



Board of Director Regular Meeting Minutes with Executive Session March 29, 2023

Recorder: Donna Halvorsen

1. **Call Meeting To Order:** Jeff Nickerson called meeting to order at 10:03am.

2. **Roll Call:**

Chair	Klawock	Jeff Nickerson	present
Vice Chair	Thorne Bay	Harvey McDonald	present via teleconference
Sec/Tres	Craig	Otis Gibbons	present
Director	Coffman Cove	Brian Wilson	present
Director	Hydaburg	Sam Mooney	present
Director	At Large	Doug Rhodes	present

Staff Present: Ron Curtis, Chrissy Torsey-Lucero, Johanna Lambeth and Donna Halvorsen

Staff present via teleconference: Walter Marsh, Kristine Hansen, Carly Eddy, Katie Martin and Arthur Martin

Public Present: None

Public present via teleconference: None

3. **Approval of Agenda** Motion: Approve agenda as presented; moved by Doug Rhodes and seconded by Brian Wilson. Motion approved unanimously.

4. **Approval of Minutes** Motion: Approve minutes from December 13, 2022; moved by Sam Mooney and seconded by Doug Rhodes. Motion approved unanimously.

5. **Public Comment** none

6. **Correspondence** none

7. **Manager's Report**

1) Funding Status – Nothing to report, we are in good shape.

2) SE Conference – The summer meeting will be in September in Sitka.

3) General Update – We continue to have a very good year. Ridership and Vehicle ridership in FY 23 are both up 12% over FY 22. Revenue is up 13% over FY 22.

4) Northern Route – There has been no new discussion on this matter.

5) Operating Status – We are currently running 7 days a week between HYL and KTN and 4 days per week between KTN and MTM.

6) Metlakatla run – We have been filling in for the Lituya since January 21st. The Lituya is expected to return to service on April 1st. I received an email from Katherine Keith (Deputy Commissioner of DOT) on Friday 3-17 in which she stated that they are still on track to be completed by the 1st.

7) M/V Stikine status – The Stikine is in the Barn at Vigor in KTN. The passenger decks have been stripped and are awaiting new upholstery, Carpet and Tile. Currently Walt and team are rebuilding the main engines.

8) MV Prince of Wales Status – In Operation.

- 9) Staffing – We have 3 new IFA employees; Tasha Brendible (KTN Terminal), Sandra Ewing (KTN Terminal), and Matthew Murphy (Deck Hand). We are still looking to hire a Relief Captain/Mate and Relief Deckhand.
- 10) Fuel Expense – Fuel expense has been dropping of late but is still 58% above FY 21 levels.
- 11) KTN Dock project - KTN Dock improvement project is still on track to commence about Oct 1st 2023. As I covered in the last meeting we will be using the AMHS main berth and be using their line handlers. There is provision in the MOA for use to conduct practice landings prior to the disruption. We could be without the use of our KTN dock for up to a month. I am working with AMHS to make sure we will have as few departure and arrival disruptions as possible.
- 12) 1,000,000 Passenger – Sometime this spring we will board our 1,000,000th passenger. We continue to monitor, I plan on engaging the press.
- 13) Veterans Grant – Beginning on February 24th we were authorized for using the grant for vehicle travel.
- 14) High School Tour of Careers – The IFA participated in SISD and Klawock school districts tour of careers on March 8th. Donna and I presented job opportunities at the IFA to the High School Seniors and Juniors in the KTN terminal. They were also given a tour of the vessel while underway and a question and answer period with Captain Brad Crayne.
- 15) VOTEC Job Fair – We will be participating in a job fair at the VOTEC on Saturday April 29th.
- 16) Budget – Wages. I am recommending a budget including a 5% COLA again this year. I am not usually a fan of COLA but we will continue to loose employees if we don't do something. In addition to the 5% COLA we are budgeting an additional 5% in wages for step and merit increases.
- 17) Retention initiatives – Chrissy and I have been working on options to increase employee retention. We are looking to lock in key critical positions for a period of time while we continue working through our business continuity/succession plan. I am requesting to use of \$500,000 for the purpose of Attracting and Retaining talent over the next 4-5 years. Funding for this is available in theory through the 5.4M grant we received in 2022. If the mentioned funding is not available for this purpose, we will need to come up with another plan and this request is retracted.
- 18) Fares – The management team will be discussing a fare increase to cover crew and fuel cost increases. We are seeking approval for up to a 5% increase in a new fare structure we will design. Respectfully Submitted, Ron

8. **Finance Manager's Report** see attached

9. **Old Business** none

10. **New Business**

- a) BOD will select Officer Terms at the June 2023 Regular meeting
- b) Motion: Approve Resolution No. 2023-04 To accept 1st Reading the FY2024 Budget; moved by Sam Mooney and seconded by Brian Wilson. A roll call vote was taken and motion passes.

