

Alaska Department of Transportation & Public Facilities

Alaska Marine Highway System: CY2024 Operating Budget

Katherine Keith, Deputy Commissioner
Dom Pannone, Administrative Services Director

February 21, 2023

Our mission is to **Keep Alaska Moving** through service and infrastructure.

Alaska Marine Highway Operations Board (AMHOB)

ABOUT THE BOARD

- Replaced the Marine Transportation Advisory Board (MTAB) with passage of HB 63 in 2022
- Statutory responsibility (*AS 19.65.011*) to provide recommendations to DOTPF for the AMHS short-term plan and comprehensive long-term plan



PROGRESS REPORT (TO-DATE)

- Bi-weekly and monthly meetings over the last year reviewing significant AMHS background materials
- Planning work sessions toward a short-range plan (in-progress)
- Visits to Ketchikan AMHS Headquarters and Vigor Shipyard

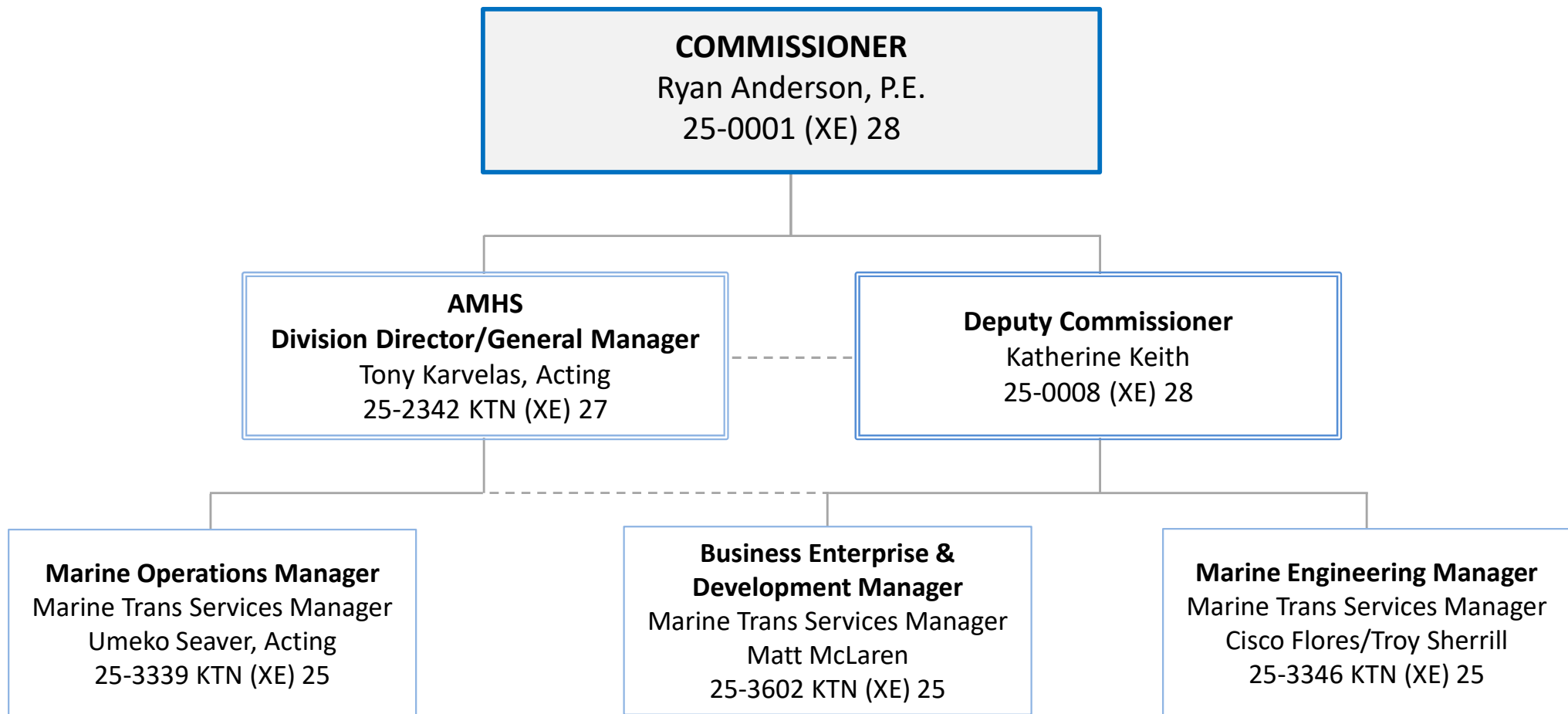
BOARD COMPOSITION

- Alan Austerma (Public Seat, Kodiak)
- Wanetta Ayers (Public Seat, Anchorage)
- Cynthia Berns (AK Native org Seat, Anchorage)
- Larry "Norm" Carson (Public Seat, Pelican)
- Paul Johnsen (Public Seat, Petersburg)
- Deputy Comm. Katherine Keith (DOTPF, Anchorage)
- Shirley Marquardt, Chair (Public Seat, Anchorage)
- Captain Keith Hillard (Union Seat, Juneau)
- Captain Ed Page, Vice Chair (Public Seat, Juneau)



