electrical bus work in the freight shed and the final wiring connections to the switchgear in the freight shed can be accomplished, which is expected to take place on February 26th. Mr. Davis also noted that Cashman has completed the communication wiring between the temporary terminal building and Slip #1, and the conduit routing to connect the communications to Slip #2 and the freight shed.

Mr. Davis also reported that Cashman has been working with the project's design team on the plans for the temporary dolphins that will need to be installed

on the north side of Slip 1 and that, after the old terminal building is demolished, it will move the passenger loading platforms and gangways that are on the wharf beside Slip 1 to their new location between Slips 1 and 2. Meanwhile, Mr. Davis said, the demolition contract, J.R. Vinagro, Inc., will mobilize at the old terminal building later this week to perform abatement on the identified hazardous materials inside the building before demolishing the building at the beginning of March 2018.

Mr. Davis also reported that, last week, the maintenance dredging of Slip 2 had been completed to eliminate some of the shoaling that was problematic for the M/V Governor when it docked in that slip. In addition, Mr. Davis said, last week the Authority had a marine contractor remove one of the fenders on the north side of Slip 1 that had broken off and was in danger of falling into the slip. Mr. Davis noted that, since Cashman will be installing temporary dolphins at that location later this spring, until then the Authority will have its larger ferries dock in Slip 2 while its freight boats will operate out of Slip 1 as their dockings are not impacted by the missing fender.

Finally, Mr. Davis reported that the Authority had sent six weekly email updates about the status of the terminal reconstruction project to the Woods Hole community to keep them informed about what construction activities would be taking place over the following weeks.

M/V Martha's Vineyard Mid-Life Refurbishment Project:

Mr. Walker reported that the *M/V Martha's Vineyard* mid-life refurbishment project was progressing very rapidly and that everyone will be working on the vessel until the end of the day on March 2nd so that it can return to line service as scheduled on March 3rd. Mr. Walker stated that the vessel's dock and sea trials took place over the long holiday weekend, and that the vessel was now scheduled to leave the shipyard at noon the following day, although Senesco will continue completing punch list items on the vessel in Fairhaven after it arrives there. Mr. Walker also noted that, on Thursday, the Authority's vessel crews will deploy the Marine Evacuation Slide System in the presence of the United States Coast Guard, who will also ride the vessel on February 28th to test its equipment so that they can issue the vessel's Certificate of Inspection. Mr. Walker observed that the only other item the Authority will then need is a new stability letter from the Coast Guard's Marine Safety Center, which should arrive next week before the vessel is scheduled to return to service.

Mr. Walker then gave a PowerPoint presentation on the progress of the shipyard work, noting that:

- the vessel has new windows and doors; it has all been painted; and all of the handrails have been installed;
- the vessel has a new rescue boat and davit;
- the mezzanines are the last areas being finished up and, since these photographs have been taken, their ceilings have been installed and the lighting is now being installed;
- there is a new elevator on the port side of the vessel that will provide elevator service between the mezzanine deck and the 02 passenger deck;
- a center island was created for the food concession area, restrooms and the Purser's office, and that island opens up walkways on both sides of the vessel for a better layout;
- when the 03 deck was extended aft, it created more interior space on the 02 passenger deck as well, which has allowed for additional inside seats there and putting the stairwells inside as well so that passengers will not be out in the weather as they wait to disembark the vessel;
- the crew spaces were all gutted and replaced;
- the old switchboard, which was obsolete, has been replaced;
- a third generator has been installed, which will now provide the Authority with the required redundancy to continue to operate the vessel if there is a problem with one of the other generators;
- the pole on the freight deck that has been in the way of customers cars as they go into our out of the vessel's wing has been moved five feet to a much better location;
- the freight deck has all new insulation and sprinklers, and has been entirely repainted;
- the vessel has a new rolling bow door that is similar to the bow doors on the *M/V Island Home* and the *M/V Woods Hole*; and it can be operated by hand if there is a problem with the hydraulics
- the vessel has four new capstans for line handling; and
- the vessel has a new pilot house and console similar to those on the *M/V Island Home* and the *M/V Woods Hole* for commonality; as a result, the controls are of the same types and in the same locations in the console as they are on the other vessels.

