




Alaska Department of Transportation & Public Facilities 2016 Southeast Conference Annual Meeting

Michael Neussl, Deputy Commissioner
September 21, 2016



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**



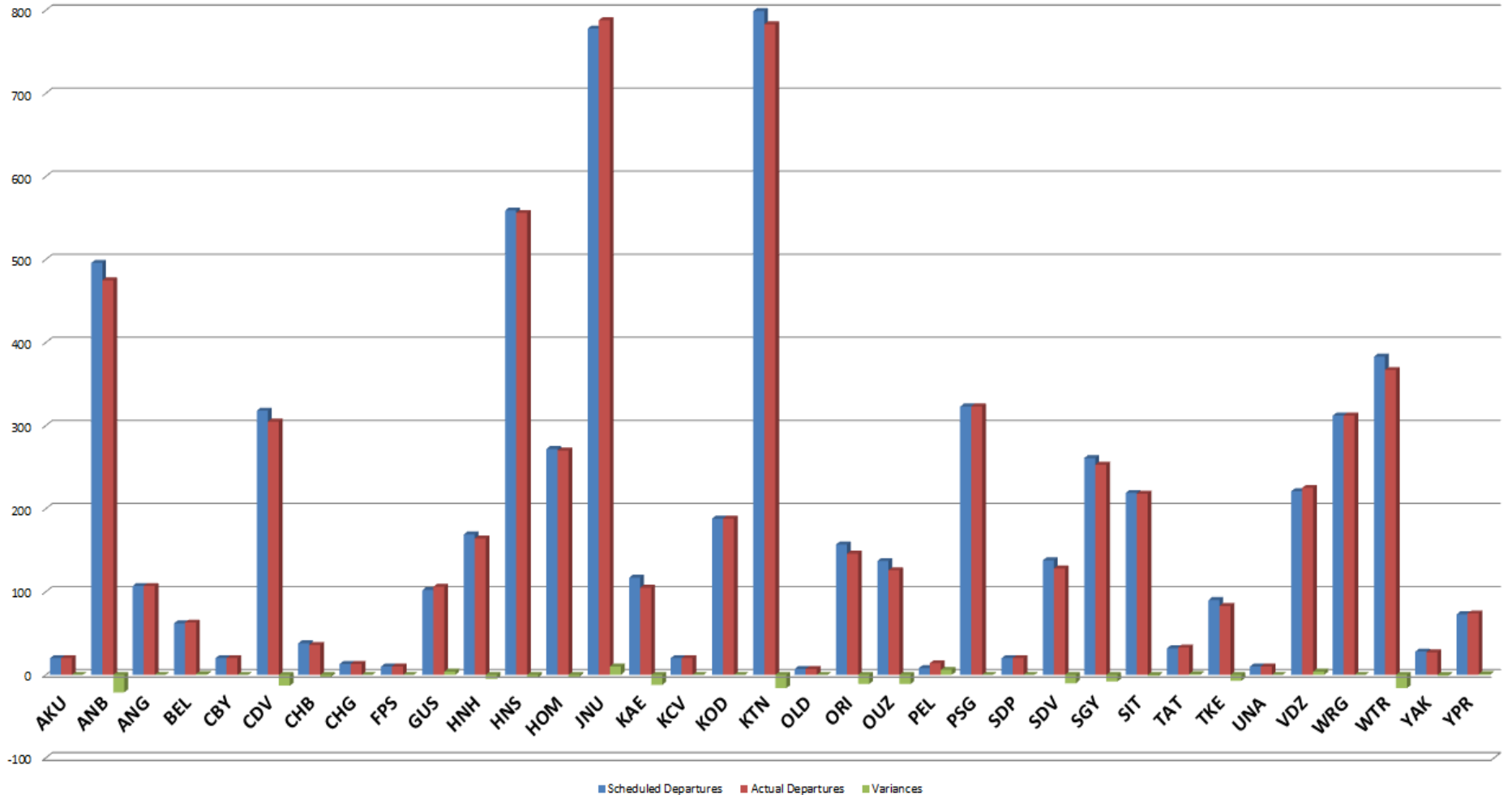
FISCAL YEAR 2016 REVIEW

- 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.