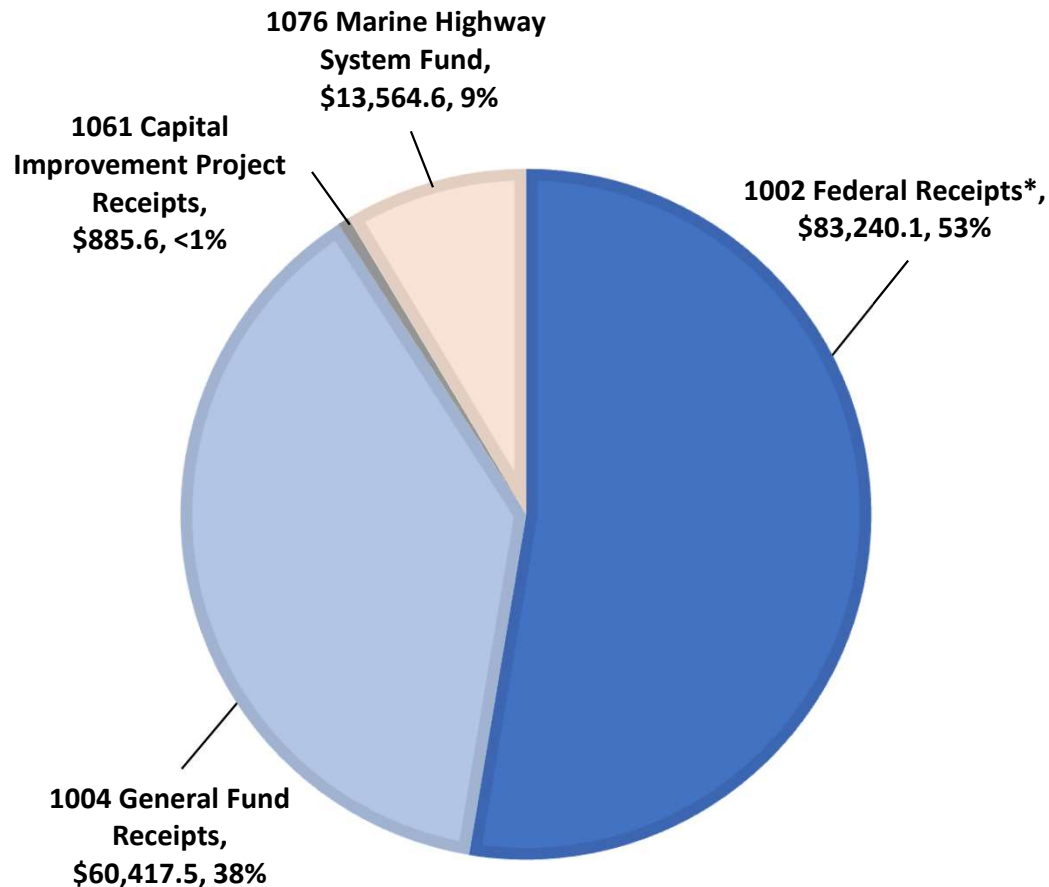


Organization



Alaska Marine Highway System

CY2024 Budget - \$158.1 Million



*Backfill Language:
1076 Marine Highway System Fund,
HB 39 Sec. 20

1002 Federal Receipts	\$	83,240.1
1004 General Fund Receipts	\$	60,417.5
1061 Capital Improvement Project Receipts	\$	885.6
1076 Marine Highway System Fund	\$	13,564.6
CY2024 Total	\$	158,107.8

Previous Year Budgets

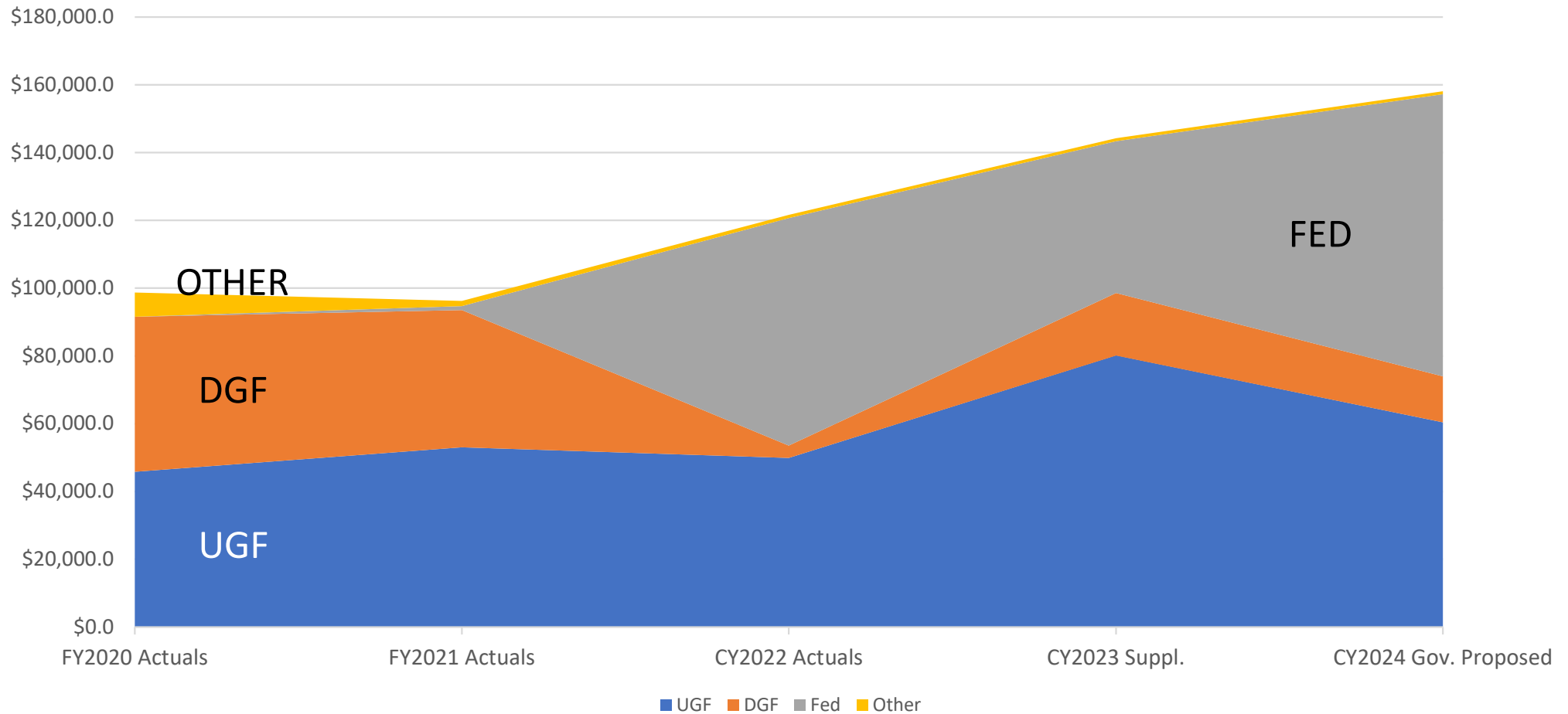
	CY2023 (12 months)
FED	\$ 83,240.1
UGF	\$ 60,150.6
CIP & OTHER	\$ 870.1
Totals	\$ 144,260.8