Mr. Walker then thanked Authority Port Engineer Stephen Clifford, Senior Captain Paul Hennessy, and Senior Chief Engineer Allan Flack, as well as Marine Systems Corp.'s Edward Jackson, for the tremendous time and effort they have

spent on this project, saying that they all have done a terrific job and that the *M/V Martha's Vineyard* is going to be a great boat.

Mr. Davis further reported that, through December 2017, the cost of the construction contract stood at approximately \$17,975,000, which represented the \$16,006,000 original contract amount plus \$1,969,000 in change orders. But Mr. Davis also noted that the majority of those change orders were related to steel replacement and would have been incurred during a normal dry-dock. Therefore, Mr. Davis said, they will appropriately be categorized as operational instead of capital expenses.

In response to a question from Mr. Hanover, Mr. Walker stated that the new type of bow door will not result in a reduction of the number of vehicles that can be loaded onto the freight deck, as the bottom of the new door is only one or two feet farther away from the vessel's bow than the old door, which also was at an angle. However, Mr. Davis noted that the new locations for the four capstans may have an impact on the number of vehicles that can be loaded onto the freight deck, or the Authority may have to park smaller cars in the areas around the capstans.

In response to another question from Mr. Hanover, Mr. Davis stated that the total cost of the project will probably end up around \$18,600,000, including \$450,000 in design work and \$200,000 of labor costs. Mr. Hanover thanked Messrs. Davis and Walker, observing that it would cost more than \$40,000,000 to replace the *M/V Martha's Vineyard* and that the vessel itself looks good.

Accounting System Replacement:

Mr. Davis then reported that that the Authority has had several planning meetings and telephone conversations with CBIZ MHN, Inc. ("CBIZ"), which is providing the Authority with a Microsoft Dynamics NAV product to replace its accounting system. Mr. Davis also reported that CBIZ's team will be onsite at the Authority's offices during the week of March 5, 2018 to conduct their "Day In The Life" discovery sessions in order to learn and document the Authority's accounting requirements and methodologies so that they can be incorporated into the new system. Mr. Davis further noted that RSM USA LLP's enterprise resource team will also be assisting the Authority in the system's development and rollout, and that the overall completion date for the new accounting system is January 1, 2019.

Potential Barging of Municipal Solid Waste from Martha's Vineyard:

Mr. Davis also reported that Tetra Tech, the Authority's consulting firm which is analyzing the feasibility of barging municipal solid waste from Martha's Vineyard to New Bedford, has received the information it had requested from Bruno's Rolloff, Inc. regarding the volume of solid waste it transports off-island, and that Tetra Tech was now able to incorporate that data into its analysis to calculate how much it currently costs to transport solid waste off-island on a per-ton basis. However, Mr. Davis noted that Tetra Tech was still waiting to receive the information it had requested from Tisbury Towing and Transportation Co., Inc. regarding how much it would cost to barge solid waste off the island and, until it receives that information, it cannot provide a direct cost comparison between those current costs and how much it would cost to barge a similar amount of solid waste off-island.

Potential Freight Service between
New Bedford and Martha's Vineyard:

Mr. Davis also reported that, on January 22, 2018, he had provided a brief update, together with Ms. Gladfelter, Falmouth Port Council member Robert S. C. Munier and Mr. Sayers, to the Falmouth Board of Selectmen regarding a potential freight ferry service between New Bedford and Martha's Vineyard, and that the presentation essentially repeated the same parameters that the staff had previously identified in their earlier study as the ones that would give the service the best chance to succeed. Mr. Davis noted that these parameters included having the service provided by a private operator at its own financial risk, as described in Craig Johnson's report, and using the New Bedford State Pier, which was now being managed by MassDevelopment. Mr. Davis also reported that, after the presentation, the Falmouth Board of Selectmen voted to send a letter to State Senator Vinny deMacedo asking him for his assistance in securing funding for the needed improvements to the New Bedford State Pier.

Mr. Davis further stated that the staff has an open mind for whatever ideas are offered with respect to how such a freight service would be operated, although the Authority's most obvious constraint is its need to use its terminal facilities for its own operations. In this regard, Mr. Davis said, the staff is more than willing to consider any suggestions that any private operator or anyone else might have with respect to the potential service.

