



Alaska Department of Transportation & Public Facilities

Alaska Marine Highway System Overview

House Finance Subcommittee

January 30, 2013



Agenda

- **System Background Data**
- **FY2013 Look Forward**
- **FY2014 Governor's Requested Budget**
- **AMHS 50th Anniversary Celebration**



Mission Statements

DOT&PF:

“Get Alaska Moving through service and infrastructure.”

Alaska Marine Highway System (AMHS):

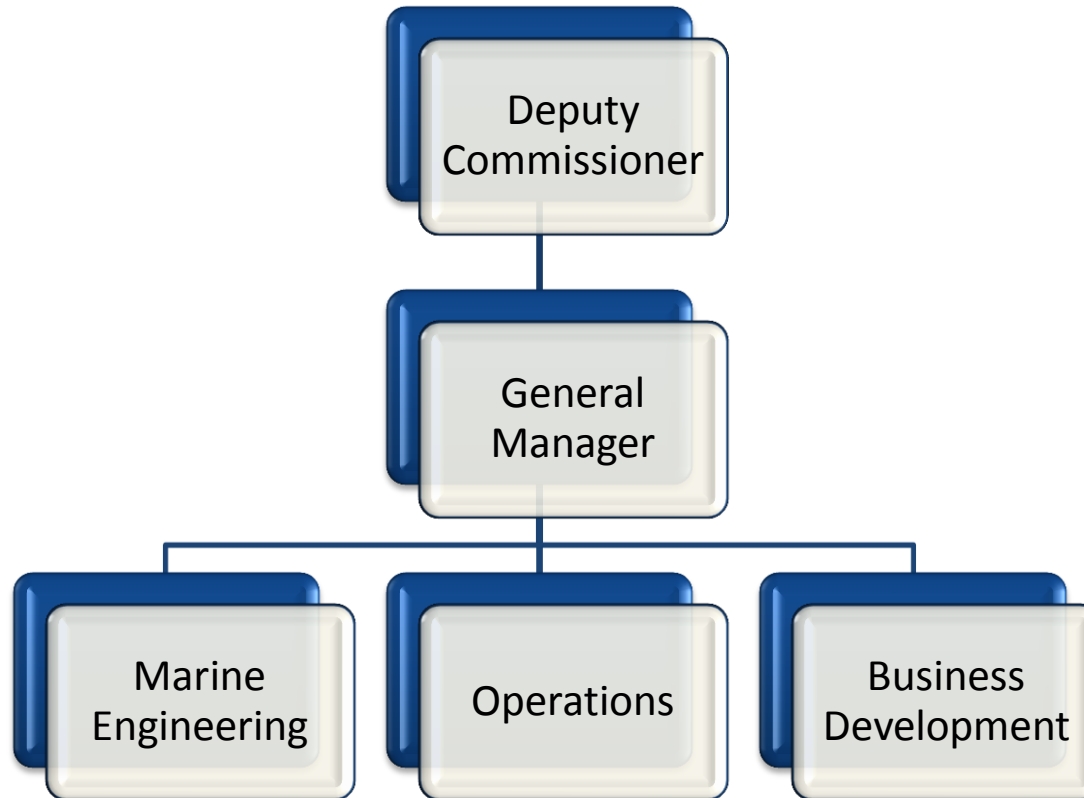
“To provide safe, reliable, and efficient transportation of people, goods, and vehicles among Alaska communities, Canada, and the “Lower 48,” while providing opportunities to develop and maintain a reasonable standard of living and high quality of life, including social, education, and health needs.”



System Background Data

- Organization/Leadership
- System Timeline
- Fleet Composition
- Terminal Composition
- Route Summary
- Traffic History
 - Passengers
 - Vehicles
 - Monthly Traffic Activity
- On-Time Departures/Customer Satisfaction
- OARS Usage (Online Automatic Reservation System)
- Operating Expenditure Analysis
- FY2012 Revenues & Costs
- Marine Highway Fund