	FY2022 "BRIDGE" (6 months)	CY2022 (12 months)
FTA	\$ 26,196.0	\$ 21,804.2
FHWA	\$ 33,393.7	\$ 31,374.1
CIP & OTHER	\$ 1,099.3	\$ 872.1
MFT	\$ 1,808.6	\$ 3,617.1
UGF	\$ 1,738.5	\$ 61,000.0
Totals	\$ 64,236.1	\$ 118,667.5

\$ in thousands unless denoted otherwise



Funding History



	FY2020 Actuals		FY2021 Actuals		CY2022 Actuals		CY2023 Suppl.		CY2024 Gov.	
UGF	\$	45,820.5	\$	53,061.8	\$	49,909.3	\$	80,150.6	\$	60,417.5
DGF	\$	45,730.7	\$	40,501.3	\$	3,617.1	\$	18,416.3	\$	13,564.6
Fed	\$	-	\$	1,122.4	\$	67,152.7	\$	44,823.8	\$	83,240.1
Other	\$	7,131.8	\$	1,525.2	\$	972.3	\$	870.1	\$	885.6
Grand Total	\$	98,683.0	\$	96,210.7	\$	121,651.4	\$	144,260.8	\$	158,107.8

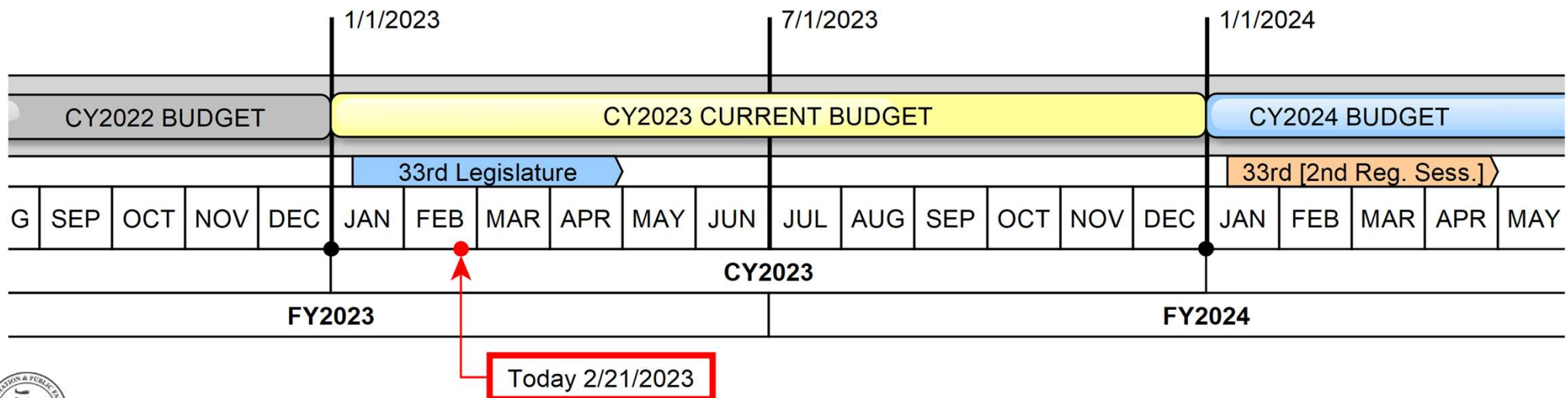
Note: CY2022 actuals based on posting line run dates, CY2022 closeout still in progress.

\$ in thousands unless denoted otherwise

Forward Funding

Benefits

- Shift budget out 6 months, creates a calendar year budget
- Provides additional 6 months after legislative decisions for planning & implementation
- Funding levels & budget doesn't break mid-summer
- Known funding is one component of providing earlier, year-long schedules
- Better timing with Legislative Regular Sessions





Federal Transit Administration Grant

Operating Grant for Rural Ferry Service - \$44.8M

July 8, 2022

Notice of Funding Opportunity (NOFO)

“The maximum Federal share for operating projects selected under the Rural Ferry Program is 50 percent.”

“Only net operating expenses are eligible for assistance.”

Infrastructure Investment and Jobs Act - Sec. 71103
FERRY SERVICE FOR RURAL COMMUNITIES.

“...establishes a Ferry Service for Rural Communities Program that makes federal resources available to states to ensure basic essential ferry service is provided to rural areas.”

\$200M nationally, annually for five years (\$1B total)

“...operated a regular schedule at any time during the 5-year period ending on March 1, 2020; and served not less than 2 rural areas located more than 50 sailing miles apart.”

