



Alaska Department of Transportation & Public Facilities

Southeast Conference

Captain Michael Neussl, Deputy Commissioner
September 15, 2015



AGENDA

- **Fiscal Year 2015 Accomplishments & Events**
- **Traffic Report**
- **Revenue Report & Historical Comparisons**
- **Fleet Update**
- **Terminal Update**
- **Budgetary Constraints**
- **Fiscal Year 2016 Operating Plan**
- **Fiscal Year 2017 & Beyond**
- **Dayboat Alaska Class Ferry**
- **Tustumena Replacement**

A collage of four images: a surveyor with a tripod on a ship's deck, a large cargo ship at sea, a colorful boat with 'Aerobic' and '1024M' written on it, and a modern building.

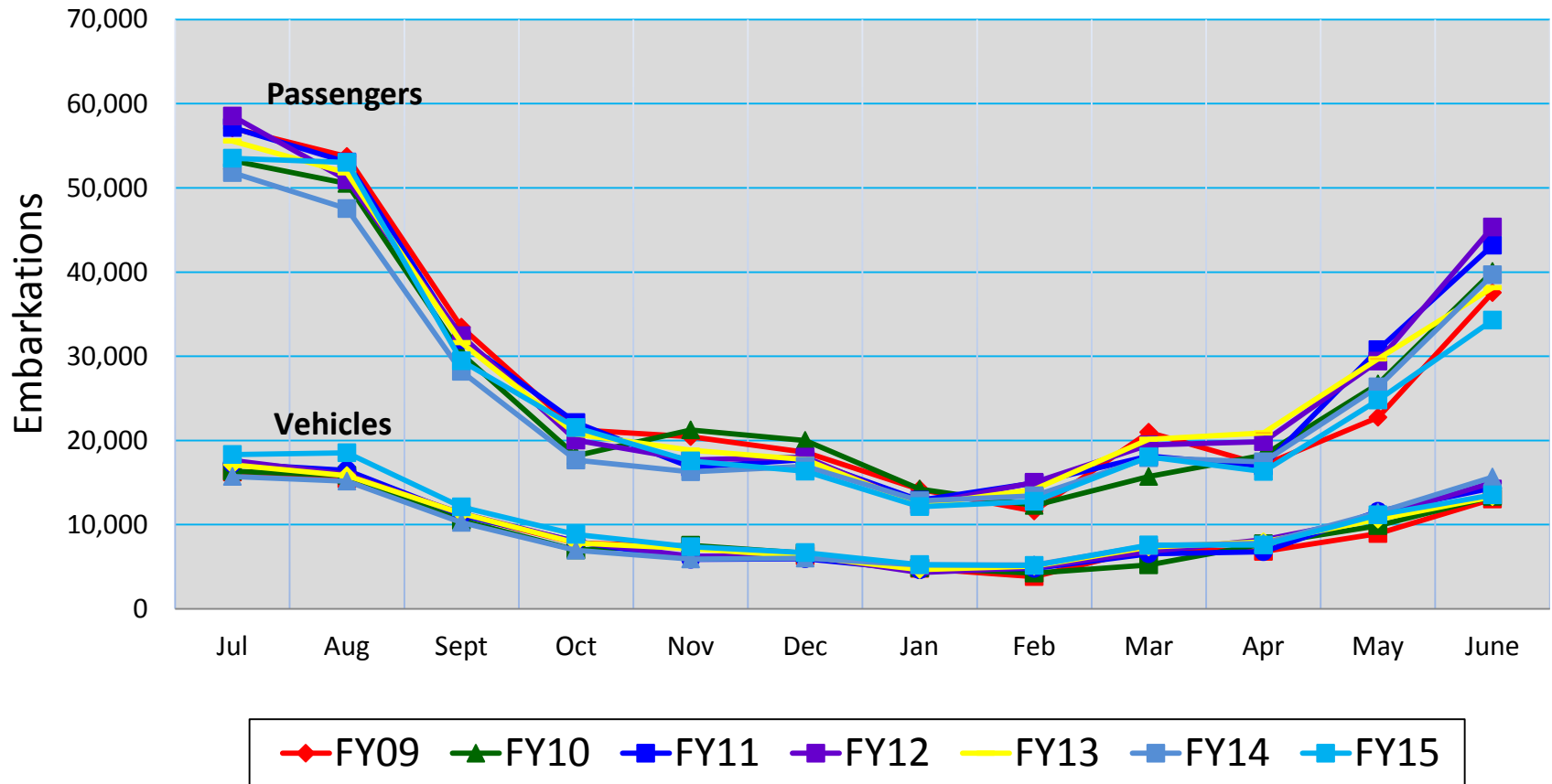
FISCAL YEAR 2015 ACCOMPLISHMENTS & EVENTS

- Earned \$53.5M* in Revenue (+5% from FY14)
- Reduced total operating costs \$5M* compared to FY14 (down to \$161M, -4% from FY14)
- Provided 378 ship weeks of service (-5% from FY14)
- Carried 310,000* passengers and 106,500* vehicles (-3% and -2% respectively)
- Made 6,478 port calls (-5%)
- Redesigned & implemented a more user-friendly website
- 140,000+ followers on social media

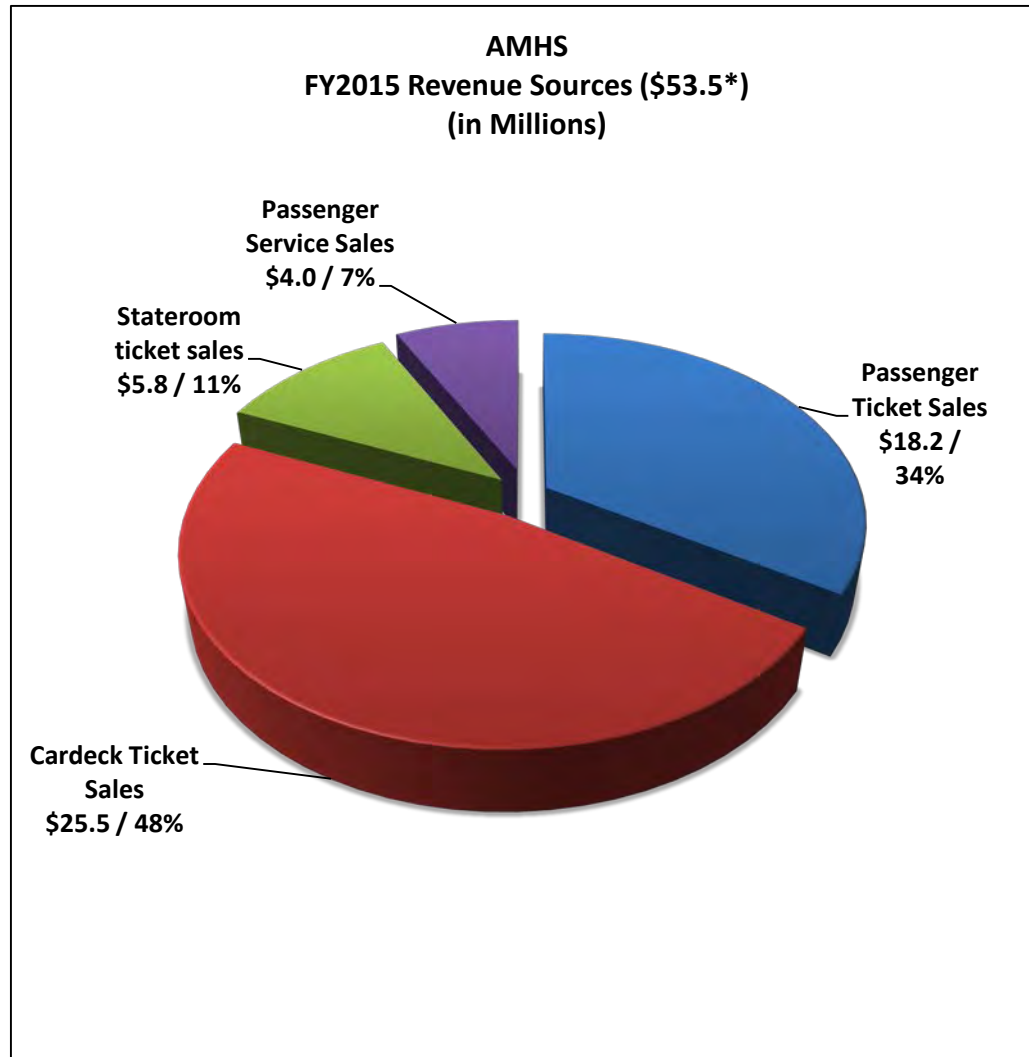
* These numbers are estimates and will not be finalized until November 2015.