Chair	Klawock	Jeff Nickerson	yes
Vice Chair	Thorne Bay	Harvey McDonald	yes
Sec/Tres	Craig	Otis Gibbons	yes
Director	Coffman Cove	Brian Wilson	yes
Director	Hydaburg	Sam Mooney	yes
Director	At Large	Doug Rhodes	yes

- c) Motion: Include discussion of employee retention incentives in today's executive session; moved by Sam Mooney and seconded by Doug Rhodes. Motion approved unanimously.

11. **Executive Session**

- a) Motion: Recess Regular Meeting at 10:15am and enter into Executive Session in order to maintain a reasonable expectation of privacy for the purpose of discussing the General Manager's evaluation and employment contract and #17 Retention Incentives from Manager's

Report. I invite Ron Curtis into Executive Session; moved by Brian Wilson and seconded by Doug Rhodes. Motion approved unanimously.

12. Reconvene Regular Meeting at 11:56am and roll call

Chair	Klawock	Jeff Nickerson	present
Vice Chair	Thorne Bay	Harvey McDonald	present via teleconference
Sec/Tres	Craig	Otis Gibbons	present
Director	Coffman Cove	Brian Wilson	present
Director	Hydaburg	Sam Mooney	present
Director	At Large	Doug Rhodes	present

Staff Present: Ron Curtis, Chrissy Torsey-Lucero, Johanna Lambeth and Donna Halvorsen

Staff present via teleconference: Kristine Hansen

Public Present: None

Public present via teleconference: None

13. Action Items from Executive Session

- a) Motion: Approve that the General Manager Evaluation was satisfactory; moved by Sam Mooney and seconded by Harvey McDonald. Motion approved unanimously.
- b) Motion: Approve the General Manager's Employment Contract and a \$3500 bonus as discussed in executive session; moved by Otis Gibbons and seconded by Brian Wilson. A roll call vote was taken and motion passes.

Vice Chair	Thorne Bay	Harvey McDonald	yes
Sec/Tres	Craig	Otis Gibbons	yes
Director	Coffman Cove	Brian Wilson	yes
Director	Hydaburg	Sam Mooney	yes
Director	At Large	Doug Rhodes	yes
Chair	Klawock	Jeff Nickerson	yes

- c) Motion: Authorize the General Manager to designate IFA Retention Incentive funds over the next 5 years for up to 500K as discussed in executive session; moved by Doug Rhodes and seconded by Sam Mooney. A roll call vote was taken and motion passes.

Sec/Tres	Craig	Otis Gibbons	yes
Director	Coffman Cove	Brian Wilson	yes
Director	Hydaburg	Sam Mooney	yes
Director	At Large	Doug Rhodes	yes
Chair	Klawock	Jeff Nickerson	yes
Vice Chair	Thorne Bay	Harvey McDonald	yes

14. **Board Comments** Doug states he appreciates Ron filling in as crew and Donna as agent, and how other people are stepping up doing additional duties; that is why the retention plan is so important. Brian states after seeing the past 3-4 years how we all work together is really great and how you all seem like more of a family. Sam states this is a special place to work and the money was never why, it was the comradery of coworkers and seeing all the people who live here. He continues that we need to promote our employees who are still with us who have been doing a great job because they love their work. Harvey states there are a few of us who have been here since the beginning and have had to put up with the nay sayers and prove them wrong. He continues that he appreciates the General Manager and his positive input. Jeff states that when he talks to people he tells them we have the best ferry system in the state and if they want to argue, he tells them to think about the service we got when the

state ran this route; we got a middle of the night run once a week. He continues that we provide a great service and a lot of people are understanding that more as our ferries are getting older.

15. **Schedule Next Meeting** During first week of June

16. **Adjournment** Motion: Adjourn meeting at 12:09pm; moved by Sam Mooney and seconded by Jeff Nickerson. Motion approved unanimously.