Funds and Balances



Alaska Marine Highway System Fund (1076)

AS 19.65.060, AS 37.05.550

Fund Balance	\$28,572.2
Obligated by APPR	-\$8,014.5
Available for Appropriation	\$20,557.7

CH. 15 SLA 22 (HB 322)

“balances of which do not lapse under AS 37.25.010”

AMHS Vessel Replacement Fund (1082)

AS 37.05.550

Fund Balance	\$43,581.4
Obligated by APPR	-\$21,768.8
Available for Appropriation	\$21,812.6

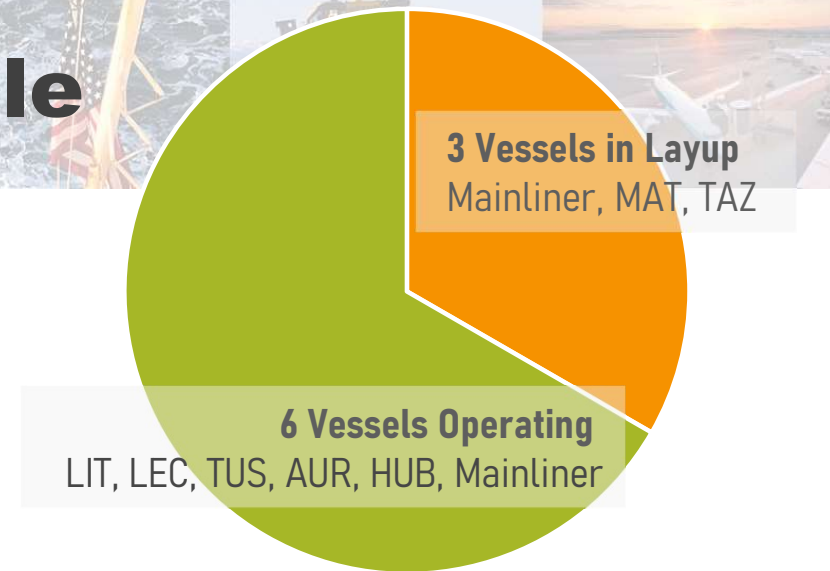
\$22M Ocean Going Vessel, Construction Match (\$22M – FY2018)

“money appropriated to the fund does not lapse”

Service Levels and Schedule

Sample Service Levels 2022 vs Proposed 2023

SGY	194	64%
HNS	374	48%
HNH	187	43%
TKE	43	47%
GUS	94	43%
ANG	56	36%
PEL	17	0%
SIT	58	34%
KAE	34	44%
PSG	123	41%
WRG	122	41%
ANB	403	50%
YPR	12	83%
BEL	48	52%
SDV	71	77%
HOM	152	86%
ORI	86	70%
OUZ	86	70%
KOD	100	90%



	MAY-23	JUN-23	JUL-23	AUG-23	SEPT-23
AUR	Prince William Sound				
COL	Layup				
HUB	Lynn Canal				
KEN	Cross Gulf and Bellingham				
LEC	Northern Panhandle				
LIT	Metlakatla			Overhaul 8/1 – 8/14	
MAT	In Layup				
TAZ	In Layup				
TUS	Southwest				

Supplemental Service

	Routes	Avg. Pax. / Trip	Avg. Veh. / Trip	Provider	NTE	PD
FY2010	Northern Panhandle/Village Route	22	1	Allen Marine	\$350.0	
FY2011	Northern Panhandle/Village Route	28	2	Allen Marine	\$200.0	
	Whittier/Chenega, Valdez/ Tatitlek	1	-	Allen Marine	\$250.0	
	Whittier/Chenega, Valdez/ Tatitlek	6	-	Kimberline Water Taxi	\$30.0	
	Juneau/Angoon/Tenakee	25	3	Allen Marine	\$125.0	
FY2013	Seldovia	1	4	Alaska Marine Transport and Salvage	\$50.0	
	Angoon, Gustavus, Hoonah, Kake, Pelican, Sitka, Tenakee, Haines, Skagway	24	0	Allen Marine and Goldbelt	\$100.0	
FY2021	Angoon, Gustavus, Hoonah, Pelican, Tenakee	7	-	Allen Marine and Goldbelt	\$200.0/\$400.0	

