



Alaska Department of Transportation & Public Facilities

House Transportation Committee

Alaska Marine Highway System Overview

Katherine Keith, Deputy Commissioner
Dom Pannone, Administrative Services Division Director
Captain Tony Karvelas, AMHS General Manager (Acting)
Wayne Phillips, AMHS Capital Program Manager

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

WHERE WE GO



The mission of the Alaska Marine Highway System is to provide safe, reliable, and efficient transportation of people, goods, and vehicles.

Cross-Gulf



FLEET STATUS

Fleet Status – Last Update 1-28-2023



MV Lituya | Awaiting Repairs

[Click here to learn more about this vessel \(+\)](#)



MV Aurora | Currently in Service

[Click here to learn more about this vessel \(+\)](#)



MV LeConte | Currently in Overhaul

[Click here to learn more about this vessel \(+\)](#)



MV Tazlina | Currently in Service

[Click here to learn more about this vessel \(+\)](#)



MV Kennicott | Currently in Overhaul

[Click here to learn more about this vessel \(+\)](#)



MV Hubbard | Currently in Overhaul

[Click here to learn more about this vessel \(+\)](#)



MV Tustumena | Currently in Overhaul

[Click here to learn more about this vessel \(+\)](#)



MV Columbia | Currently in Overhaul

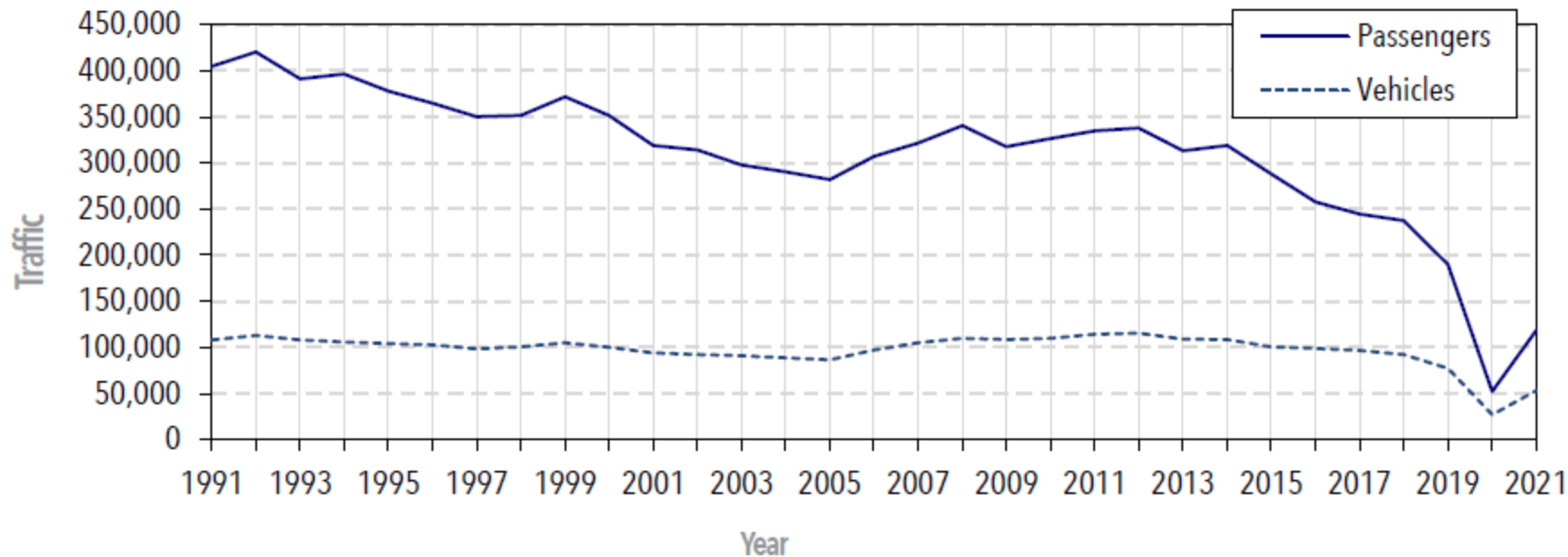
[Click here to learn more about this vessel \(+\)](#)