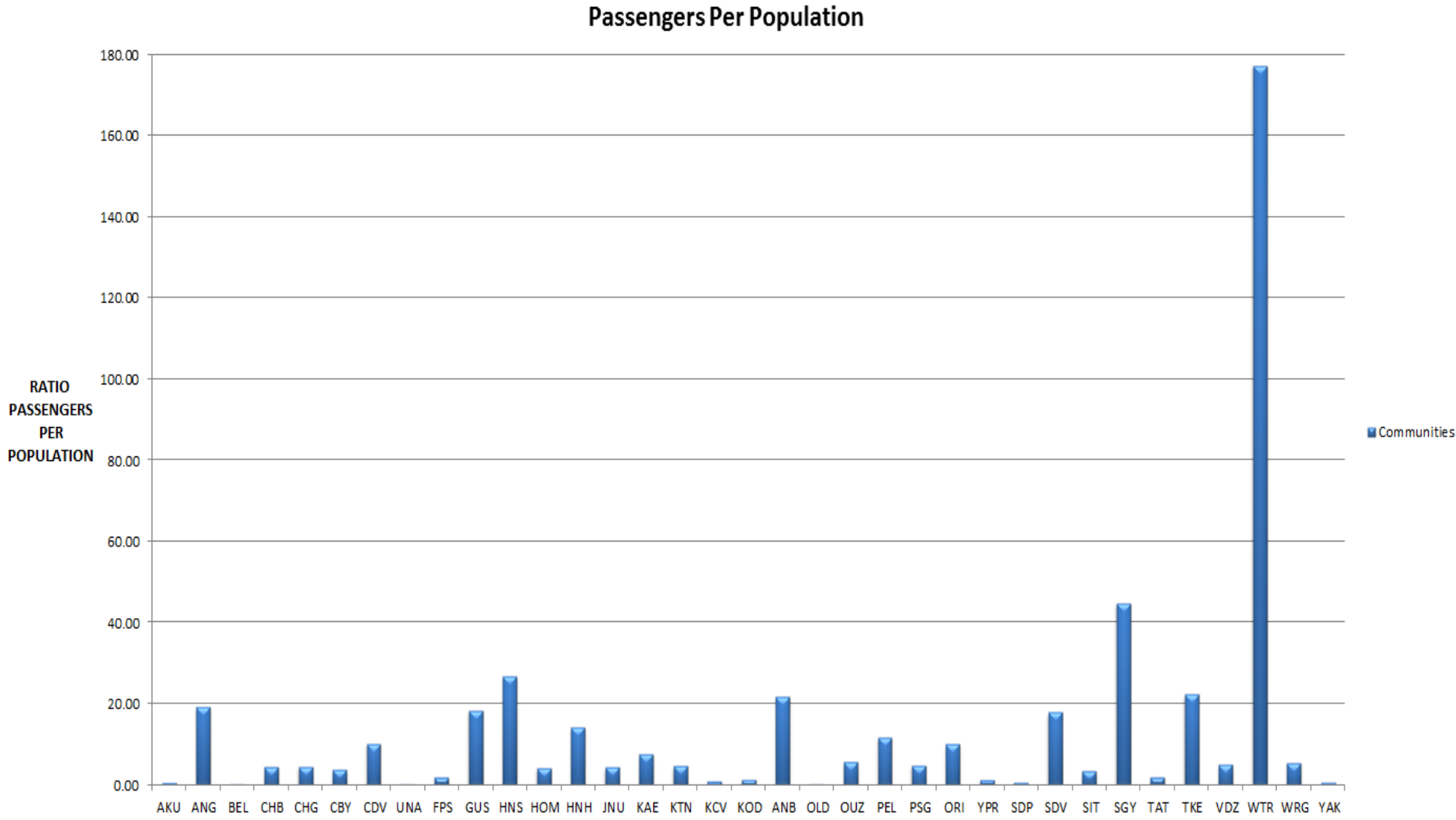
Conformance: Port Calls FY16

FY 2016 Scheduled Departures vs. Actual