



Board of Director Regular Meeting Minutes

April 16, 2019 Recorder: Donna Halvorsen

1. **Call Meeting To Order:** Harvey Mc Donald called meeting to order at 10:04am.

2. **Roll Call:**

Chair	Thorne Bay	Harvey McDonald	present
Vice Chair	Klawock	Jeff Nickerson	present
Sec/Tres	Craig	Otis Gibbons	present
Director	Wrangell	Patricia Gilbert	present via teleconference
Director	Hydaburg	Anthony Christianson	absent excused
Director	At Large	Dee Dee Jeffreys	present
Director	Coffman Cove	Brian Wilson	present

Staff Present: Dennis Watson, Chrissy Torsey-Lucero and Donna Halvorsen

Staff present via teleconference: Rich Rogers and Walter Marsh

Public Present: Ron Curtis

Public present via teleconference: None

3. **Approval of Agenda** Motion: Approve agenda as presented; moved by Harvey McDonald and seconded by Dee Dee Jeffreys. Motion approved unanimously.

4. **Approval of Minutes** Motion: Approve minutes from December 13, 2018 Regular Meeting; moved by Harvey McDonald and seconded by Otis Gibbons. Motion approved unanimously.

5. **Public Comment** none

6. **Correspondence** none

7. **Manager's Report** Dennis asks if everyone got copy of his report emailed 4/15/19. He then states most important item on report is the \$250K appropriation that was dropped out of budget; the senate finance committee had a meeting and afterwards Dennis talked to Randy Ruaru from Senator Steadman's office and let him know what we use the money for and told him about the communications he's had with Ben Stevens and other people in the governor's office prior to the money being dropped. Dennis says he's thinking that it may at least be 'on the table' but that he doesn't know where it's going from there; he'll keep us posted.

Dennis states Walt and he are working on the last round of the Buy America waivers. Dennis states that towards the end of last week, Lisa Murkowski had a notice out that they are accepting appropriations. Walt got a list of projects together we would like to get done on vessels, Dennis submitted the list and

we will know probably by end of June 2019 but could be by end of summer. Patty states that she talked to representative Don Young about the Buy America waiver for IFA and his exact words to her were 'good luck' and that he didn't think it would go through. Dennis states that he went to Washington DC to deal one-on-one with these people and visited the federal delegation. If they require that we change out machinery, it will cost substantially more so we have no choice but to replace parts in existing machinery. If this last round of submittals doesn't get us a waiver, senator Sullivan will put a rider on a bill to get us what we need.

Dennis states that the governor wanted to hire a consultant to figure out how to make the AMHS operate more efficiently. An RFP was put out twice and they were not happy with 1st go around, and the 2nd go around had 2 proposals; Northern Economics from Anchorage was selected but the other company who submitted a proposal is disputing that selection. The bulk of our summer traffic used AMHS to connect with us so this will have a negative impact on our ridership. Additionally, there is a lot of uncertainty for the smaller communities who rely on AMHS, we just don't know how this will all work out. Dee Dee asks Dennis how to address people who are panicking about AMHS shut down and IFA \$250K appropriation being dropped. Dennis says the AMHS is funded through September 2019 and hopefully the legislature will have a solution by then. Right now, people can't make a reservation past September; AMHS has been going for 60 years, it's going to take time to redo it. Dennis continues that conversations are happening behind closed doors, so we don't know anything yet. Jeff asks Dennis what he can tell people who ask what \$250K is spent on because he wants to have an answer if city hall or anyone asks. Dennis answers that we generally end up about 15-25% short from ticketing sales so the \$250K is used to cover a small percentage of our operation costs and is used to match state and federal grant for our maintenance projects; we use what it takes to fill the fiscal gap and our operating costs. He continues that the price of fuel went up in 2008 and although it came back down, it isn't near where it was prior to that. If fuel stayed at \$.50-\$.90/gallon, we would be self-sufficient. Our ridership has decreased and we're treading water right now, hopefully this summer ridership will increase. Chrissy states in 2014 we used all but \$11K of our reserves. Dennis states we've been through some rough times, but we've managed to get through; governor Parnell has helped us tremendously and Steadman has been our guardian angel. If we can't get help from the legislature, we've got some difficult issues to figure out. Brian states the whole island has issues; a lot of businesses are struggling so it's been a tough winter. Dennis states that the economics of traveling and how much money people have directly impacts us, the tourism industry is part of our financial stability.