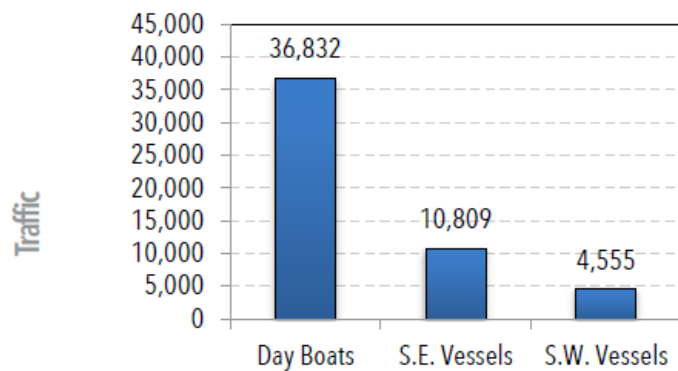
MV Matanuska | Currently in Layup

[Click here to learn more about this vessel \(+\)](#)

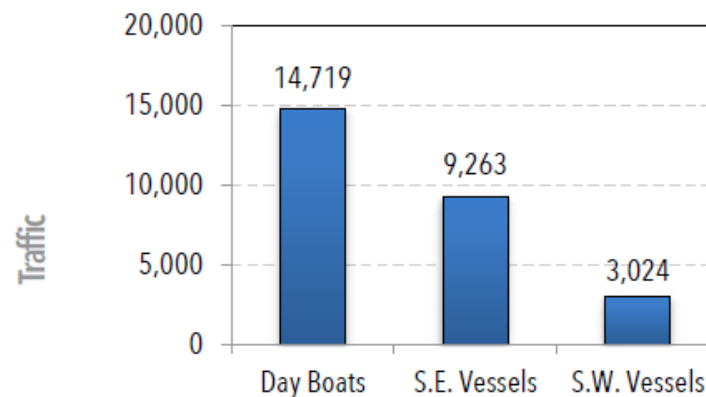
STATISTICAL INFORMATION: PASSENGERS



Vessel Passenger Chart

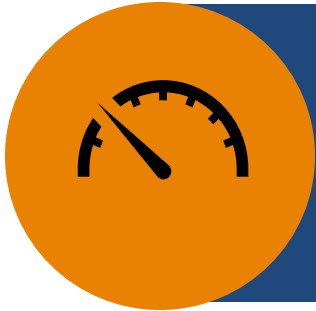


Vessel Vehicle Chart



CHARTING THE COURSE TOWARDS THRIVING COMMUNITIES

Reimagining AMHS



STABILIZATION | All Hands On Deck!

GOAL: provide stable service with increased reliability.

PHASE1



RECOVERY | Batten Down the Hatches!

GOAL: Add service while monitoring reliability.

PHASE2



FULL STEAM AHEAD | Ship Shape!

GOAL: Restored access, consistent service, and high employee morale.