Departures



Passengers per Population

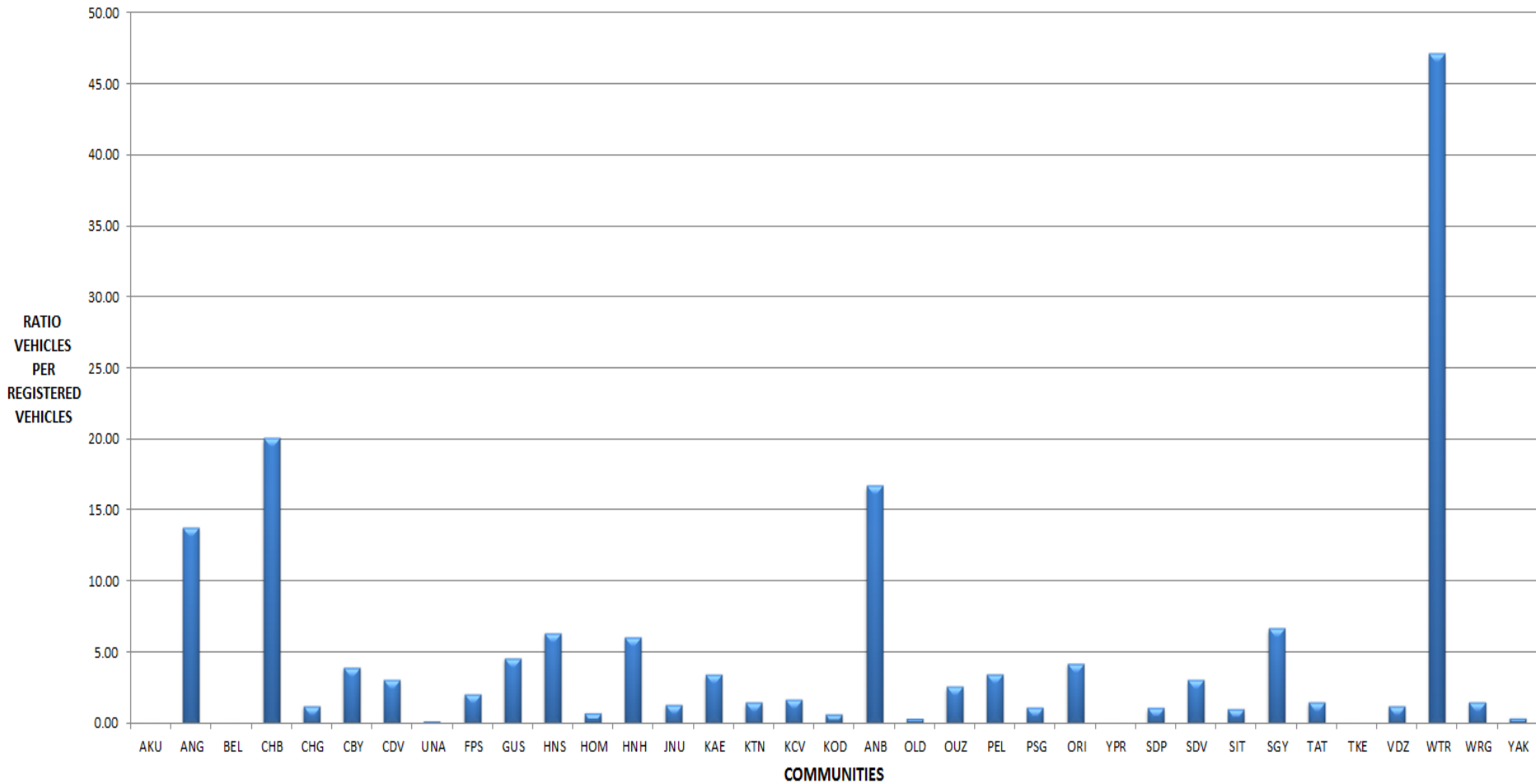
(Average 2012-2015)