8. **Old Business** none

9. **New Business**

- a. Motion: Approve that Dennis Watson receives Lifetime travel benefit upon retirement; moved by Otis Gibbons and seconded by Dee Dee Jeffreys. Harvey states that Dennis has been working for the IFA for many years and giving Lifetime travel is in appreciation of these valued efforts. Motion approved unanimously.
- b. Motion: Approve Resolution No. 2019-01 to adopt the 2019 Galley Contract moved by Otis Gibbons and seconded by Dee Dee Jeffreys. No changes to contract. Motion approved unanimously.
- c. Lifetime travel for spouse request. Dennis was asked by Curtis Brown if spouses could be included in the Lifetime policy. Dennis states although there are complications to administering this revision, it is a benefit to employees that doesn't cost anything. Donna states there are 9 existing lifetime beneficiaries and as of today 10 more employees qualify for the benefit. Chrissy

states that although the number seems high, its always on a space availble basis. Harvey asks how much more effort will this put on agents? Donna states that there will be more to keep track of but workable. Jeff states it would be a good moral booster. Donna asks whether qualifying dependent children should be included in this possible change. Dee Dee asks if Donna could write up policy with these changes for next meeting.

- d. Motion: Approve amended Resolution No. 2019-04 to adopt 2019 revised Telephone, Cellular Phone and Personal Electronic devise Use policy in Employee Handbook Section 9.13; moved by Otis Gibbons and seconded by Dee Dee Jeffreys. Rich states that this is a draft cell phone policy to reflect safe practices. Dennis says, lets implement this and see if it's doing what we hope to accomplish. We don't want to shut phones off completely, we use them to do business. There were a couple bad accidents with other ferries while people were texting, so we needed a better-defined policy for insurance purposes and because phones are such an integral part of life now. Brian states cell phone use in work place is something he gets complaints about plus it can be distracting and unsafe. Patty states she'd like to see something added that informs employees in the case of an accident, all electronic devises would be confiscated pending litigation. Dennis suggests putting 'refer to administrative policy' into the draft. Patty wants the employees to be aware their phone would be confiscated in case of an accident. The maker of the motion Otis and seconder Dee Dee agree to this addition. Motion approved unanimously.
 - e. Motion: Approve Resolution No. 2019-02 FY2020 Budget's 1st Reading; moved by Harvey McDonald and seconded by Dee Dee Jeffreys. Dennis asks Board to get any questions to Chrissy before next meeting. Chrissy states that there is a reduction of \$202K and that she was shooting for \$250K because of uncertainty of appropriation. There are some reserves, there are no wage increases, there is no increase to healthcare coverage, the vessel ops are reduced by about \$80K, the terminal ops are reduced by about \$30K, and Walt reduced engineering by about \$100K. Dennis states we can readjust in a supplemental budget if needed, and Harvey reminds that this is a moving target and things will happen through the year and adjustments will be made. Otis asks if Chrissy could add column with change in value from last year to current year; Chrissy will send out updated spreadsheet. Motion approved unanimously.
 - f. Motion: Approve Resolution No. 2019-03 to adopt Reasonable Modification Policy; moved by Harvey McDonald and seconded by Brian Wilson. Chrissy states this is a trickle down from FTA Compliance Review. This is a house-keeping item; it's a policy that says persons with disabilities can request assistance from us. We can offer a ride onto vessel or to terminal, or provide use of quiet room, or anything more if it doesn't disrupt our service or put anyone in harm's way. Motion approved unanimously.
10. **Board Comments** Dennis asks about FareHarbor. Donna states the only drawback is that we are not scanning tickets yet. Donna asked FH if they could just develop the scanning capability with Boca printers but FH developers said they need to roll out a 'complete integration of the Boca printers.' Dennis reminds us that Carus is used by AMHS and is the 'Cadillac' of ticketing systems and it took them 2 years to get ticket scanning. Chrissy asks if we can get driver free on Online system, and Donna says that is in the works for next winter. Harvey states its difficult, but he would someday like to do a face-to-face meeting with everyone, perhaps video conferencing is a more realistic option. Dennis states we are behind in meetings so we will have one more this quarter.
11. **Schedule Next Meeting** TBA but tentatively the week of June 3 through 7, 2019

12. **Adjournment** Harvey McDonald adjourned meeting at 11:04am. The workshop for filling the GM position begins after adjournment; no minutes will be taken for the workshop but an audio recording of the meeting is available upon request.