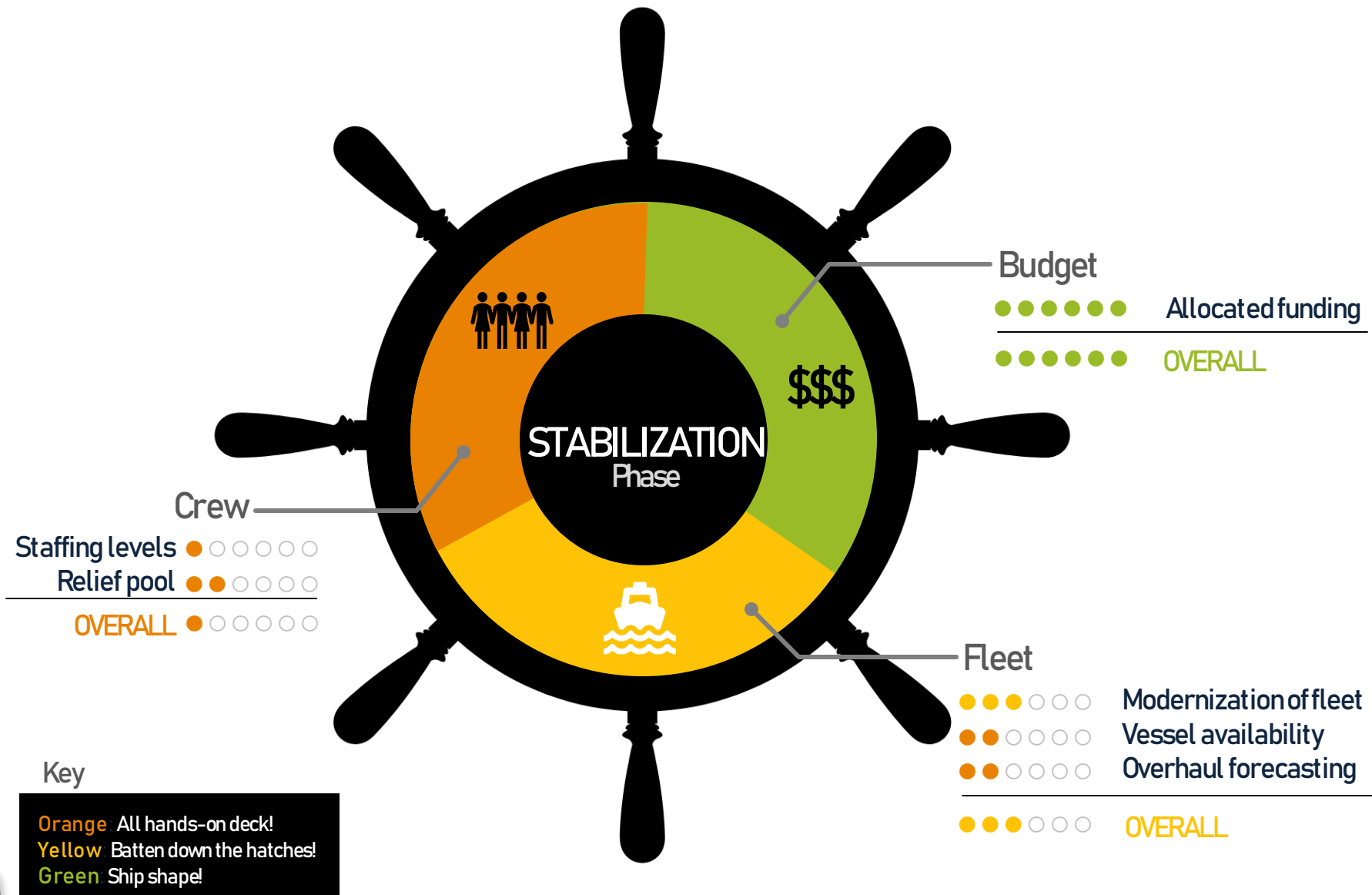
PHASE3

Accountability, Engagement, and Reporting



CHARTING THE COURSE TOWARDS THRIVING COMMUNITIES

Reimagining AMHS



CHARTING THE COURSE TOWARDS THRIVING COMMUNITIES

Reimagining AMHS

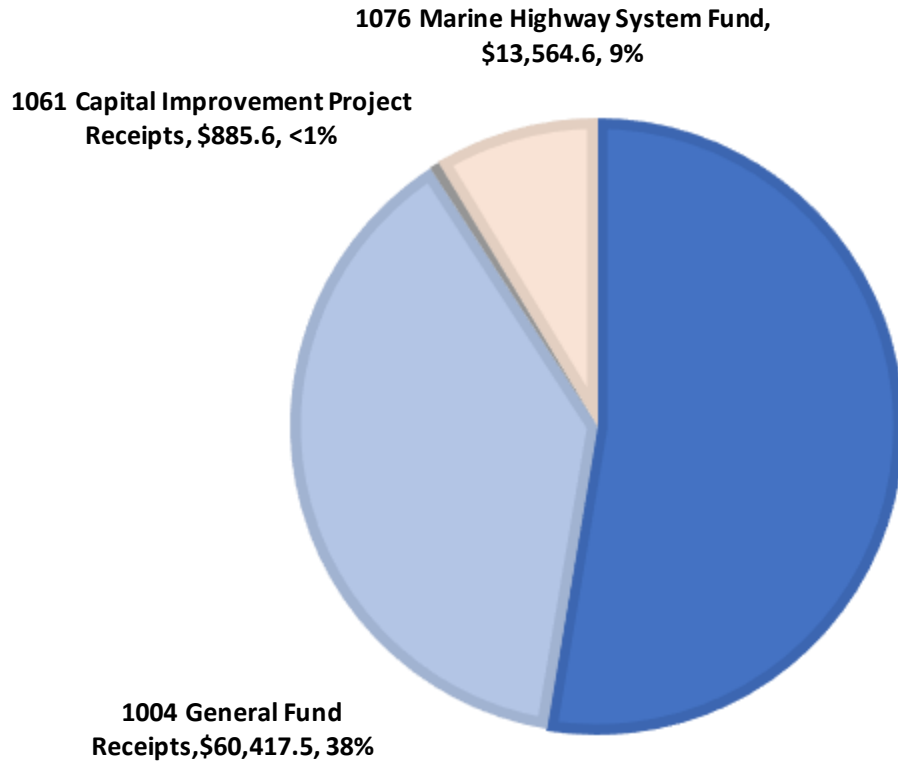


Budget Health Check ●●●●●

- Allocated Funding: The state has allocated sufficient funds to provide current service levels and to meet the 2022-2023 Winter Operating Plan. Providing service to meet budgeted levels is currently not possible due to crew and vessels

CY24 AMHS FUNDING

CY2024 Funding



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 Federal Funding

		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 noted otherwise)



2024 GOVERNOR'S PROPOSED OPERATING BUDGET

	FY2020 Final Authorized	FY2021 Final Authorized	CY2022 (Includes 6 Month Bridge Authority)	CY2023	CY2024 Governor's Proposed	Δ	Δ%
Total Planned Weeks of Service	254.3	286.7	221.9	362.7	336.0	(27)	-7%
Planned Port Calls	4,399	4,959	3,794	6,238	5,813	(425)	-7%
Projected Revenue	\$ 48,070.2	\$ 51,779.1	\$ 53,365.1	\$ 53,314.8	\$ 51,859.1	(1,456)	-3%
