



Board of Director Regular Meeting Minutes

March 27, 2024 Recorder: Johanna Lambeth

1. **Call Meeting To Order:** Jeff Nickerson called meeting to order at 10:01 am.

2. **Roll Call:**

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

Staff Present: Ron Curtis, Chrissy Torsey-Lucero, Carly Eddy and Donna Halvorsen

Staff present via teleconference: Katie Martin, Johanna Lambeth, Tina Bates, Kristine Hansen, Kiya Walters, Walter Marsh, and Tasha Brendible

Public Present: None

Public present via teleconference: None

3. **Approval of Agenda** Motion: Approve agenda as presented; moved by Sam Mooney and seconded by Otis Gibbons. Motion approved unanimously.

4. **Approval of Minutes** Motion: Approve minutes from December 14, 2023; moved by Otis Gibbons and seconded by Sam Mooney. Motion approved unanimously.

5. **Public Comment** No Public Comment

6. **Correspondence**

Ron states that while it is not included in the packet, the MOA between us and the State of Alaska to fill in for us, in the event that we need it has been executed and verified.

Board of Directors Seats for Jeff Nickerson and Otis Gibbons expire June 30, 2024. Letters were sent to the Cities on March 15th and are submitted in writing.

7. **General Manager's Report**

To: Inter-Island Ferry Authority Board of Directors

Respectfully Submitted by Ron Curtis – General Manager

Subject: Q3 Update

1) Funding Status –

a) State Budget – We were not included in the Governor's original budget or in his supplementary. Walt and I met with our congressional leaders over this at S.E. Conference. I also testified before the Legislature Finance committee on 3-12-2024 from 14:30 until 16:00. We remain in close contact with offices of Stedman, Ortiz and Himschoot.

b) STIP - I got a call from Katherine Keith at State DOT, our STIP numbers for the next 4 years have been increased in the amount we asked for, from 8,000,000 to 14,646,201.

c) USDA – REAP Grant – Walt and I met with Keith Perkins of the USDA at SE Conference. Walt is working with the USDA to receive a grant to update the generators on our boats. The USDA has really gotten excited about trying to help us out.

d) Denali Commission – Walt and I met with Jocelyn Fenton, Chair of the Denali Commission on Grant opportunities should we need funds for federal grant matching. I convinced the Denali Commissions transportation committee to have a Business Lunch and Tour on our Boat, In port in KTN on 5-8-2024. I and all of our Managers will be attending.

2) SE Conference – The Mid-Session meeting was February 6-8 in Juneau, Walt and I attended. We met with many of our Legislators and Senators. The next Annual Meeting is in KTN in September. It will be a good opportunity for Managers and Board members to attend.

3) General Update – We had a good Winter. Ridership for passengers and vehicles was up significantly in Jan./Feb. 2024 over 2023. (4,353 Passengers in 2023 vs. 5,193 in 2024) and Vehicle ridership (1,422 Vehicles in 2023 vs. 1,579 in 2024).

Otis asks how much of that passenger and vehicle ridership increase comes from Driver Goes Free. Ron explains that it is a lot of it and explains the benefit for us of Driver Goes Free.

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

5) M/V Stikine status – The Stikine is in Ward Cove and going into a maintenance period that will include Dry docking and a Hull inspection. While on Drydock the Lifesaving equipment will be removed and sent out for re-certification. Anchor chains are going to be replaced and all the deck winches overhauled. Walt will also be pulling and cleaning out the Grid coolers. The Stikine will then return to service on approx. May 5.

6) MV Prince of Wales Status – In Operation as of 3-19. The lifesaving equipment has been recertified. Planning is well underway for the Federal contract and Walt met with the Engineers last week and electrical engineers are scheduled. The POW will come back out of service about May 5 and enter the Federal project.

7) Staffing – We are currently fully staffed with the exception of the F/T Mate/Relief Captain position. New employees and promotions include; Kristine Hansen – Interim Terminal Manager, William Conway – On-call Deck Hand. We want to also acknowledge the years of service that Donna has provided to the IFA. Her last day will be April 15th.

Ron acknowledges Donna Halvorsen's 19 years of service to the IFA, and that April 15th will be her last day with the IFA.

8) KTN Dock project –The Dock improvement project was completed on-time and was re-opened on November 9th. There is still one outstanding Item that will be completed this summer. That is the addition of Shore Power at the dock. This will save us in fuel expense as we will not need to run generators for hotel power when we are at the dock.

Ron adds that there might be a slight disruption for one day where we may have to park at Berth I again, due to having to shut off electrical to the entire Berth III. More to come on this as the details develop.

