



# Board of Director Regular Meeting Minutes

October 25, 2016 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 via teleconference
Vice Chair	Klawock	Jeff Nickerson	present via teleconference
Sec/Tres	Craig	Otis Gibbons	present
Director	Wrangell	Bernie Massin	present via teleconference
Director	Hydaburg	Anthony Christianson	absent
Director	At Large	Dee Dee Jeffreys	present via teleconference
Director	Coffman Cove	Brian Wilson	present via teleconference

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

Staff present via teleconference: None

Public Present: None

Public present via teleconference: Brenda Mc Donald then at 10:24 Erin Bolton WRG Radio joined

3. **Approval of Agenda** Motion: Approve agenda as presented; moved by Harvey Mc Donald and seconded by Brian Wilson. Motion approved unanimously.
4. **Approval of Minutes**
  - a) Motion: Approve minutes from June 16, 2016 meeting; moved by Harvey Mc Donald and seconded by Brian Wilson. Motion approved unanimously.
5. **Public Comment** N/A
6. **Correspondence** N/A
7. **Manager's Report** (see Manager's Report after Adjournment Item #12) Dennis asks if there are any questions regarding the report.
  - Harvey asked how things were coming on new reservation system, and Donna replied that we are in process of negotiating contract details and if all goes on schedule, March 1, 2017 we will be using the new system.
  - Harvey asked about repurposed funds, and Dennis replies that we have money to continue the maintenance that Walt has scheduled. But this will allow us a better shot at it and money will not be available until July 1 2017. Jim Potdevin worded up a STIP amendment to set us up financially for the next several years or through 2018, so we won't have to get a STIP amendment every time to receive this money. It looks good for us and we still get the parking lot expanded.
  - Harvey asked on TIGER Grant updates, and Dennis stated that it doesn't look good right now but will keep BOD updated.
  - Harvey asked about new retirement system, and Chrissy stated that State of Alaska employees have always had the opportunity to contribute money into their retirement in addition to SBS

and PERS, and now that opportunity will be available to IFA employees too. The State would administer it similar to SBS and PERS, and it will take approval from the IRS but the State has offered to walk us through process. If we want to offer this option to IFA employees, the BOD will have to approve it through a Resolution. Jeff asked how many people are we paying retirement on, and Chrissy replied around 21. More information later.

- Harvey asked about Moore Engineering report and wonders if drilling well is too costly in comparison to other 3 alternatives, and Dennis replied that definitely and there is no guarantee that it will get certified. The best option is #2; it is feasible to place one small tank inside building and one portable tank outside building and replumb sinks so they get water from the certified tanks. The portable tank would go back and forth as needed to Ketchikan and fill up with Ketchikan certified water. This will cover our legal obligations. Jeff asked if Moore Engineering report needed to be on agenda, and Harvey replied that it was in Dennis's report and Dennis replied that this is just a discussion item on the report. We will develop a plan of action and identify exact costs and if we have that ready then at next meeting we can make it an action item. Jeff was thankful that the report was so thorough.
- Dee Dee thanked Dennis and all the Office crew for all their work; it is very appreciated.
- Dennis asked if the BOD is okay with him using IFA vehicle to run to Kasaan to meet with Mayor; all BODs approved it and Otis stated the handicap van would benefit from a long drive to get carbon blown out of it.

8. **Old Business** N/A

9. **New Business**

- a) Motion: Approve offering Driver Free January 1 through April 30, 2017 and Sensational Sales January & February 2017; moved by Otis Gibbons and seconded by Dee Dee Jeffreys. Motion approved unanimously.
- b) Motion: Approve Resolution No. 2017-01 Renew 2017 Food Service Concession Contract with OUR T.E.A.M; moved by Otis Gibbons and seconded by Dee Dee Jeffreys. Motion approved unanimously.