Ms. Gladfelter than observed that, in the past, there had been an issue with getting permission to use the New Bedford State Pier, and she asked whether New Bedford still had control over how that pier is used. In response, Mr. Sayers stated that, in the past, the New Bedford State Pier had been under the control of the Massachusetts Department of Conservation and Recreation, which had entered into a management agreement with the New Bedford Harbor Development Commission for the management of the State Pier. But Mr. Sayers stated that he believed the Department terminated that agreement several years ago and that, as a result the New Bedford Harbor Development Commission no longer had a formal role in determining how the State Pier should be used. Nevertheless, Mr. Sayers said, the staff's goal was to have a freight ferry operation from the State Pier that was consistent with everyone's interests, which meant hopefully reaching an agreement not only with MassDevelopment, but also with the New Bedford Harbor Development Commission.

The Authority's Environmental Compliance Program:

Mr. Davis noted that the Members had been provided with a description of the ongoing programs the Authority has in place to ensure that it complies with all of the various environmental regulatory requirements that apply to its facilities, as well as an advance copy of the Authority's Facility Environmental Handbook which it will soon be issuing.

In response to a question from Ms. Gladfelter, Mr. Sayers stated that the Authority was required to have a Stormwater Pollution Prevention Program (SWPPP) in place only for its Fairhaven Vessel Maintenance Facility and that, in developing the Authority's environmental compliance programs, the staff had focused on the facilities that it felt were most critical, such as the Authority's ferry terminals and maintenance facilities. Mr. Sayers also noted that, once these programs were in place, the staff intended to expand the programs to include the Authority's other properties, such as the new administrative office building and the Authority's various parking lots.

In response to a question from Mr. Jones, Mr. Davis stated that all of these programs will require ongoing activities. For example, Mr. Sayers said, at the suggestion of the Authority's Facilities Maintenance Manager Greg Endicott, the programs include having the Authority's consultants, Tetra Tech, conduct quarterly site visits to all of the Authority's ferry terminals and maintenance facilities and providing the Authority with a report for each site that describes any issues they find and recommends how they should be resolved. Mr. Sayers further noted that, last week, he had been on a quarterly site visit for the

Fairhaven Vessel Maintenance Facility and had been extremely impressed by the vast improvement in how that facility has been managed over the past few years by Vessel Maintenance Manager Peter Schwebach.

Proposed Management Structure Reorganization:

Mr. Davis then reviewed with the Members his proposed changes to the Authority's management structure to respond, in part, to the fact that several staff members will be retiring this year. Mr. Davis further noted that he also needs to begin considering how other management positions in the organization will be filled from the ranks as additional staff members subsequently retire as well.

For example, Mr. Davis said, due to Mr. Sayers's anticipated retirement later this year, he was proposing that the Authority have a Communications Director who would be responsible for preparing minutes of Authority and Port Council meetings, responding to public records requests, and overseeing the Authority's marketing and advertising, thus ensuring that the Authority has an integrated communications program both internally and with respect to all of its communications to the media and the public. Mr. Davis noted that, as a result, the Authority's next General Counsel would be able to devote more time to other legal matters and take a more active role in ensuring that the Authority complies with all of its various environmental, procurement and safety obligations.

Mr. Davis further stated that he also feels the Authority's MIS Department needs more support, as its current employees are being taxed to the limit and the senior programmers similarly are nearing retirement. In addition, Mr. Davis said, although the Authority's Vessel Personnel Dispatch employees currently report to Director of Human Resources, he feels they more appropriately should be part of Vessel Operations. Mr. Davis observed that he will be discussing these changes, as well as other proposed changes, with the Members and the Port Council over the next month.

Mr. Hanover stated that he thought Mr. Davis's proposed reorganization was long overdue, observing that the Authority has had the same management for years even though its operations have grown considerably. Mr. Hanover also noted that there will be two senior staff members retiring this summer and that the Authority has to work as quickly as possible to replace them. Mr. Hanover further stated that he hoped those staff members would be available to assist the Authority in the future, as he would like to utilize their knowledge.

Pre-Season Promotion for High-Speed Passenger Ticket Books:

Mr. Davis then asked the Members to approve a marketing promotion for the *M/V Iyanough* this year when it returns to service on April 2nd by offering a 20% discount on the sale of the Authority's electronic high-speed passenger ticket books from Monday, March 19th, through Tuesday, April 3rd. Mr. Davis noted that, for the past six years, the Authority has offered a 20% discount on the sale of high-speed passenger ticket books for a short period of time prior to the *M/V Iyanough*'s resumption of service each year. Mr. Davis also noted that the promotion has become more popular every year and that, in 2017, more than 51% of all high-speed passenger ferry ticket books had been sold during this promotional period.