TRAFFIC REPORT

AMHS
 FY09 – FY15
 Monthly Embarkations
 As of December 31, 2014



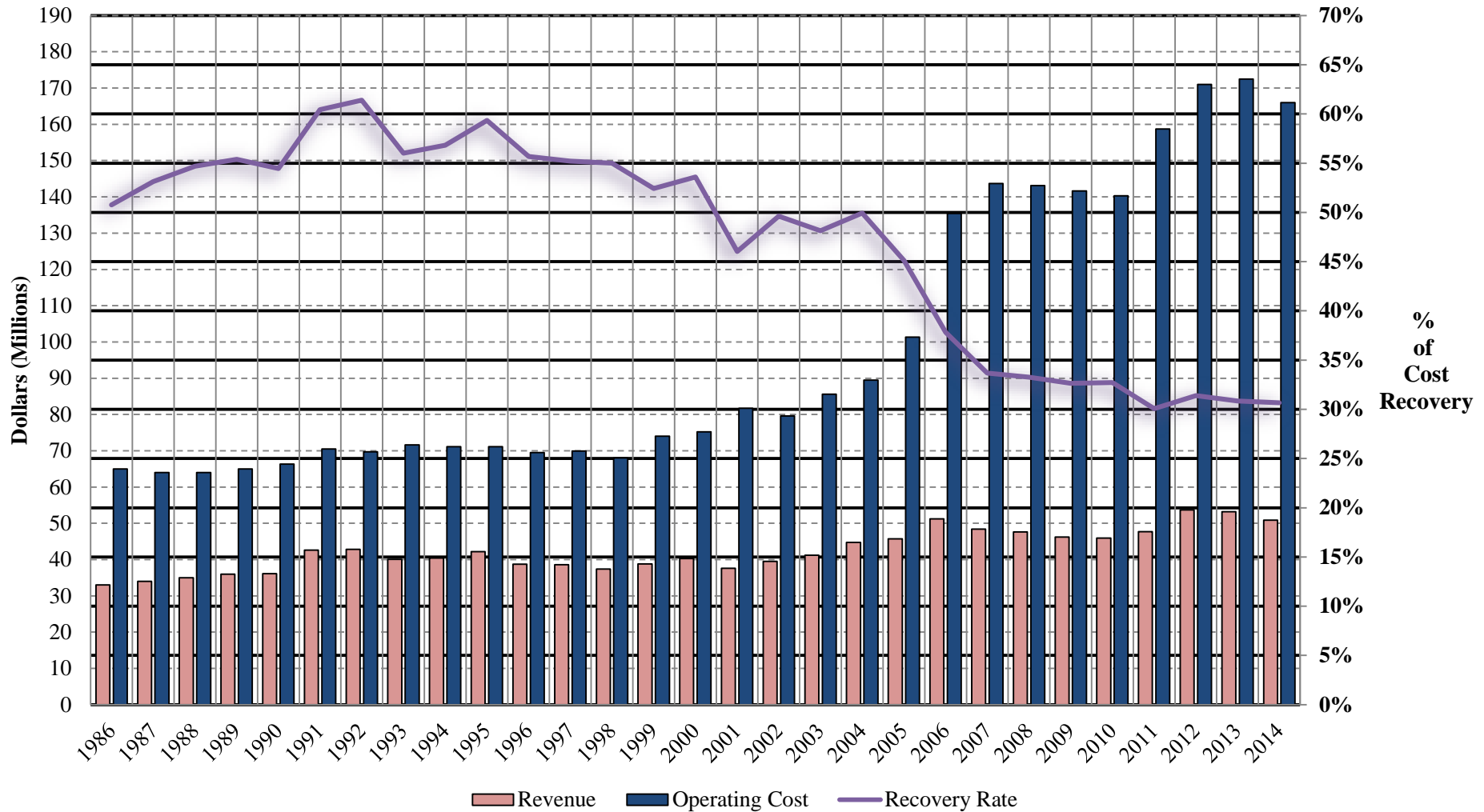
REVENUE REPORT



*This total is an estimate. Final revenue numbers will not be available until November 2015

Historical Revenue & Operating Cost

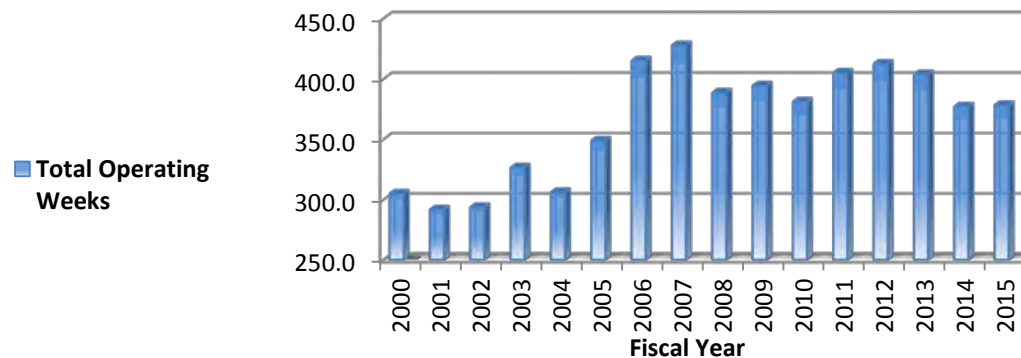
AMHS Fare Box Recovery Rate 1986-2014



Historical Operating Weeks & Fleet Size

AMHS Operating Weeks from Annual Financial Reports

| Fiscal Year | Operating weeks (actual as sailed) | Remarks |
|-------------|------------------------------------|---|
| 2000 | 305.0 | 9 ships (Bartlett, No FVF or Lituya) |
| 2001 | 291.7 | 9 ships (Bartlett, No FVF or Lituya) |
| 2002 | 293.7 | 9 ships (Bartlett, No FVF or Lituya) |
| 2003 | 326.6 | 9 ships (Bartlett, No FVF or Lituya) |
| 2004 | 306.2 | 11 ships (Lituya, FWX, Bartlett / No Chenega) |
| 2005 | 349.0 | Current 11 ships |
| 2006 | 415.1 | Current 11 ships |
| 2007 | 427.8 | Current 11 ships |
| 2008 | 388.6 | Current 11 ships |
| 2009 | 394.4 | Current 11 ships |
| 2010 | 381.2 | Current 11 ships |
| 2011 | 405.1 | Current 11 ships |
| 2012 | 412.5 | Current 11 ships |
| 2013 | 403.8 | Current 11 ships |
| 2014 | 377.1 | Current 11 Ships |
| 2015 | 378.3 | Current 11 Ships |