Actual Revenue	\$ 28,257.0	\$ 27,862.0	\$ 39,623.0				
Planned Fare Box Recovery	44%	47%	33%	38%	34%		
Actual Fare Box Recovery	29%	29%	33%				

Fund Source

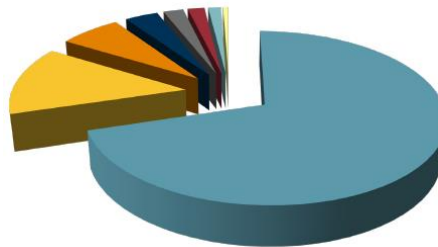
Unrestricted General Funds (UGF)	\$ 46,002.2	\$ 54,011.0	\$ 62,738.6	\$ 60,063.0	\$ 60,417.5	\$ 354.5	1%
Designated General Funds (DGF)	\$ 55,492.6	\$ 53,151.4	\$ 5,425.7	\$ -	\$ 13,564.6	\$ 13,564.6	0%
Other	\$ 8,071.3	\$ 2,150.0	\$ 1,308.3	\$ 868.7	\$ 885.6	\$ 16.9	2%
Federal- Relief Funding	\$ -	\$ 1,122.4	\$ 112,673.1	\$ -	\$ -	\$ -	0%
Federal Funds (Including IIJA/BIL)	\$ -	\$ -	\$ -	\$ 82,899.5	\$ 83,240.1	\$ 340.6	0%

Operating Total \$ 109,566.1 \$ 110,434.8 \$ 182,145.6 \$ 143,831.2 \$ 158,107.8 \$ 14,276.6 10%
AMHS less Forward Funding \$ 118,667.5

OPERATING EXPENDITURES

For the fiscal year ended June 30, 2022

\$106.4 MILLION



Marine Vessel Operations	70.3%	Marine Engineering	2.2%
Marine Fuel	13.4%	Support Services	1.8%
Shore Operations	6.7%	Reservations and Marketing	1.4%
Operations Management	3.6%	Overhaul	0.6%

(in thousands unless noted otherwise)