Mr. Davis also observed that this year's prices for the 10-ride high-speed passenger ticket books are the same as last year's prices and that, if the Members were to approve the promotion, the discounted prices for the ticket books would be:

| | <u>Regular Price</u> | <u>With 20% Discount</u> |
|----------------------|----------------------|--------------------------|
| Adult | \$ 275.00 | \$ 220.00 |
| Seniors * | \$ 185.00 | \$ 148.00 |
| Children (ages 5-12) | \$ 170.00 | \$ 136.00 |

* Restrictions apply

Mr. Davis also reported that, as a result of replacing the paper 10-ride ticket books for travel on the Authority's traditional ferries with RFID cards, the staff was now able to collect data on how often only one coupon is used per trip from each RFID card, which was the Authority's ticket book policy when the Passenger Embarkation Fee Statute was enacted. But in 2007, Mr. Davis said, the Authority revised its policy to allow customers to use multiple coupons per trip from the same ticket book, but it never knew how many customers were using more than one coupon per trip from the same ticket book, and it now appears that a significant number of customers are doing so.

Accordingly, Mr. Davis stated that, after discussing this issue with the Massachusetts Department of Revenue, the staff also was recommending that the Authority change its policies with respect to its traditional ferry 10-ride ticket books to limit the use of coupons in each ticket book to one per trip in order for the customer to be exempt from paying a passenger embarkation fee. If the Authority were to do so, Mr. Davis said, it would not have to collect any passenger embarkation fees based upon the sale of those books.

But Mr. Davis further stated that, because of the significant changes which would need to be made to the reservation system to limit the use of high-speed ferry ticket book coupons to one per trip, as well as the additional burden that the Authority's customers would have to bear if they were required to maintain multiple books, the staff was recommending that the Authority begin to collect passenger embarkation fees on the sale of those high-speed ticket books. In addition, Mr. Davis said, because the Authority already has publicized that there will be no increase in the prices of those ticket books this year, the staff was further recommending that the amount of the passenger embarkation fees collected on the sale of those books be included in their current prices. Mr. Davis noted that, as a result, based upon last year's usage, there would be an additional \$45,000 of passenger embarkation fees collected by the Authority in 2018 that would then be distributed to the Towns of Nantucket and Barnstable.

Finally, Mr. Davis reported that, at their meeting earlier this month, the Port Council had voted to recommend that the Members vote to approve the promotion and the staff's proposed changes to the Authority's policies with respect to its traditional ferry 10-ride ticket books.

Mr. Jones stated that, as a representative of the Town of Barnstable, he certainly would not object to the Authority collecting \$45,000 more in passenger embarkation fees, especially since his town also has to share its fees with the Town of Yarmouth. But Mr. Jones questioned how the Authority could now collect passenger embarkation fees on the sale of ticket books after it already has established the prices for those books and has also stated that customers buying the books would be exempt from those fees. In response, Ms. Gladfelter observed that the prices for those books would remain the same this year, although the net amount received by the Authority would be less the amount of embarkation fees collected on the sale of those books. Mr. Davis further noted that the prices for those ticket books would not necessarily increase next year either to cover the cost of the passenger embarkation fees. Rather, Mr. Davis said, when the staff prepares next year's budget, the embarkation fees collected on the sale of those ticket books will be one factor that will be considered in determining whether the prices for those books should be increased.

Mark Snider then observed that the issue of whether to collect passenger embarkation fees on the sale of ticket books was complicated, as allowing passengers to use multiple tickets from the same book on the same trip reduced a lot of tension. After asking whether this proposed change would apply to the other ferry operators, Mr. Snider noted that customers do not know how many tickets they have left in their ticket books and it is always difficult to take something away from people. Mr. Snider also observed that the Massachusetts Department of Revenue always wants more revenue, and he cautioned the Members to carefully think about this matter.

In response, Mr. Davis stated that the staff was working on additional ways for customers to be able to check how many tickets are left on their ticket books, and he noted that the screens at the ferry terminals show how many tickets are left on each book when it is scanned. Mr. Jones further stated that, while he understood where Mr. Snider was coming from, he did not think the Authority had the ability to determine who is exempt from the passenger embarkation fee, observing that the Legislature made that determination in the statute. Mr. Jones also noted that the spirit of the exemption is “one ticket book, one exempt passenger,” not “one ticket book, ten exempt passengers.”