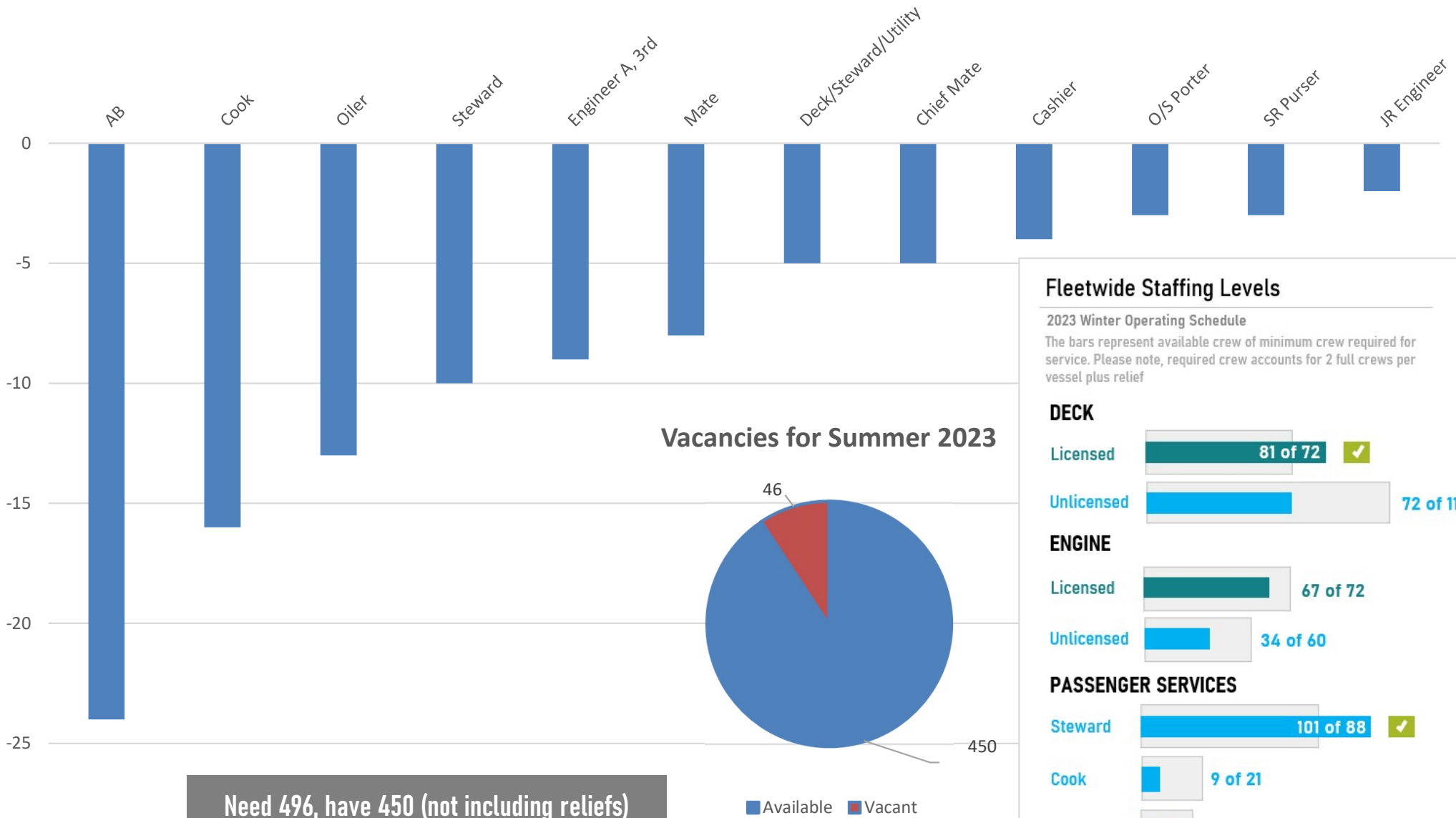
\$ in thousands unless denoted otherwise





Staffing

Crew Shortages for Summer 2023: Full Steam Ahead Staffing Levels

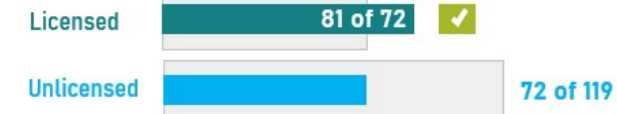


Fleetwide Staffing Levels

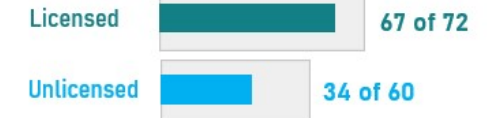
2023 Winter Operating Schedule

The bars represent available crew of minimum crew required for service. Please note, required crew accounts for 2 full crews per vessel plus relief

DECK



ENGINE



PASSENGER SERVICES



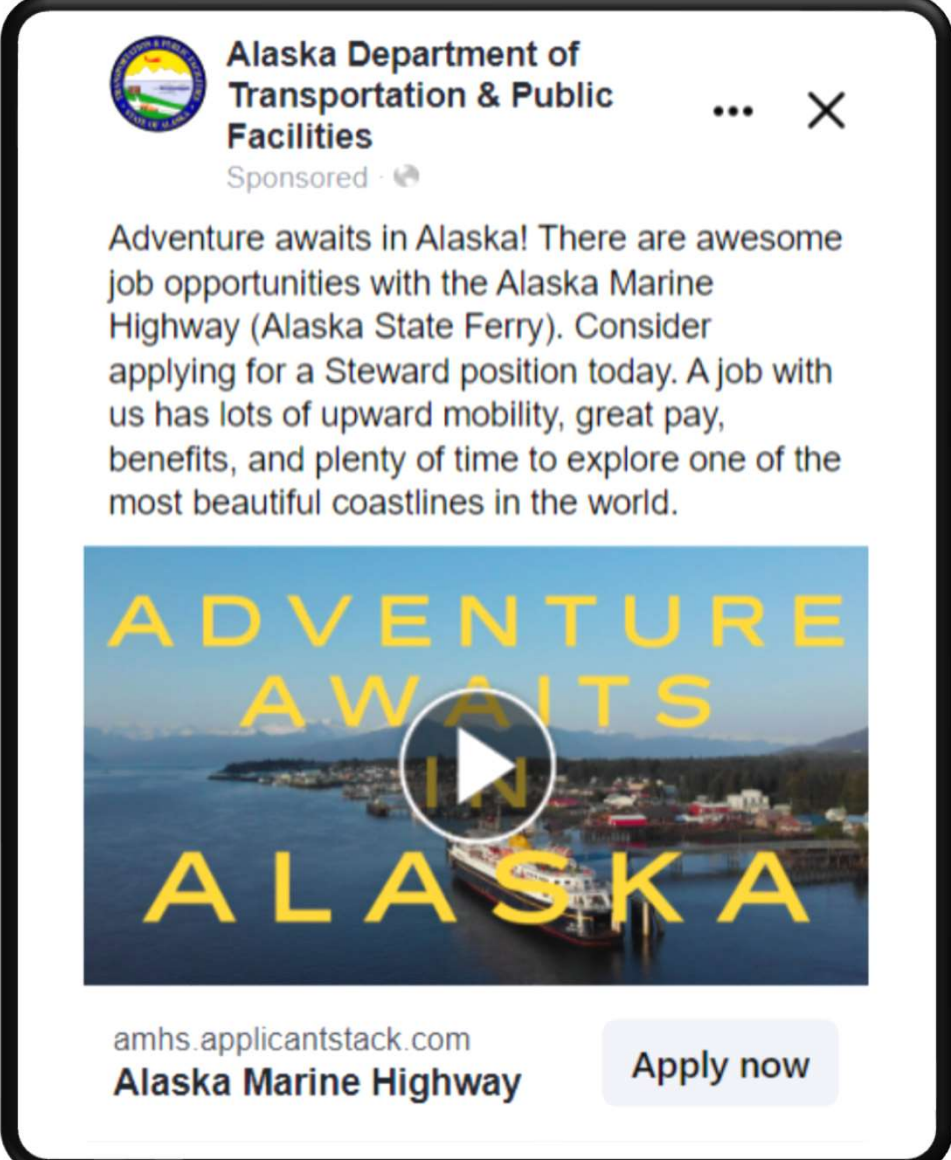
Job Fairs, Social, Digital, and Print Media