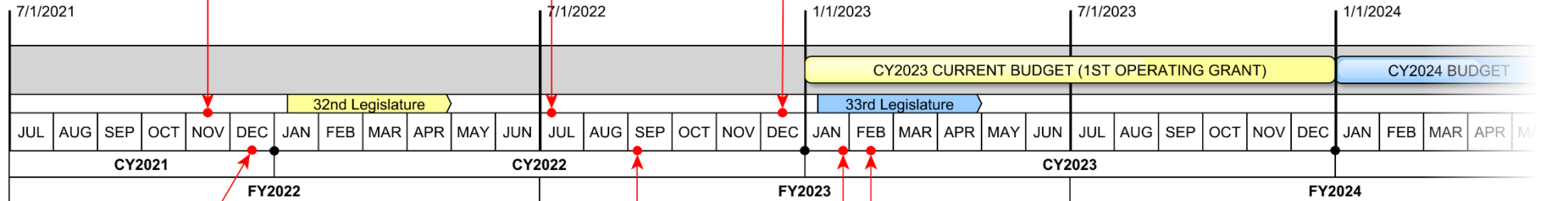
RURAL FERRY SERVICE GRANT & TIMELINE

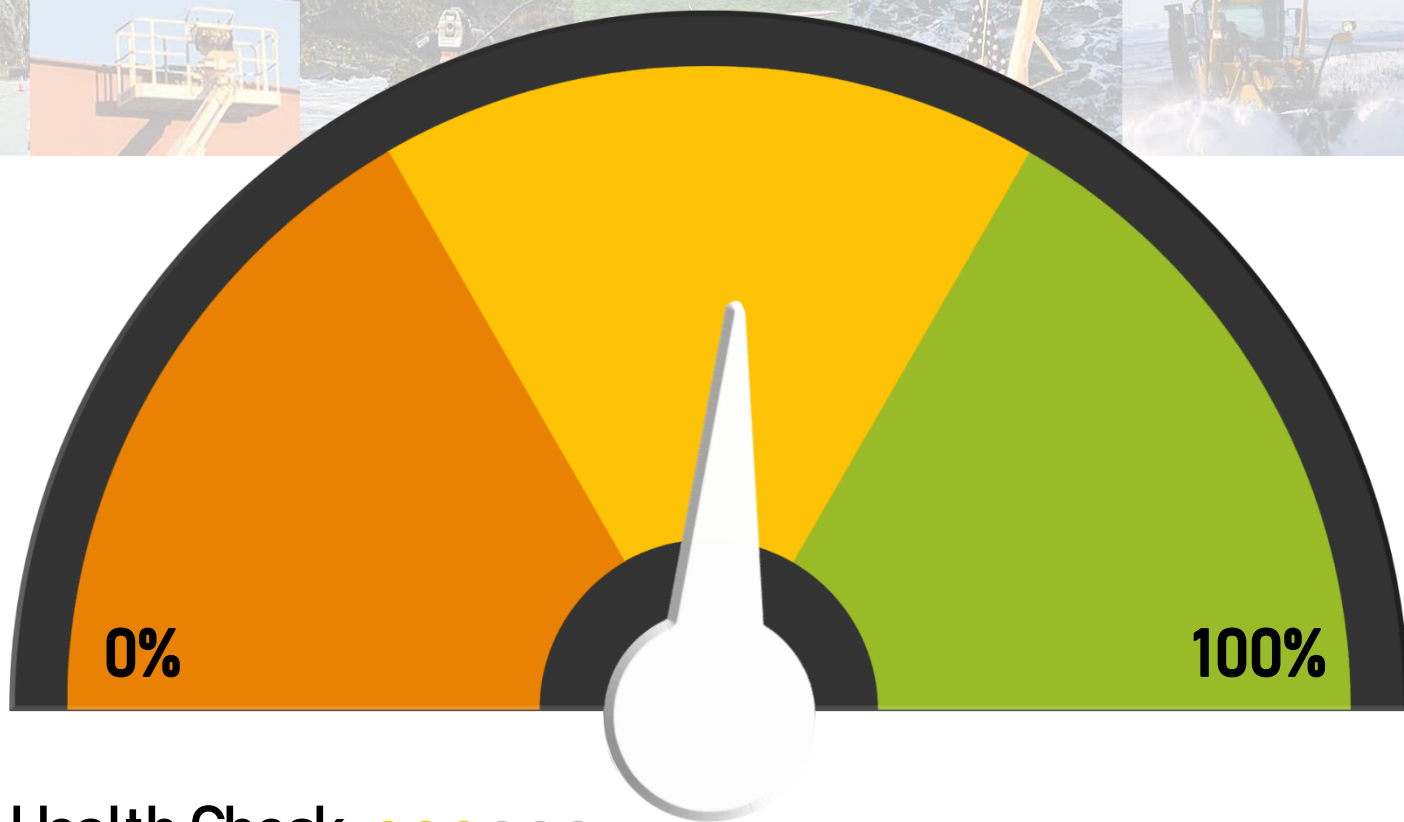
Notice of Funding Opportunity (NOFO)