After Mr. Hanover observed that the Authority has a year to decide whether to increase the price of the 10-ride high-speed ferry ticket books to cover the cost of the embarkation fees, Mr. Davis stated that the bigger issue was changing the Authority’s policies regarding the 10-ride traditional ferry ticket books to allow only one ticket to be used from the same book per trip. Mr. Davis further noted that this change would also require customers to pay the same amount of money for a ticket book that previously could be used by multiple passengers, and he therefore suggested that the Authority could reduce the number of tickets in the new books from ten to five to lessen that financial impact on its customers.

IT WAS VOTED -- upon Ms. Gladfelter’s motion, seconded by Mr. Hanover -- to approve a 20% discount on the price of all electronic passenger ticket books for the high-speed ferry during the period from March 19, 2018 through April 3, 2018, as recommended by management in Staff Summary #GM-695, dated February 15, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | <hr/> |
| TOTAL | 90 % | 0 % |

Mr. Davis then requested that the Members also vote to approve the staff's proposed policy changes with respect to the Authority's 10-ride RFID cards for its traditional ferries so that multiple tickets on those cards cannot be used on the same trip and the Authority would not be required to collect any passenger embarkation fees on the sale of those cards. In this regard, Mr. Davis noted that a majority of the Authority's customers that have bought 10-ride RFID cards already use only one ticket from those cards per trip. In response to a question from Mr. Huss, Mr. Davis stated that in the future it would not be difficult for the Authority to offer 5-ride RFID cards instead of 10-ride cards, as it would only entail setting up a new product code for those cards and a lead time for receiving the new RFID cards. Mr. Rozum also noted that the 46-ride commuter cards for the Martha's Vineyard route already limit the use of those cards to one ticket per trip, so the programming for those cards will be able to be used for the new 5-ride RFID cards.

Mr. Ranney further observed that the staff's proposed 10-ride RFID card policy would reinstate what had been the Authority's previous ticket book policy at the time when the passenger embarkation fee originally had been enacted. In this regard and in response to a question from Mr. Jones, Mr. Sayers recounted how in 2003 the Legislature exempted everyone who bought their tickets by means of a multiple-ticket book from paying passenger embarkation fees, and it did not restrict the number of tickets that exempt passengers could use at one time because none of the ferry operators, including the Authority, were then allowing customers to use more than one ticket from a ticket book per trip.

But Mr. Sayers noted that the Authority and other ferry operators later changed their policies to allow multiple tickets from the same ticket book to be used on the same trip, which he observed was perfectly legitimate but could be considered by someone as a means of taking advantage of a loophole in the law. In addition, Mr. Sayers stated that the Authority now realizes that these policy changes have resulted in some people using these ticket books and being exempt from paying passenger embarkation fee even though the Legislature probably did not intend them to be exempt from paying those fees. Accordingly, Mr. Sayers said, the staff was recommending that the Authority change its policies to be

consistent with what was probably the Legislature's original intent when it enacted the statute. Further, Mr. Sayers observed not only that February was a good time of year to make these policy changes, but also that if the Authority decided not to make these changes at this time, the Massachusetts Department of Revenue might well issue regulations requiring the Authority to do so in the near future.

IT WAS VOTED -- upon Ms. Gladfelter's motion, seconded by Mr. Hanover -- to change the Authority's policies with respect to its passenger ticket books (RFID cards) for travel on the Authority's traditional ferries so that the use of tickets in each ticket book is limited to one ticket per trip in order for the customer to be exempt from the passenger embarkation fee, as recommended by management in Staff Summary #GM-695, dated February 15, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | _____ |
| TOTAL | 90 % | 0 % |

In response to questions from Ms. Gladfelter and Mr. Jones, Mr. Davis stated that customers will still be able to use multiple tickets for the same trip from the RFID cards that they already have purchased for as long as they have tickets remaining in those cards, but that once all of the tickets in those cards are used up, the customers will not be able to reload the cards and continue to use multiple tickets for the same trip. Mr. Davis stated that, at that point, customers will be required to purchase the new single-use cards and that the Authority will differentiate those new cards from the old cards.