What are we doing differently for recruitment since Jan. 1, 2023?

- Advertising in Work Boat Employment Newsletter
- Advertising via social media (Facebook, Instagram, FB Reels) Video & Still Photos
- Placing "Apply Now" posters in Alaska Employment Centers
- Direct communication to Alaska's high schools
- Emailing job links to all AMHS employees (over 600)
- Placing video advertisements in Airports


Social Media: ads reached 185,632 people
with 2,309 click-thrus to the application

Workboat: 85 click-thrus to the application



 **Alaska Department of Transportation & Public Facilities** ... X
Sponsored · 🌐

Adventure awaits in Alaska! There are awesome job opportunities with the Alaska Marine Highway (Alaska State Ferry). Consider applying for a Steward position today. A job with us has lots of upward mobility, great pay, benefits, and plenty of time to explore one of the most beautiful coastlines in the world.

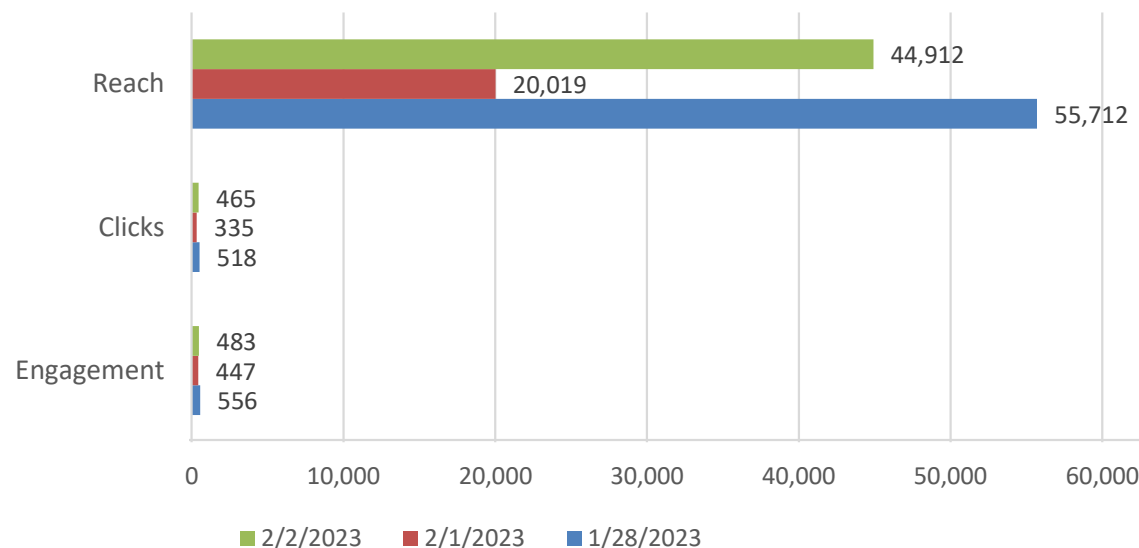


amhs.applicantstack.com
Alaska Marine Highway [Apply now](#)

Recruitment via Social Media

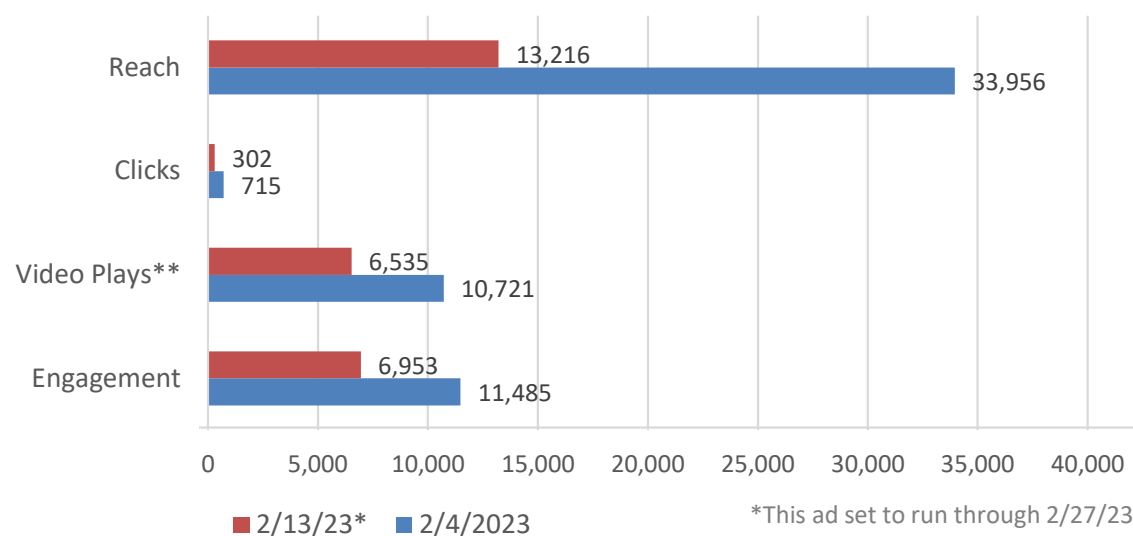
Performance: AMHS Facebook Ads – Marine Director