“Only net operating expenses are eligible for assistance.”

Awarded \$285 Million in Infrastructure Funding

\$44.8M Operating / \$240.8M Capital





Fleet Health Check ●●●○○○

- **Modernization of Fleet:** As a vessel ages, reliability risks increase. The average age of a vessel in the current fleet is **34.1** years old, which means that the fleet's overall reliability risk is medium.

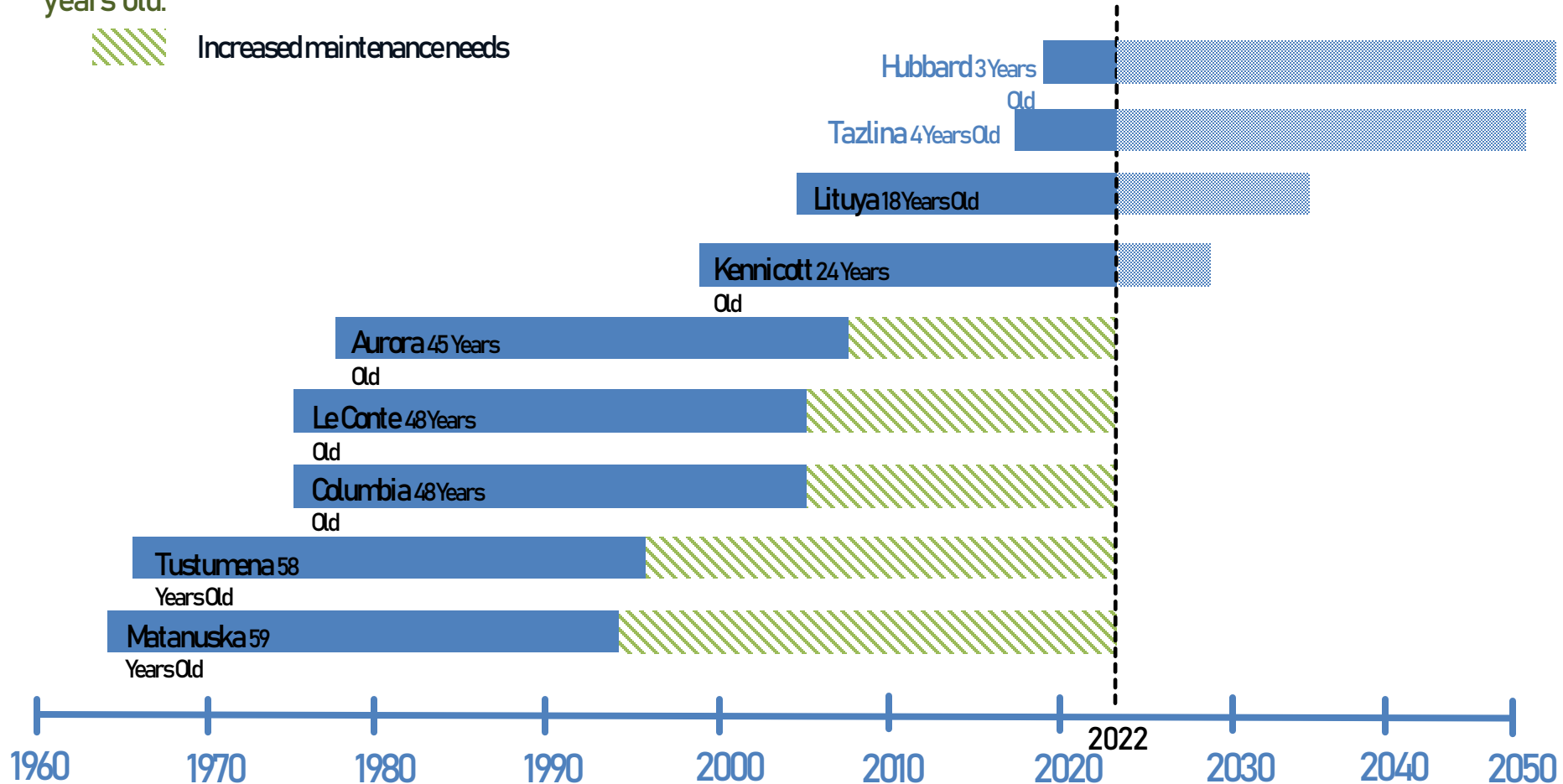
- **Vessel Availability:** Some of the vessels in the fleet will be unavailable at times for routine overhauls. This is to be expected as we invest in maintaining our fleet. periods of unavailability are planned with the intent of minimizing overall impact on the system. However, if overhaul periods extend beyond plan or unplanned and urgent maintenance needs manifest, the ability to maintain schedule may be impacted.