Mr. Hanover then asked that the Members revisit this entire subject in November 2018 when the Authority will have more information about how these cards are being used, including not only all of the different 10-ride cards for travel on the traditional ferries, but the 10-ride ticket books for the high-speed ferry as well. Mr. Hanover and Ms. Gladfelter agreed that it was important for the Members to understand how all of these cards and ticket books are being used and that, depending upon how they are being used, the Authority may consider collecting passenger embarkation fees on the sale of all of them.

Mr. Hanover stated that this review should also include what expiration dates each of the cards and ticket books should have, observing that cards for the Martha's Vineyard route expire after one year while 10-ride ticket books for the high-speed ferry have no expiration date. Mr. Hanover observed that the Authority will need to be able to explain to the public the reasons for each of those different expiration dates if the Authority decides to maintain them.

In response to a question from Mr. Huss, Mr. Rozum confirmed that, when the Authority issues new 10-ride RFID cards that allow only one ticket to be used on the same trip, the scanning software used to board passengers will allow each card to be used only once per trip. Mr. Rozum also noted that it should be relatively easy to make these changes in the software for the new RFID cards, as the software for the Authority's 46-ride RFID cards already limits the use of tickets in those cards to only one per trip.

Medical Travel Policy:

Mr. Davis then recounted how the Authority has certain policies in place to assist customers who need to travel for medical treatments or appointments, such as discounted automobile excursion fares for island residents who need to travel to the mainland with their vehicles on a repeated basis for special medical treatments or appointments (at least ten medical appointments over a three-month period). In addition, Mr. Davis said, the Authority allows Nantucket residents who require frequent medical treatment on the mainland (at least ten medical appointments over a three-month period) to purchase high-speed ferry 10-ride ticket books at a 50% discount. Mr. Davis also noted that since the Authority implemented these policies in 2008, on average 21 Martha's Vineyard residents and three Nantucket residents have utilized these policies each year.

Mr. Hanover stated that he has received nothing but compliments about these policies since the Members adopted them, but that recently a few Martha's Vineyard residents who need to travel for medical appointments but don't qualify for those policies because they don't have ten medical appointments over three-month period have complained that they have not been able to get reservations to travel for those appointments. Mr. Hanover noted that, while those residents do not need a discounted fare to be able travel to and from their appointments, they do need access to reservations so that they can make it to and from those appointments.

In response, Ms. Barboza stated that whenever a customer calls the Reservation Office and asks for assistance in obtaining reservations to travel to or from a medical appointment, the Office does its best to assist them even though they may not need to travel ten times over a three-month period for their medical condition. Ms. Barboza also noted that this assistance is provided pursuant to other policies the Authority has in place to help customers travel for medical appointments, including the Authority's policy that allows preferred spaces to be reserved in advance by eligible customers who must travel with their vehicles for medical appointments or treatments. Ms. Barboza observed that customers usually have problems getting reservations for medical appointments only when they don't provide the Reservation Office with sufficient notice of their need to travel, but that if customers call the Office more than a day in advance of when they need to travel, the Office is usually able to take care of them.

Mr. Huss agreed with Ms. Barboza, and recounted how constituents who have complained to him about not being able to obtain reservations for medical appointments usually have only tried to make reservations on line. Mr. Huss stated that he always have told those constituents to contact the Reservations Office and, when they do, they usually have been able to obtain the reservations they need. In addition, Ms. Barboza said, when residents return to the island after an appointment and arrive at Woods Hole earlier or later than their reserved trip, the Authority has yet another policy that allows the preferential boarding of their vehicles on standby, provided that they have documentation explaining their need for the preferential boarding.

SeaStreak's Passenger Ferry Service
Between New Bedford and Nantucket:

Mr. Davis then informed the Members that he has approved a request from SeaStreak to begin its New Bedford-Nantucket service one week earlier than the currently approved schedule. As a result, Mr. Davis said, SeaStreak will also be providing two trips per day between New Bedford and Nantucket during the week of the Nantucket Wine Festival, May 14th through May 20th.

Mr. Hanover announced that the Edgartown Board of Trade has asked whether the Authority would allow Hy-Line to provide service between Hyannis and Edgartown for this coming year's Christmas in Edgartown, in the same way it provided service for that event this past year, as well as during the Martha's Vineyard Food and Wine Festival. Edgartown Board of Trade's Executive Director, Erin Ready, also stated that she was present at the meeting today to answer any questions the Members might have.