Date	Days	Daily Budget	Location Performance	
1/28/23	3	134.00	CA: 29,616 WA: 26,096	
2/1/23	5	18.00	AK: 20,019	
2/2/23	5	60.00	NY: 33,054 NJ: 3,131 CA: 2,899 MA: 2,570	TX: 1,161 MI: 1,321 ME: 745 CT: 32



Performance: AMHS Facebook Ads – Stewards

Date	Days	Daily Budget	Location Performance	
2/4/23	13	25.00	NY: 25,305 NJ: 2,721 CA: 1,809 MA: 1,681	MI: 1,024 TX: 776 ME: 624 CT: 16
2/13/23*	14	21.20	AK: 13,216	



*This ad set to run through 2/27/23
 **Played video 3 seconds or more



Job Fairs & Social, Digital, Print Media

WE'RE HIRING!

ALASKA MARINE HIGHWAY SYSTEM

PASSENGER SERVICES



Keep Alaska Moving!



FOR DETAILS AND TO APPLY:

SCAN ME

Job Fair Schedule for CY2023:

- **Feb. 7** Thunder Mountain Fair (COMPLETE)
- **Feb. 15** Ketchikan High School (COMPLETE)
- **Feb. 22** UAS (WAIT LISTED)
- **March 22** Sitka Job Fair
- **March 23** Texas A&M Galveston Career Fair
- **March 25** Anchorage Airport (AMHS FOCUS)
- **March 29** Massachusetts Maritime Academy Career Fair
- **March 29** Mat-Su Employer Expo
- **Summer/Fall 2023** Port of Bellingham, Marine Trades Job & Internship Fair

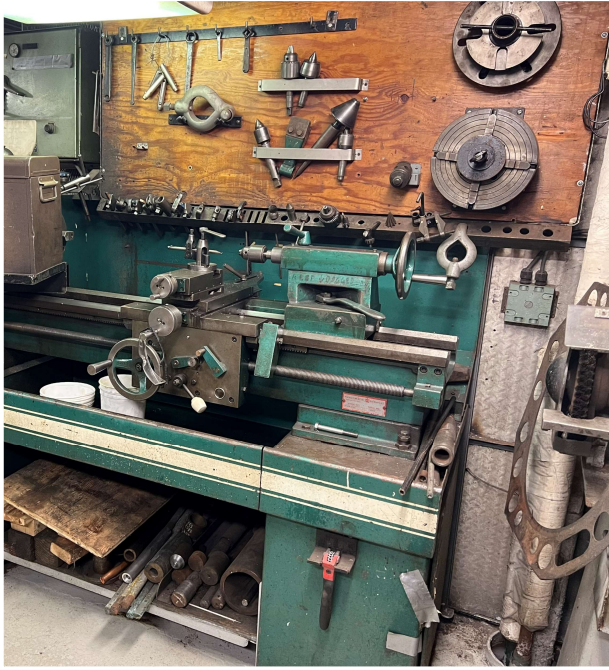
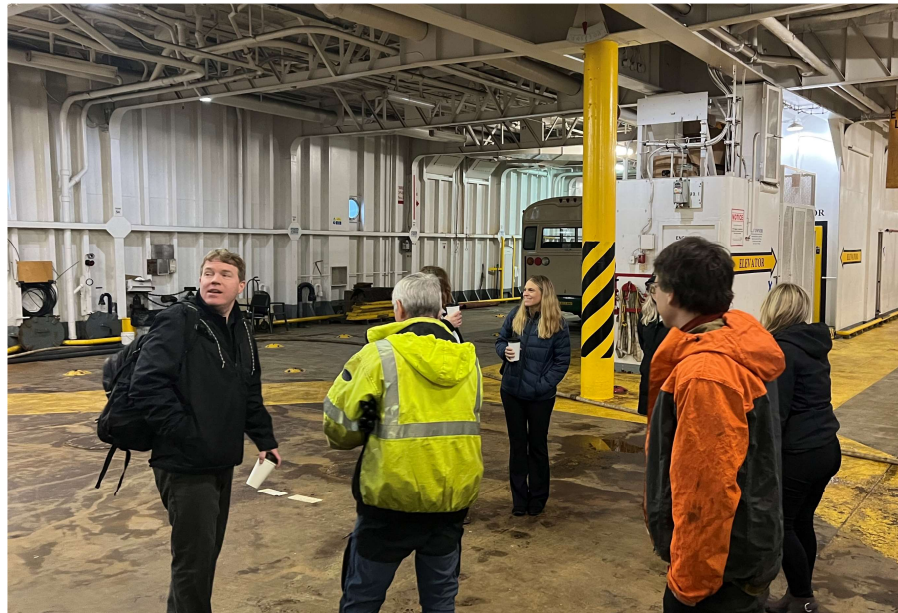
Developing a Training Program

Underway: developing a full-service, entry-level training academy utilizing Malaspina and Matanuska.

Working with UAS and AVTEC, to design and develop a program to directly feed graduates into service on AMHS.