FLEET UPDATE

- *MV Columbia* Federal Capital Improvement Project (CIP) FY16
- *MV Matanuska* Repower FY17
- Fast Vehicle Ferry Systems Upgrades FY16
- Electrical Generation Upgrade
- SOLAS Waiver - Malaspina
 - Kennicott, Matanuska, Taku are SOLAS



TERMINAL UPDATE

- Haines
- Homer
- Auke Bay
- Kake Terminal Improvements
 - Transfer Bridge
 - Passenger Facility
- Kodiak
- Angoon Passenger Facility
- Prince Rupert – Marine Structures
- Skagway
- Ketchikan
- Gustavus
- Tenakee Springs – Dock Replacement



BUDGETARY CONSTRAINTS

- \$14.6M reduction in State GF Operating funds in Fiscal Year 2016 compared to Fiscal Year 2015
- \$4.4M reduction in State GF Capital funds in Fiscal Year 2016 compared to Fiscal Year 2015
 - *MV Taku* has been removed from service in Fiscal Year 2016 due to insufficient capital overhaul funding
- Fuel base budget of \$2.56 per gallon



FISCAL YEAR 2016 OPERATING PLAN

| Operating Plan 2015-2016 | | | | | | | | | | | | Revision Number 16.11 08/21/2015 | |
|--|--------------------------|-------------------------|------------------------|-------------------|-----|--------------|------------------------|---------------------|-----|-------------------|-------------------|-------------------------------------|--|
| DRAFT | | | | | | | | | | | | Operating Weeks | |
| JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | | |
| 2015 Implementation of an Operating Plan is dependent upon funding from the legislature and earned revenue. 2016 | | | | | | | | | | | | | |
| KEN | Jul 1, Wed BEL -X-GULF | | Oct 02, Layup | | | Jan 6 O.H. | Feb 15 YPR/SGY | Mar 21, SW - X-Gulf | | | | 32.9 | |
| | | | | | | | Feb 09, COI | | | | May 18, COI | | |
| COL | Jul 1, Wed BEL-Fri | | Oct 4, Sun Federal CIP | | | | | | | Apr 27, O.H. | May 25, BEL-Fri | 18.9 | |
| | | | | | | | | Mar 16, COI | | | | | |
| MAT | Jul 1, Wed YPR/SGY | | | | | | Feb 16, O.H. | Mar 21, YPR/SGY | | | | 47.4 | |
| MAL | Jul 01, O.H. | Jul 28, Tue NLC-Dayboat | Oct 4, BEL-Fri | | | | | | | | May 25, Wed Layup | 43.1 | |
| TAK | Jul 01, Layup | | | | | | | | | | | 0.0 | |
| LIT | Jul 1, Wed MET Service | | | | | Jan 10, O.H. | Feb 19, MET Service | | | | | 46.6 | |
| | | | | | | | Feb 10, COI | | | | | | |
| LEC | Jul 1, Wed NP/Dayboat | | | | | Jan 13, O.H. | Feb 16, Tue NP/Dayboat | | | | | 47.4 | |
| | | | | | | | | | | May 07, COI | | | |
| TUS | Jul 1, Wed SW | | | | | | | Mar 25, Overhaul | | May 15, SW | | 45.0 | |
| | | | Sep 23, COI | | | | | | | | | | |
| AUR | Jul 1, Wed PWS | Aug 15, Overhaul | Oct 1, PWS | | | | | | | | | 45.6 | |
| FWX | Jul 1, Wed PWS | | Oct 01, O.H. | Nov 1 Federal CIP | | | | | | May 01, Sun Layup | | 13.1 | |
| CHE | Jul 1, Wed SIT 6x PSG 1x | | Sep 15, Federal CIP | | | | | | | May 01, Sun Layup | | 10.9 | |

| LEGEND | | | |
|--------|----------|--------------------------------------|---|
| | CIP | BEL - Bellingham to Skagway Route | PWS-Prince William Sound |
| | On Line | YPR - Prince Rupert to Skagway Route | MET - Metlakatla Service |
| | Overhaul | BEL-X-Gulf Bellingham Cross Gulf SW | NP - Northern Panhandle |
| | Layup | | NLC + SIT - Northern Lynn Canal + Sitka |
| | COI | | |

Note: Dates represent the first day of the period. Overhaul and refurbishment periods include vessel travel time.