In response, Mr. Sayers stated that, in 2006, the Members had voted to delegate to the General Manager the authority to act on all requests from private ferry operators for permission to provide a limited number of additional trips on a one-time basis and that, pursuant to that vote, Ms. Ready could discuss this request directly with Mr. Davis after the meeting. Mr. Sayers also noted that the Authority's license agreement with Hy-Line might already allow it to provide service between Hyannis and Edgartown annually during the Christmas in Edgartown event.

2018 Capital Budget:

Mr. Murphy then asked the Members to approve the staff's proposed 2018 Capital Budget, saying that while the proposed capital budget had been updated with respect to the funds that are currently available to complete the Authority's capital projects and the cost estimates for those projects, it contained the same proposed new capital projects as were contained in the preliminary version of the proposed budget that had been presented to the Members at their January 16, 2018 meeting. Mr. Murphy also noted that, at their meeting earlier this month, the Port Council had voted to recommend that the Members approve the staff's proposed Capital Budget.

IT WAS VOTED -- upon Mr. Hanover's motion, seconded by Ms. Gladfelter -- to adopt the 2018 Capital Budget as proposed by management in Staff Summary #A-620, dated February 15, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | <hr/> |
| TOTAL | 90 % | 0 % |

Debt Issuance and Debt Management Policy:

Mr. Murphy then asked the Members to reauthorize the Authority's Debt Issuance and Debt Management Policy, which he observed formally establishes the framework regarding the Authority's debt administration and management. Mr. Murphy also noted that state regulations require that the Members formally adopt the policy every two years, and that his proposed policy was substantively the same as what previously had been approved by the Members in February 2016, with minor revisions to update the amount of the Authority's outstanding bonds.

IT WAS VOTED -- upon Mr. Hanover's motion, seconded by Ms. Gladfelter -- to adopt the Authority's Debt Issuance and Debt Management Policy in the form attached to Staff Summary #A-621, dated February 15, 2018.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|-----------------------|-------------|------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | 10 % | <hr/> |
| TOTAL | 90 % | 0 % |

Contract for Dredging the Woods Hole Terminal's Slip #2:

Mr. Davis informed the Members that, in accordance with the authorization they gave him last month, he had awarded Contract No. 01-2018 for maintenance dredging of the Woods Hole terminal's Slip #2 to Burnham Associates, Inc. of Salem, Massachusetts, the lowest eligible and responsible bidder for the contract, for a Total Contract Price of \$136,260. Mr. Davis stated that, following the award of the contract, Burnham mobilized in Slip #2 on February 6th, began dredging on February 8th, and completed the dredging by February 14th. Mr. Davis noted that the dredged materials were to be dewatered on a barge, and then transported by truck to an approved beach nourishment site within the Town of Falmouth. However, Mr. Davis said, after inspection by the Beach Superintendent, the material was deemed unsuitable, so it will be stored in the upper lot of the Authority's Palmer Avenue parking lot until such time as it can determine another suitable disposal site.

Mr. Jones questioned why the Town of Falmouth had not performed its due diligence in advance of the dredging to determine that the dredged materials were unsuitable for beach nourishment, and he asked whether the materials were now being dewatered in the Palmer Avenue parking lot and who is going to be responsible for moving them from the parking lot to a disposal site. In response, Mr. Davis stated that the materials already had been dewatered at the Woods Hole terminal, first on a barge and then in an dewatering area next to Slip 2. Mr. Walker also stated that Lawrence-Lynch Corp. has agreed to take the materials and dispose them at an estimated cost of \$7,700.

Port Council's Report:

Mr. Huss then reported that, at their meeting earlier this month, the Port Council had discussed all of the matters that the Members had considered that day, including:

- The status of the *M/V Martha's Vineyard* mid-life refurbishment project and the investigation of the feasibility of providing freight ferry service between New Bedford and Martha's Vineyard. Mr. Huss also noted that Falmouth Port Council member had asked the Authority to keep an open mind in helping to bring this service to fruition, and that the Port Council is hopeful that the service can succeed.
- The staff's proposed 2018 Capital Budget, which the Port Council had voted to recommend be approved by the Members.
- The staff's proposed changes in policies regarding the use of the 10-ride RFID cards for travel on the traditional ferries and the 10-ride ticket books for travel on the high-speed ferry.
- The Authority's draft Facility Environmental Handbook, which Mr. Balco had suggested be provided to local boards of health.
- Mr. Davis's proposed reorganization of the Authority's management structure, which the Port Council wanted more time to review.
- The possible development of a 15-year strategic plan for the Authority.

