AGENDA

• Fiscal Year 2016 Review
• AMHS RBA Measures
  • Results Based Alignment
  • Core and Direct Services
  • Conformance to Plan, Timeliness, Accuracy, Cost
• Fleet Update
• Terminal Update
• Budget Outlook
• Dayboat Alaska Class Ferry Update
• Tustumena Replacement Update
FISCAL YEAR 2016 REVIEW

• AMHS is not in crisis; just a severe funding challenge
• Earned $47.7M* in Revenue (-12.9% from FY15)
• Reduced total operating costs $15.6M* compared to FY15 (down to $145.2M, -9.7% from FY15)
• Provided 355.9 ship weeks of service (-5.9% from FY15)
• Carried 285,725* passengers and 99,579* vehicles (-7.7% and -6.5% respectively)
• Made 6,504 port calls (+0.4%)
• Implemented new reservation and manifest system

*These numbers are estimates and will not be finalized until November 2016.
Conformance: Port Calls FY16
Passengers per Population
(Average 2012-2015)
Vehicles per Population
(Average 2012-2015)
Adherence to Schedule FY16

Southeast Schedule Changes

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<tr>
<th>Source of Change</th>
<th>Number of Changes</th>
<th>Percentage</th>
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<tr>
<td>Weather</td>
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Southwest Schedule Changes

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<tr>
<td>Weather</td>
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<td>Total</td>
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Historical Operating Weeks & Fleet

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<th>Fiscal Year</th>
<th>Operating weeks (actual as sailed)</th>
<th>Remarks</th>
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<td>305.0</td>
<td>9 ships (Bartlett, No FVF)</td>
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Historical Revenue & Operating Cost

AMHS Fare Box Recovery Rate 1986-2016

- Revenue
- Operating Cost
- Recovery Rate
FLEET UPDATE

• M/V Malaspina Electrical Upgrades FY17
• M/V Matanuska Repower FY18
• TAKU Layup and Divestiture, Chenega Layup
• SOLAS Waiver APPROVED! – Malaspina to cover for Matanuska
TERMINAL UPDATE

- Haines
- Kake Terminal Improvements  
  - Transfer Bridge  
  - Passenger Facility
- Kodiak
- Angoon Passenger Facility
- Prince Rupert – Marine Structures
- Skagway
- Gustavus
- Tenakee Springs – Dock Replace
Keep Alaska Moving through service and infrastructure

### FISCAL YEAR 2017 OPERATING PLAN

**Operating Plan 2016-2017**

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**Revision Number 17.8 06/30/2016**

**Legend**

- **FED CIP**: BEL - Bellingham to Skagway Route
- **On Line**: PWS - Prince William Sound
- **Overhaul**: SW - Southeast
- **Layup**: YPR - Prince Rupert to Skagway Route
- **Layup**: MET - Metlakatla Service
- **Layup**: YPR-X-Gulf SW - Pr. Rupert Cross Gulf Southwest
- **Layup**: NP - Northern Panhandle
- **Layup**: NLC - SIT - Northern Lynn Canal - Sitka

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

**Mainline Vessels:** 127.7
- **Feeder Vessels:** 117.8
- **Southwest Vessels:** 89.6

**Total Operating Weeks:** 335.1
FISCAL YEAR 2018 & BEYOND

• Budget Constraints
  • Additional reductions in both Operating & Capital funds likely
  • Operating Plans & Schedules are being drafted accordingly
• Core Services – Results Based Alignment
• Create efficiencies and reduce costs
• Can we afford all vessel and all routes?
• FY 18 budget being built now, Summer 2017 Schedule on hold pending funding decisions to support it.
TAZLINA and HUBBARD 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
  - TAZLINA delivery early, December 2017, HUBBARD delivery late January 2019
  - M/V Tazlina Hailing Port Valdez, M/V Hubbard Hailing Port Yakutat
TUSTUMENA REPLACEMENT UPDATE

- STIP Amendment 1 pulls funding forward to FFY17
- Federal aid funded project.
- Match funding and Legislative Authority being sought in state FY18 budget
Questions?

Captain Michael A. Neussl – Deputy Commissioner
Alaska DOT&PF, AMHS
(907) 465-6977
Michael.Neussl@Alaska.Gov