3 Programs

Passenger Services / Engine / Deck



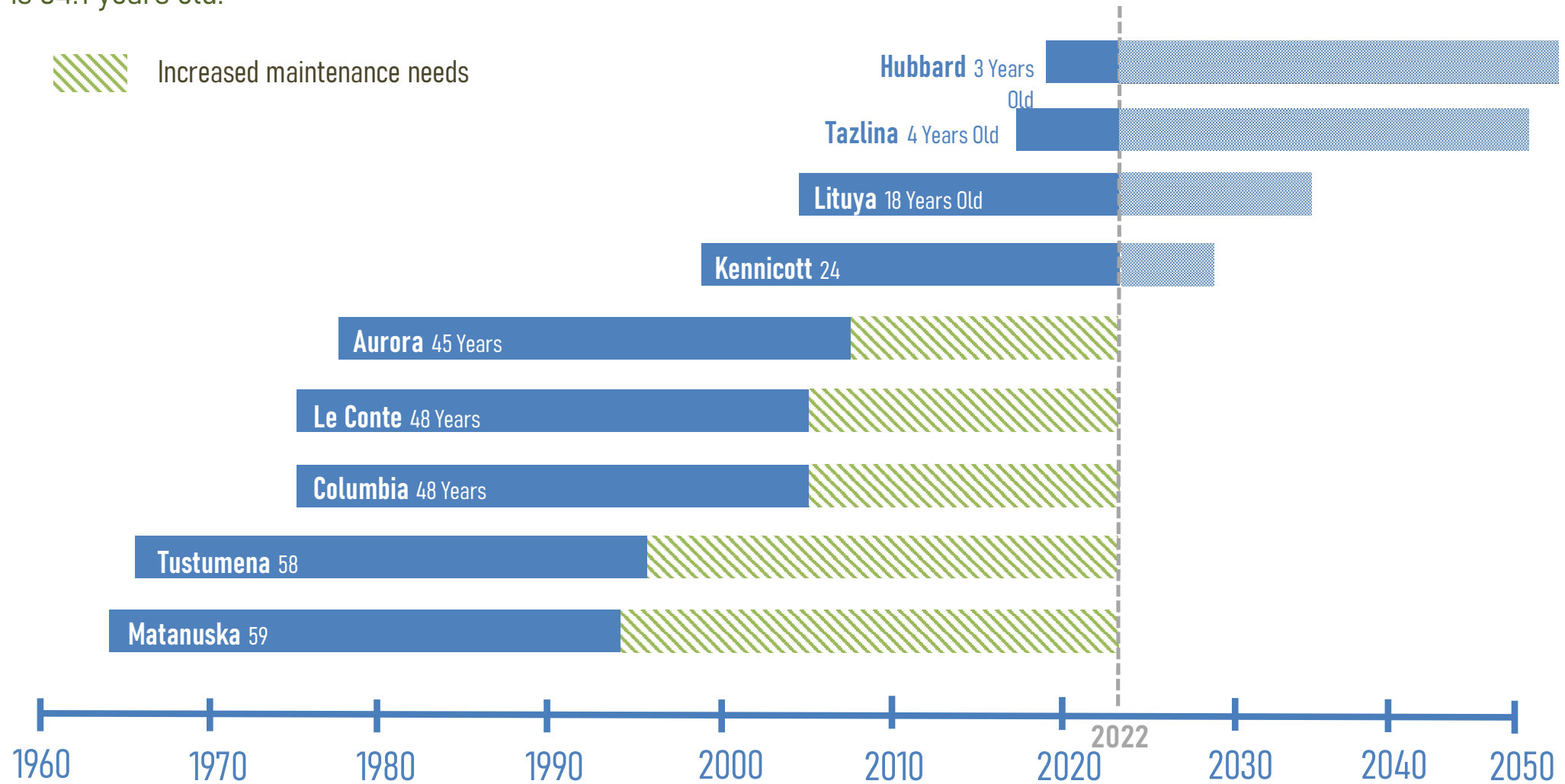


AGING FLEET

Assumes 30 years to be end of “prime” vessel lifespan and thus more likely to require additional maintenance. The average vessel age is 34.1 years old.



Increased maintenance needs



AMHS 5-Year Vessel Capital Improvement Project and Overhaul Schedule

*Capital Improvement Projects, New Construction Projects, and Overhauls are subject to funding, parts availability, and shipyard openings.					
1)Matanuska Steel Replacement	\$	8,000	7)Lituya Bridge Deck Replacement	\$	6,000
2)Tazlina Crew Quarters Construction and Modernization	\$	25,000	8)Mainliner Replacement Vessel Design	\$	350,000
3)Columbia Controllable Pitch Propeller System Replacement Projec	\$	13,733	9)Low-No Emission Electric Shuttle Ferry	\$	52,516
4)Tustumena Replacement Vessel	\$	325,001	10) Fire Detection Upgrades	\$	7,000
5)Matanuska Safety Improvement Project	\$	37,469	11)Aurora Repower	\$	15,000
6)Kennicott Emissions and Exhaust Upgrades	\$	13,881			

AMHS 5-Year Ferry Terminal Capital Improvement Projects Schedule (As of Feb 2023)																																																												
	CY 2023												CY 2024												CY 2025												CY 2026												CY 2027											
	Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4														
	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12												
Angoon																																																												
Auke Bay																																																												
Cascade Pt																																																												
Chenega																																																												
Cordova																																																												
Gustavus																																																												
Ketchikan																																																												
Pelican																																																												
Prince Rupert																																																												
Saxman																																																												
Skagway																																																												
Tatitlek																																																												
Construction	Design			Scoping			*Capital Improvement Projects & New Construction Projects are subject to funding and parts availability																																																					

Contact Details

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