Mr. Huss reported that Nantucket Port Council member Nathaniel E. Lowell had also thanked everyone who helped provide ferry service for the island of Nantucket during the extreme ice conditions earlier this winter, saying that everyone on the island had been very happy and pleased about the Authority's efforts. In this regard, Mr. Davis noted that the Authority also had received a

very nice letter from the Nantucket Town Manager complimenting the Authority's staff and crews for taking care of the island so well.

Public Comment:

Mr. Ranney then asked if anyone from the public wished to make any comments, but no one responded.

Potential Freight Service between
New Bedford and Martha's Vineyard:

Ms. Gladfelter noted that the staff's report on the feasibility of a potential freight ferry service between New Bedford and Martha's Vineyard, which was issued in April 2016, is just a starting point for discussion about this subject and that no one is locked into it. Ms. Gladfelter also observed that there is not yet a suitable freight terminal in New Bedford and that the Authority similarly has not yet identified the carrier who will provide the service. Ms. Gladfelter stated that when the Authority does get to the stage of talking with a carrier about providing the service, there will of course be negotiations over how that service should be provided.

Then, at approximately 12:08 p.m., Mr. Ranney entertained a motion to go into executive session to conduct contract negotiations with non-union employee Steven M. Sayers and to conduct a strategy session in preparation for negotiations with whomever is offered employment as the Authority's next General Counsel, but not to consider or interview any applicants for that position. Mr. Ranney also stated that the public disclosure of any more information with respect to these matters would compromise the purpose for which the executive session was being called. Finally, Mr. Ranney announced that the Members would not reconvene in public after the conclusion of the executive session.

IT WAS VOTED -- upon Mr. Hanover's motion, seconded by Ms. Gladfelter -- to go into executive session to conduct contract negotiations with non-union employee Steven M. Sayers and to conduct a strategy session in preparation for negotiations with whomever is offered employment as the Authority's next General Counsel, but not to consider or interview any applicants for that position.

| <u>VOTING</u> | <u>AYE</u> | <u>NAY</u> |
|----------------|-------------|-------------------|
| Mr. Ranney | 35 % | |
| Mr. Jones | 10 % | |
| Mr. Hanover | 35 % | |
| Ms. Gladfelter | <u>10 %</u> | <u> </u> |
| TOTAL | 90 % | 0 % |

A TRUE RECORD

MARC N. HANOVER, Secretary

**Documents and Exhibits Used at the
February 20, 2018 Meeting in Public Session of the
Woods Hole, Martha's Vineyard and Nantucket Steamship Authority**

1. February 20, 2018 Meeting Memorandum, dated February 15, 2018.
2. Video and Audio Recording Announcement.
3. Minutes of the January 16, 2018 Meeting in Public Session (draft).
4. Business Summary for the Month of December 2017.
5. PowerPoint Presentation – M/V Martha's Vineyard Mid-Life Project Update – Steamship Authority Board Meeting – February 20, 2018.
6. Staff Summary #L-476, dated February 13, 2018 – SSA's Environmental Compliance Programs.
7. Proposed Chart of the Authority's management structure (February 6, 2018 draft).
8. Staff Summary #GM-695, dated February 15, 2018 – Approval of Pre-Season Promotion for High-Speed Passenger Ticket Books.
9. Portions of Part C (Non-Commercial Vehicle Fares) and Part B (Passenger Fares) of the Authority's Customer Handbook pertaining to Special Excursion Fares for Multiple Medical Treatments and High-Speed Ferry 10-Ride Ticket Books for Frequent Medical Travel.
10. Staff Summary #A-620, dated February 15, 2018 – Proposed 2018 Capital Budget.
11. Staff Summary #A-621, dated February 15, 2018 – Reauthorization of Debt Issuance and Debt Management Policy.
12. Staff Summary #E 2018-03, dated February 15, 2018 – Contract No. 01-2018, "Dredging – Woods Hole Terminal – Slip 2."
13. Minutes of the Port Council's February 7, 2018 Meeting (draft).
14. Statement to be Read Prior to Going into Executive Session.