Vehicles per Population

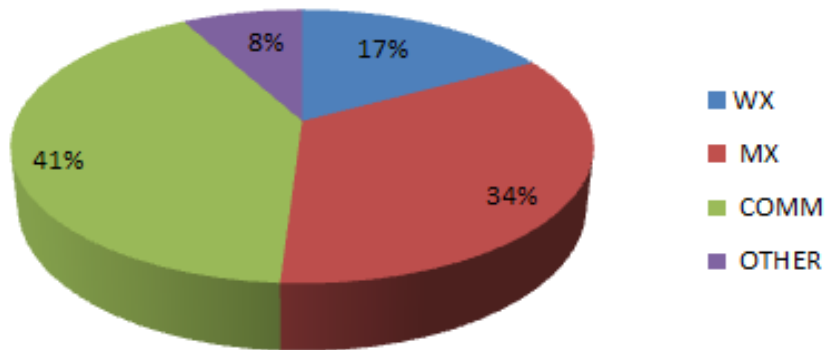
(Average 2012-2015)

VEHICLES TRANSPORTED PER REGISTERED VEHICLE



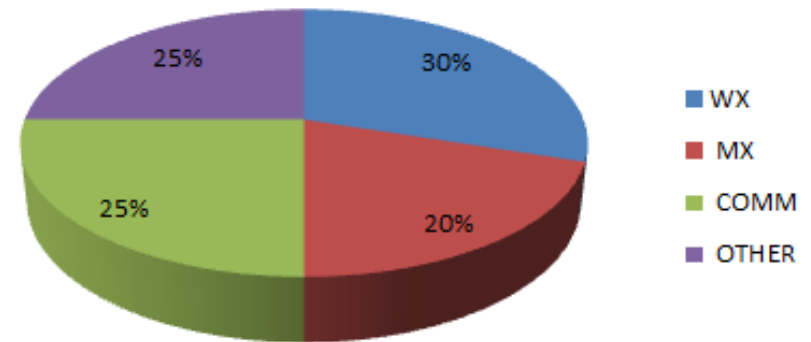
Adherence to Schedule FY16

Southeast Schedule Changes



Source of Change	Number of Changes	Percentage
Weather	10	17%
Mechanical	20	34%
Community Request	24	41%
Other (Med, USCG, etc.)	5	8%
Total	59	100%

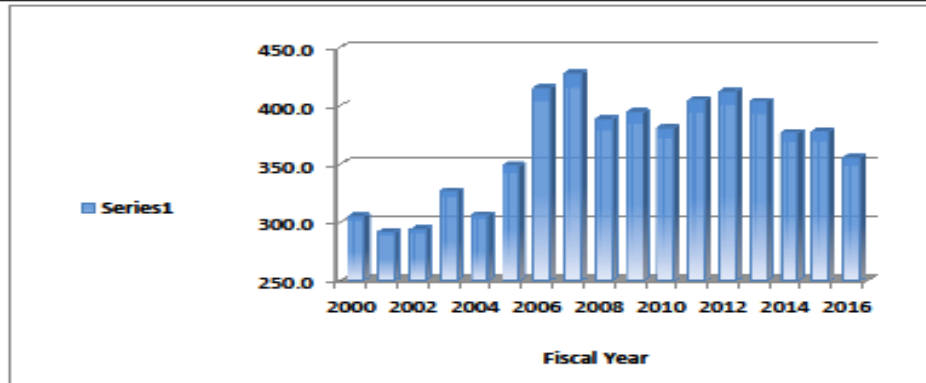
Southwest Schedule Changes



Source of Change	Number of Changes	Percentage
Weather	12	30%
Mechanical	9	20%
Community Request	11	25%
Other (Med, USCG, etc.)	11	25%
Total	43	100%