9) Fares –I believe we need to increase fares heading into FY '25. We have not raised prices in many years, I want to hear what the board thinks. I have compared our rates to comparable runs on the AMHS and we are essentially the same.

Respectfully Submitted,
Ron

Ron adds that Food Banks on the island, The Salvation Army Klawock Corps, the POW Food Bank, and along with the Ketchikan Food Bank and The Salvation Army Ketchikan Corps, and an organization in Ketchikan who is building greenhouses to provide fresh produce to help community members alleviate food insecurity. It is currently being considered to offer Space Available travel benefits as needed to provide this much needed service to the island communities, as well as one monthly confirmed trip compensated by the IFA, to ensure that perishable products can be delivered to clients. If the Board is amenable to. Unless the Board disagrees, Ron will continue working on an MOA with the Coalition.

Jeff agrees with Ron mentioning that it is hard to do a fare increase when we have all of that grant money, but prices are going up. Jeff states that he would like the Board to receive any information Ron has gathered for the fare increase when we start talking about it. He would like to have the information on hand if anyone asks about it.

Ron asks if anyone has any feedback on the Food Bank Coalition. Doug says that he thinks it is a great idea to offer comped travel and asks if there are one or two days a week that are usually slower days that we can recommend for the coalition to book on for any other travel days they have in the month that would be space available travel. Ron says that would be the objective, especially with summer travel and lodge days coming. Donna mentions specifying in the MOA who will be calling to make the reservations for travel, Ron confirms that it will be in there and that it will be the Ketchikan and Klawock Salvation Army handling the travel. Donna asks if there will be a Driver comped if needed, and Ron says if they need it.

Otis says that he thinks a luggage cart, or better a small, refrigerated box truck, in partnership with some of the lodges would be beneficial. On the Hollis side, the lodges fill it up with fish boxes, and on the way back the coalition fills it up with the produce.

8. Finance Report

Chrissy apologizes for the lateness of the financial reports. She states that the increase in the budget from FY24 to FY25 is based on our Wage Progression we have implemented for the last three years, along with a Cost of Living increase. This year will be the first year in three years that we will not provide the COLA at 5%, we will just be sticking with the Wage Progression of just a little over 2%. The FY2025 Budget as it is, does not yet assume any increases to Health Care Premiums, which has been increasing steadily for the last 3 years. The fuel is another uncertainty, but fuel is always an uncertainty. The year-to-date through February shows that Engineering and Maintenance are up.

Chrissy expresses some concern over the CRSSA Grant, she is afraid they are going to want to take it away, but she is hopeful that the meeting she and Ron will have tomorrow will help show how we can use that money. In the event that they take the 3 million dollars away, we have applied for 1.2 Million from the 5311 Rural Transportation Grant. But they usually cap at 1.1 million.

Jeff asks about when the Lituya is going to go up on dry dock, Donna says she thinks they are switching to August. R

9. Old Business No Old Business

10. New Business

- a) Motion: Approve Resolution No. 2024-03 "Accept First Reading of FY2025 Budget" ; moved by Otis Gibbons and seconded by Doug Rhodes. Motion approved unanimously.
- b) BOD Seats for Jeff Nickerson and Otis Gibbons expire June 30th 2024, Craig and Klawock were notified on March 15th 2024 by email.
- c) General Manager Contract expires June 30th 2024.

11. Board Comments

Sam said he would like to see us implement an exit interview to help us grow as a company. Chrissy says that we have the foundation started, but we haven't implemented it.

Jeff asks about retention bonuses in the budget starting from 2023, curious about when they are given to employees. Chrissy and Ron affirm that they are given at the end of the year. Ron also states that the retention includes other things as well. Jeff says he appreciates us having these in place. Sam points out that beyond 10 years, there aren't many incentives to stay with the company past earning lifetime travel. And if there is a way we can incentivize making the IFA a career.

Doug says that while he has been in Wrangell he has heard nothing but praises about the IFA as a service for our island. And they expressed their gratitude that the IFA is around. Despite not being a member community anymore they are still very supportive of us.

Ron says that he has one more thing to echo what Doug is saying. In Southeast Conferences "Southeast By The Numbers" it was reported that every community in Southeast Alaska has declined in population, except for Prince of Wales Island which grew by 168 residents last year. A survey asking why, responses showed that POW having consistent, reliable transportation was why people are moving here. And that felt good. Jeff says that in 20 years we have proven something.

12. Schedule Next Meeting

Next Board Meeting will be in June, date to be decided on.

- 13. **Adjournment** Motion: Adjourn meeting at 10:41am; moved by Sam Mooney and seconded by Otis Gibbons. Motion approved unanimously.