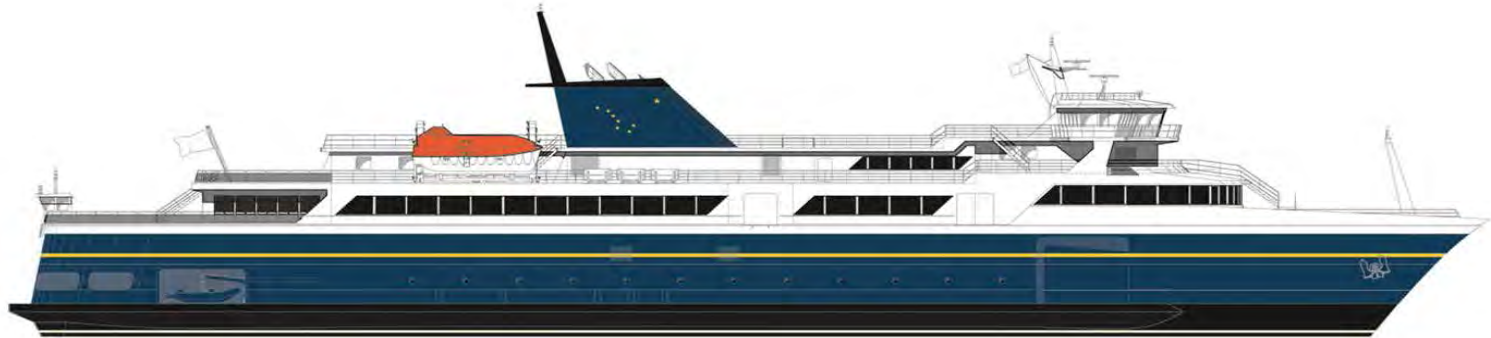
| | |
|------------------------------|--------------|
| Mainline Vessels | 142.3 |
| Feeder Vessels | 107.1 |
| Southwest Vessels | 101.5 |
| Total Operating Weeks | 350.9 |



FISCAL YEAR 2017 & BEYOND

- Continue to provide core services between Alaskan ports, Prince Rupert, and Bellingham
- Budget Constraints
 - Additional reductions in both Operating & Capital funds likely
 - Operating Plans & Schedules are being drafted accordingly
- New reservations system to improve customer service
 - Self Service Kiosks
 - Faster boarding, better security
 - Public roll-out in Spring of 2016
- Create efficiencies and reduce costs
- Retire vessels...Reduce Fleet and/or Reduce Routes
- New vessels: Two Alaska Class, Tustumena Replacement

DAYBOAT ALASKA CLASS FERRIES UPDATE



- **Construction contract signed early October 2014 – Due 2018**
 - Keel laying ceremony was held on December 13, 2014
 - Main engines have been purchased and delivered to Ketchikan
 - Ferries will be 280-feet long
 - Seat up to 300 passengers
 - Carry 53 standard vehicles
 - Feature bow and stern doors
 - Enclosed car decks
 - Controllable pitch propellers to maximize maneuverability and efficiency.

DAYBOAT ALASKA CLASS FERRIES UPDATE



DAYBOAT ALASKA CLASS FERRIES UPDATE



DAYBOAT ALASKA CLASS FERRIES UPDATE



06/26/2015

DAYBOAT ALASKA CLASS FERRIES UPDATE



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TUSTUMENA REPLACEMENT UPDATE



- Public information meetings held in spring 2014 in Homer, Kodiak, and Dutch Harbor
- Reconnaissance Report delivered in May 2014
- Final design process began January 2015
- Design completion expected December 2015
- Construction Funding & Contracting to Follow

Questions?



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