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 RELIABILITY: NEXT STEPS



Solutions: Capital investment; IIJA; Discretionary Grants

- Charting the Course Initiative
- Operational Audit
- Review of maintenance and overhaul practices
- Leverage younger ships in the fleet
- Pursue capital program for vessel replacement via IIJA funding, discretionary grants

FTA AWARDS: VESSELS

Vessel Modernization—\$72 million award

- Columbia—modernization
- Matanuska—modernization
- Tazlina—increased route options
- Kennicott—improved environmental considerations

Vessel Replacement—Tustumena Replacement Vessel—\$68.5 million award

- Includes design updates of propulsion system, for safer, more efficient, public transportation

Design of a New Alaska Mainliner--\$8.5 million award

Supports the early steps for capital replacement of a mainliner for continued service to SE Alaska

Climate Responsive Ferry Vessel Options—\$46 million award

Increase service, efficiency, and sustainability of Alaska Ferry System for rural port communities.

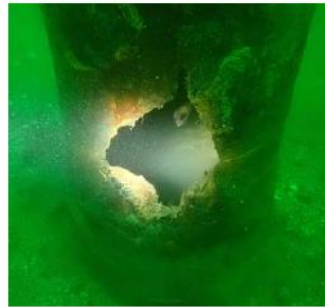


FTA AWARDS: DOCKS

Ferry Dock Infrastructure in Five Rural Alaska Communities— \$45.5 million award

Increase the sustainability of five current rural AMHS port operations, project will upgrade dock infrastructure in Juneau and Cordova, and replace current docks in Pelican, Tatitlek, and Chenega.

- Prince William Sound Dock Modifications—\$29.3 million award
- Prince William Sound Economic Development District is primary, DOT&PF assisted in partnerships
- Tatitlek \$10.5m
- Chenega \$12.6m
- Cordova \$6.2 million





Crew Health Check ●○○○○○

- Staffing Levels: Each vessel crew is made up of multiple types of positions, and a certain number of crew are needed for each position to provide service. To meet current systemwide staffing needs, **additional crew are needed** to ensure sufficient staff for all types of crew positions.
- Relief Pool: Relief crew fill in when a regularly-scheduled crew member calls in sick or takes vacation. Having enough relief crew is vital to preventing service disruptions. Currently, relief crew is only available for **1 of the 5** types of crew positions.