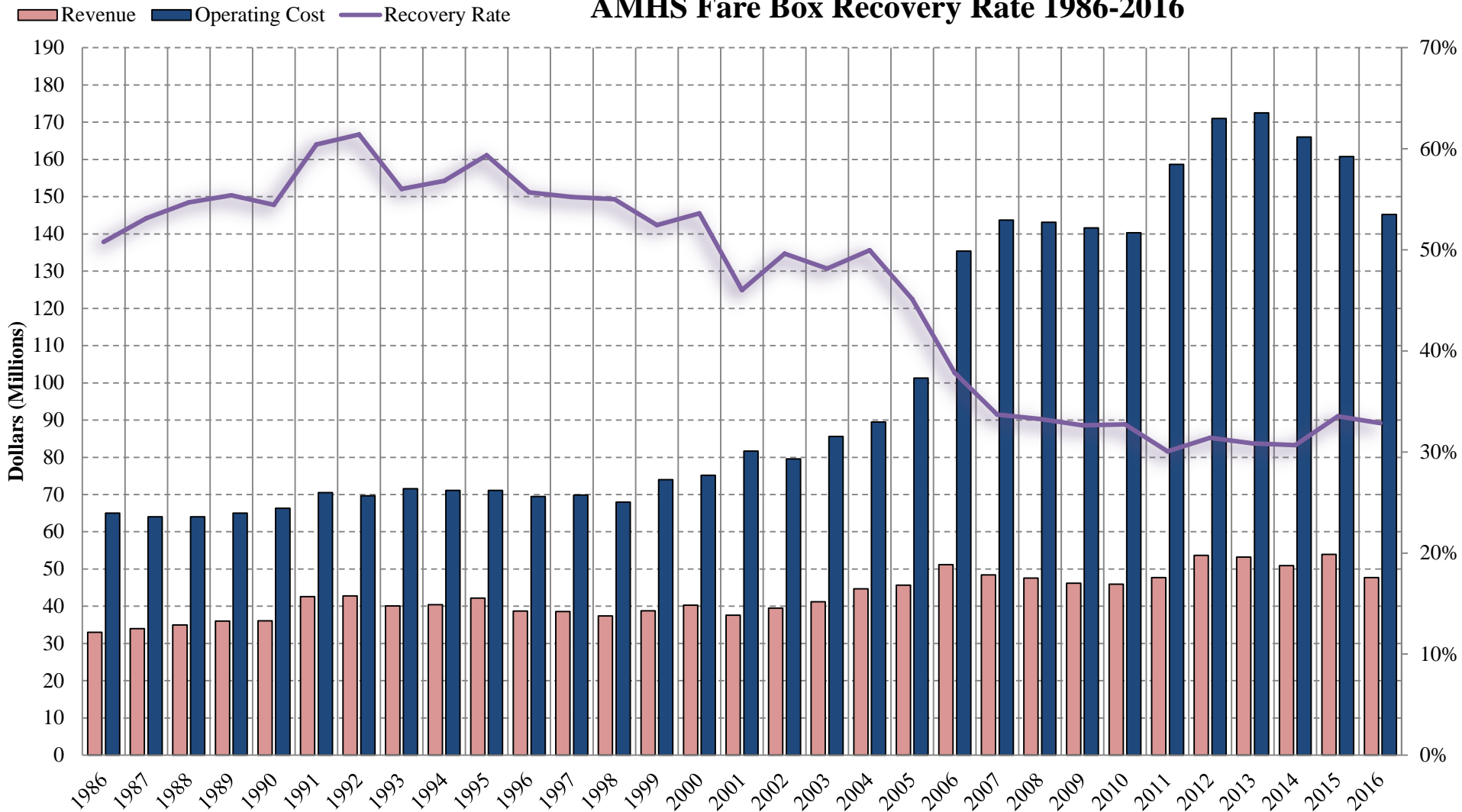
Historical Operating Weeks & Fleet

AMHS Operating Weeks from Annual Financial Reports		
Fiscal Year	Operating weeks (actual as sailed)	Remarks
2000	305.0	9 ships (Bartlett, No FVF)
2001	291.7	9 ships (Bartlett, No FVF)
2002	293.7	9 ships (Bartlett, No FVF)
2003	326.6	9 ships (Bartlett, No FVF)
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	Tustumena + Columbia Late CIP Delivery
2015	378.3	Multiple Late O/H Deliveries
2016	355.9	Current 11 ships