10. **Board Comments**

- Brian stated that the North End Ferry representative Keith Perkins is trying to get USRDA Federal funding for it and that he asked if Coffman Cove would allow them to use the ferry facility and the City agreed.
- Bernie asked if we are still doing the run to Petersburg, and Dennis replied we are complete for this year but tentatively we are supposed to do it next May and June but it wouldn't be surprising if we didn't do those last two runs at all. It is a lot of extra work for us and counts were very dismal. Captain Neussl and Dennis will be discussing it this winter, and Neussl will make that decision. Dee Dee said she heard complaints that people could go "up" but not "back" and that we didn't stop in WRG. Dennis stated that there were several complications going to WRG but we had to do a turn and burn because that is what the State said we could do. Bernie asked about a whistle stop into WRG, could we schedule around some tournaments? Dennis replied that the layby vessel may not be ready, but if the athletic directors could provide the year's schedule, we could look at feasibility of doing it. Bernie says if we could get a couple hundred people then it might be worth it. Dennis stated that we would have to get a crew together and have the vessel available so it's a gamble but will get you a report on it. Bernie said as a parent he would go too if there was transportation. Dennis will get together with Craig School travel coordinator and get a winter long schedule and go from there. Jeff stated that maybe what we need is an amount that we need to make a trip; then we would have a specific amount of how much we need. Dennis can get the totals we used for the run up to Petersburg and that would give you an idea of what we are looking at. Otis stated that it would help if you had a round-trip on a Friday and a round-trip on a Sunday, and had all the athletic directors behind it so the ridership was there, maybe even get local sponsors to help out. Donna stated

that schools know the dates of travel but often don't know the number of travelers because they don't know who is going to qualify until a few days before the trip. Dennis stated that we'll break out a cost for how many passengers and vehicles it will take to do something like this. Brian stated that if we are looking at anything for Wrangell or Petersburg maybe we should see how much it costs the State to do it- maybe they would be interested in doing it.

- Dee Dee commented that Ocean View RV Park is no longer in business.
11. **Schedule Next Meeting** TBA but will likely be a Special meeting before the next Regular meeting
  12. **Adjournment** Motion: Adjourn meeting at 10:35am; moved by Jeff Nickerson and seconded by Dee Dee Jeffereys. Motion approved unanimously.

### Manager's Report provided to BOD 10/23/16

**From:** Dennis Watson [<mailto:dwatson@interislandferry.com>]

**Sent:** Sunday, October 23, 2016 4:58 PM

**Subject:** Managers Report:

Board Members,

I hope you have all had a chance to review Tracy Moore's report on the Hollis Terminal water system. As you may recall Tracy, a Certified Public Engineer (PE), offered to help us get the terminal water system permitted in exchange for some ferry travel. Tracy's report is very thorough and points out that we have little chance of getting a drinking water certification for the existing well and water system. He as presented us with some alternative means to provide drinking water that we will discuss at Tuesday's meeting.

We are also in the process of purchasing (subscribing to) a new ticketing and reservation system because our existing system Rezware is at the end of its useful life. As was discussed at the last BOD meeting IFA had hoped to participate in Carus, AMHS's new reservation system. We now know that is not possible, at least not in the short term. The troubles we are having with Rezware however are on the increase and we need to get into a new system as quickly as possible. Donna has identified a system that will work well for IFA (RocketRez) and is negotiating the terms of a use agreement. Our attorney has reviewed the contract language in the agreement and has suggested some changes, the document will be sent back to RocketRez for their concurrence this coming week. We would like to be into the new system before next summer's busy season.

Last spring I was made aware that Congress had passed a bill that would allow unused earmarked federal funds to be repurposed and used for qualifying projects in the area where the original earmark was intended to be used. There were 700k of unused earmarks on POW and I submitted a project for that amount that would include rebuilding the reverse gears in both vessels, and was told to check on the request status at the end of the summer. I did so last month and was informed that DOT had repurposed this funding to expanding the Hollis Terminal parking area. This is not necessarily a bad thing, but in the order of magnitude it is not as important as maintaining the vessels in safe operating order. I wrote a letter to DOT Commissioner Lukin making that point. The letter must have struck a chord, I was contacted by DOT two weeks ago, they offered to forward fund us four years of Ferry-Boat Refurbishment payments and are throwing in a portion of the repurposed earmarks totaling over 900k. These funds combined with the required match will come to well over a million dollars for vessel maintenance. The process of acquiring this funding is in motion and it should be available to us after this coming July 1<sup>st</sup> . And, the terminal parking lot will still be expanded, the project should start this spring.

Other issues:

I have not been able to make it to Kasaan to address their request for ferry service. I'm hoping to schedule a visit in the coming month.

We haven't received notification on TIGER Grant awards yet, It should be any day now.

Expect an out of cycle BOD meeting before the first of the year, to address some new retirement program options for employees, and once the final numbers are available the board needs to adopt a resolution authorizing IFA to receive the forward funding package mentioned above.

See you Tuesday,

*Dennis Watson*