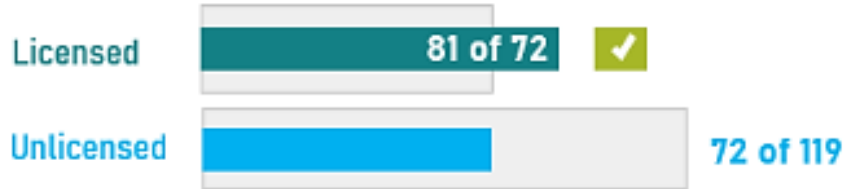
CREW METRICS

Fleetwide Staffing Levels

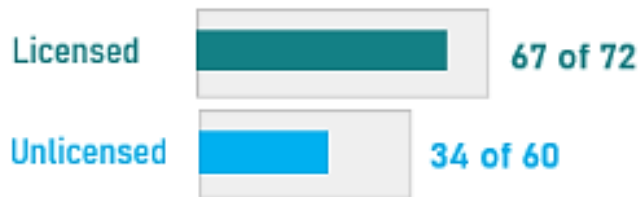
2023 Winter Operating Schedule

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

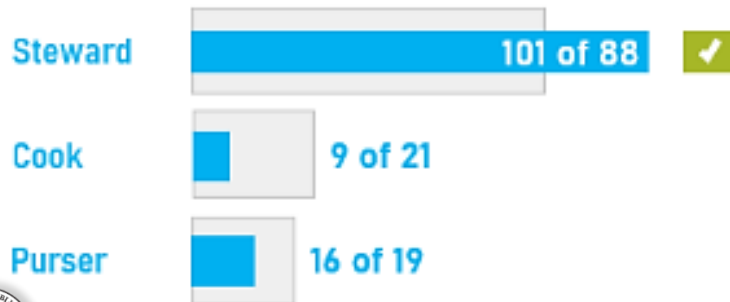
DECK



ENGINE



PASSENGER SERVICES



MV AURORA

Operating

2023 Summer Operating Staffing Levels

**Accounts for one full crew per vessel*

DECK



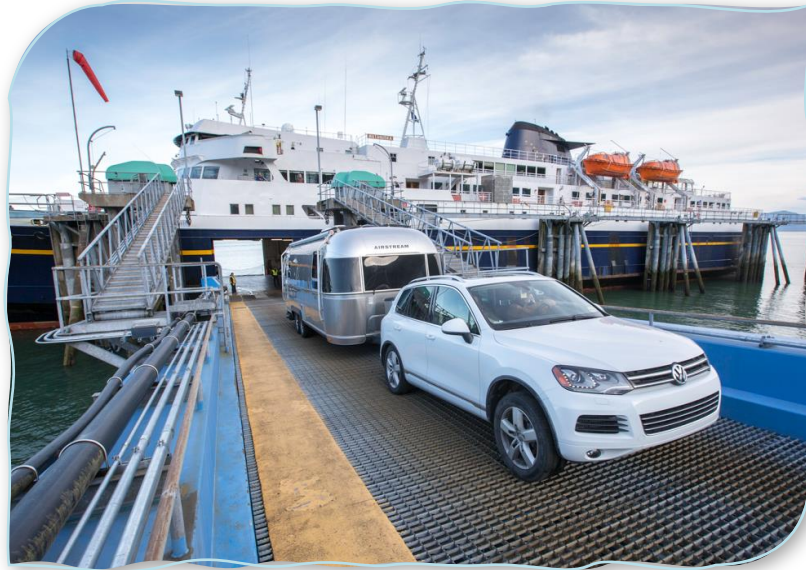
ENGINE



PASSENGER SERVICES



THE LAST “FUNtier”



AMHS COMPREHENSIVE EVALUATION



Task 1: Preliminary Survey and Project Work Plan

Task 2: Operational Resiliency and Efficiency Analysis

Task 3: Information Technology Analysis

Task 4: Fleet Maintenance Evaluation

Task 5: Financial Vitality and Resiliency Analysis



50+ INTERVIEWS, 100+ DOCUMENTS REVIEWED



Ship Staff



Terminal Staff



Operations



Engineering
Staff



Business
Enterprise &
Development



DOT&PF
Planners

8 Vessels Visited



M/V Kennicott



M/V Lituya



M/V LeConte



M/V Aurora



M/V Matanuska



M/V Tazlina



M/V Hubbard



M/V Columbia

THANK YOU.

Katherine Keith, PMP, PMI-ACP
Deputy Commissioner
907-465-3900
Katherine.Keith@Alaska.gov