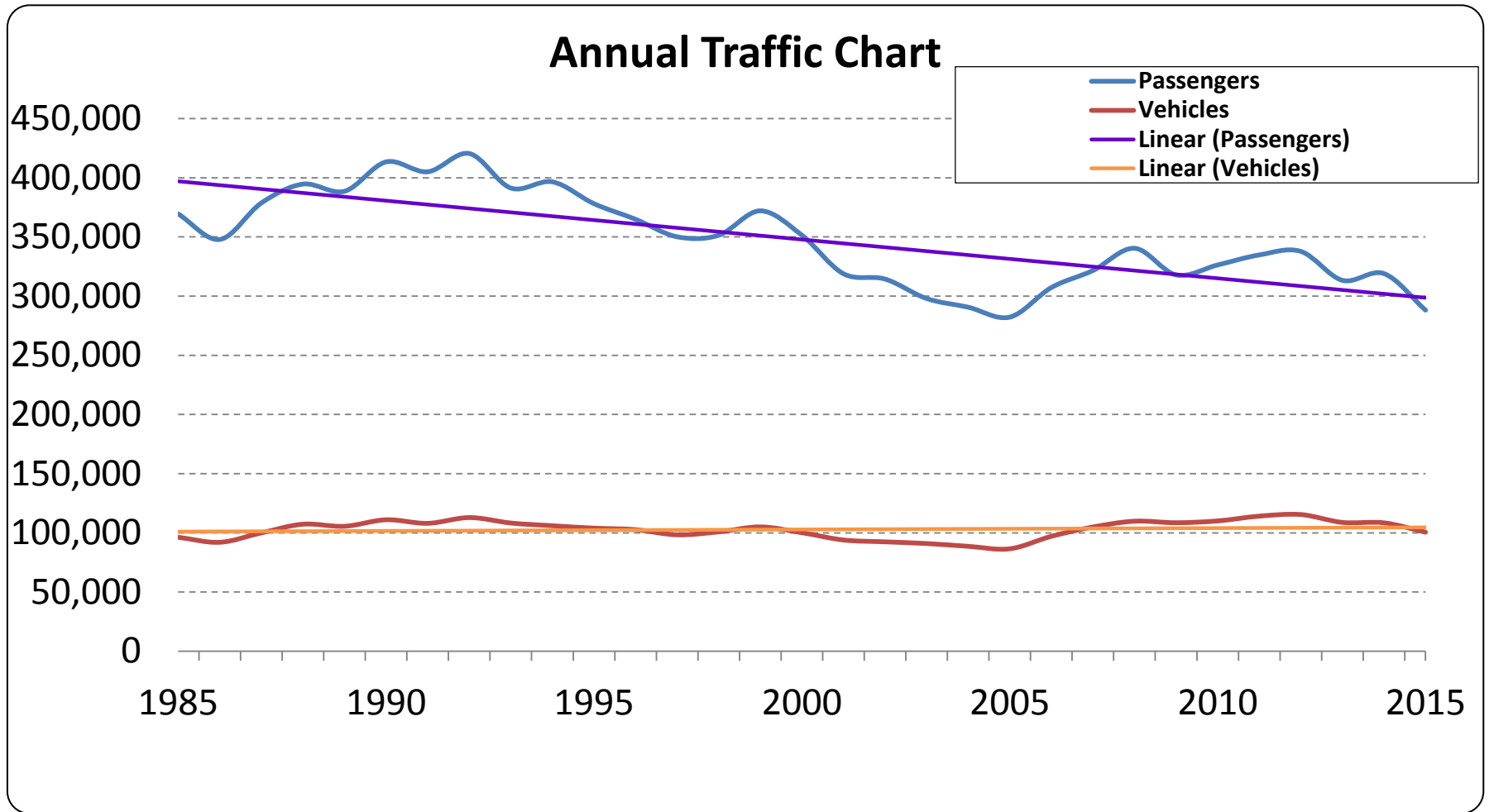


Historical Revenue & Operating Cost

AMHS Fare Box Recovery Rate 1986-2016



Historical Ridership



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

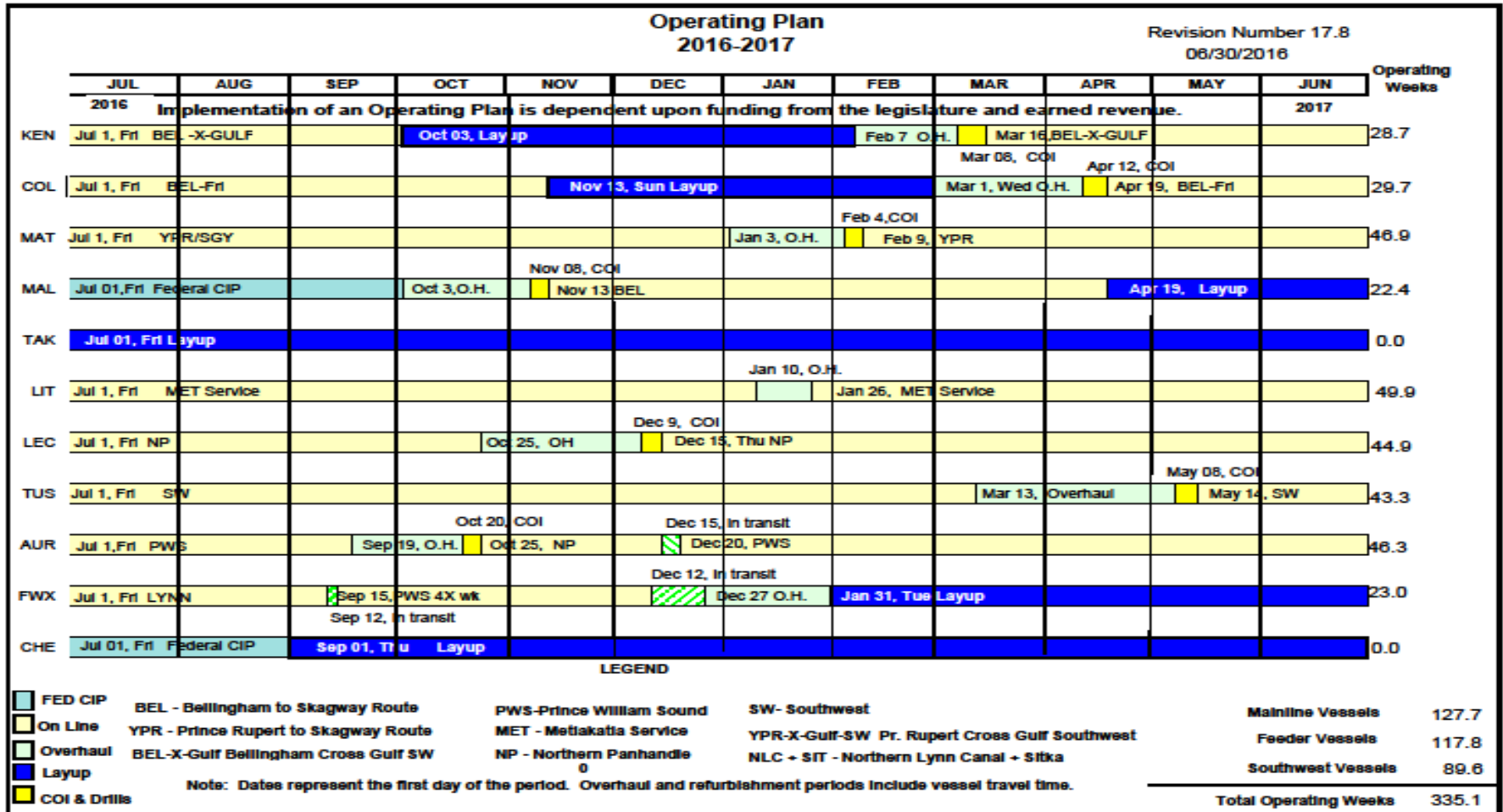


TERMINAL UPDATE

- Haines
- Kake Terminal Improvements
 - Transfer Bridge
 - Passenger Facility
- Kodiak
- Angoon Passenger Facility
- Prince Rupert – Marine Structures
- Skagway
- Gustavus
- Tenakee Springs – Dock Replace



FISCAL YEAR 2017 OPERATING PLAN





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?



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