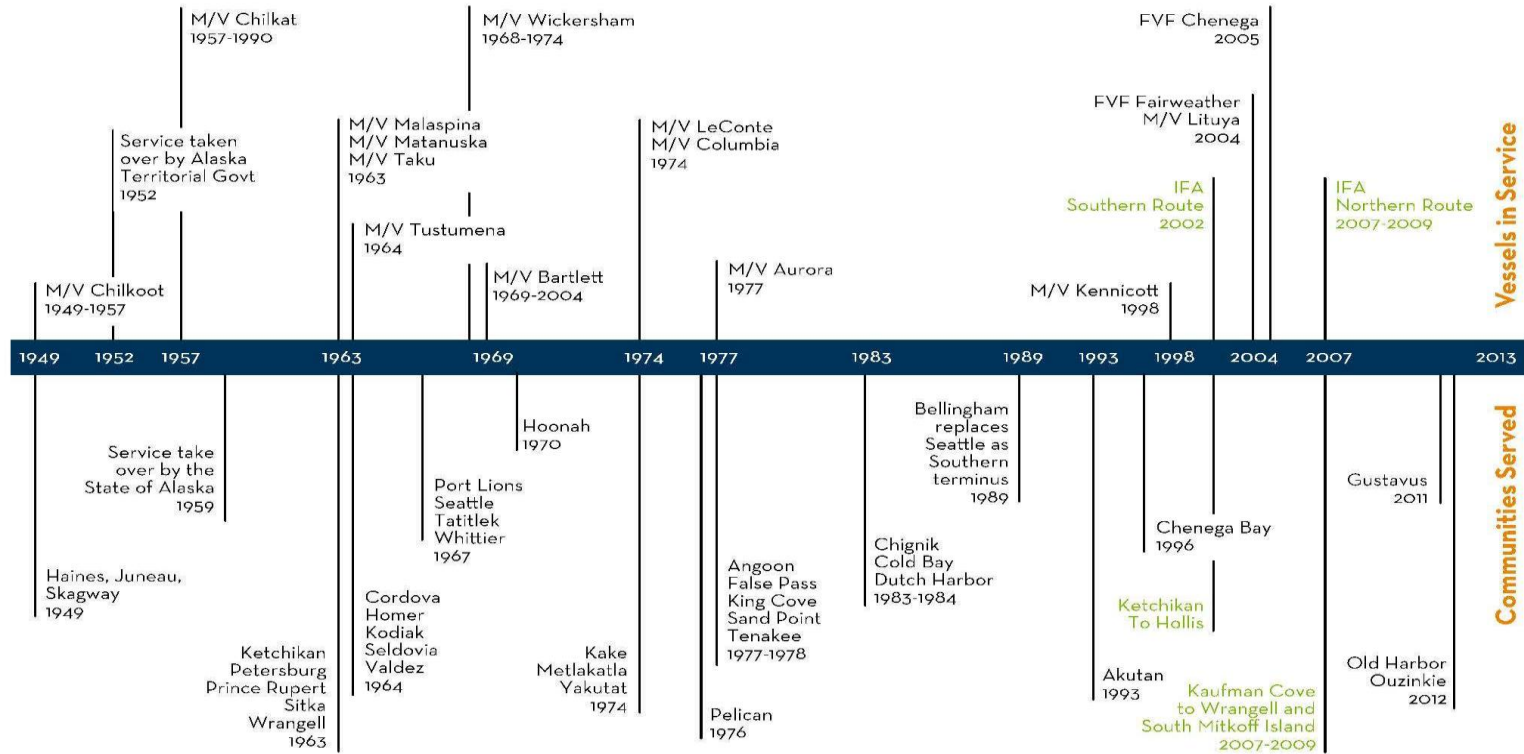
Organization/Leadership



1,030 Personnel

- Vessel Operations - 852
- Shore-side Facilities (Terminals) - 87
- Marine Engineering - 24
- Reservations & Marketing - 23
- Administration - 44

System Timeline



Vessels in Service

Communities Served

Fleet Composition

Mainliners

MV Malaspina - 1963

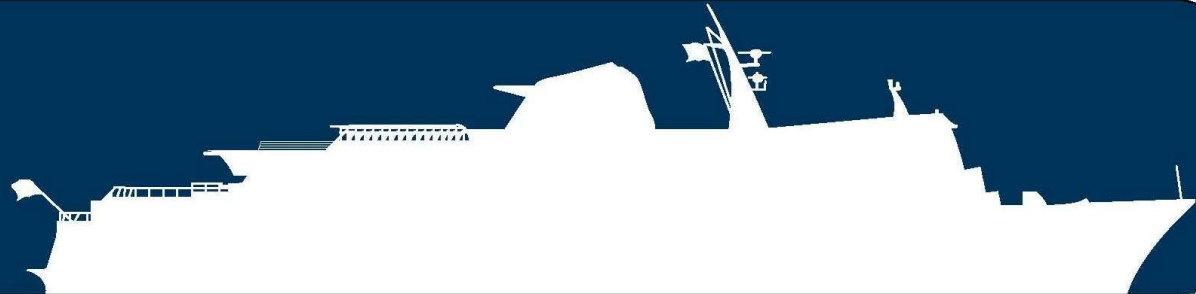
MV Taku - 1963

MV Matanuska - 1963

MV Tustumena - 1964

MV Columbia - 1974

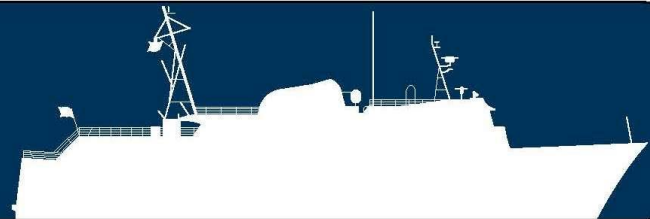
MV Kennicott - 1998



Aurora Class

MV LeConte - 1974

MV Aurora - 1977



Shuttle Ferries

FVF Fairweather - 2004

MV Lituya - 2004

FVF Chenega - 2005





Terminal Composition

- 35 ports of call ranging from Bellingham as the southern terminus, Valdez as the northern terminus, and Dutch Harbor as the western terminus.
 - 17 in Southeast Alaska, Canada, and Washington and 18 in Southcentral and Southwest Alaska
- Of the 35 ports of call:
 - 17 State owned facilities (12 manned / 5 unmanned)
 - 4 leased facilities (Bellingham, Prince Rupert, Seldovia and Kodiak)
 - 14 privately owned operating under a terminal use agreement
- Life extending capital projects managed by Southeast Region of DOT&PF
- Annual maintenance managed by AMHS

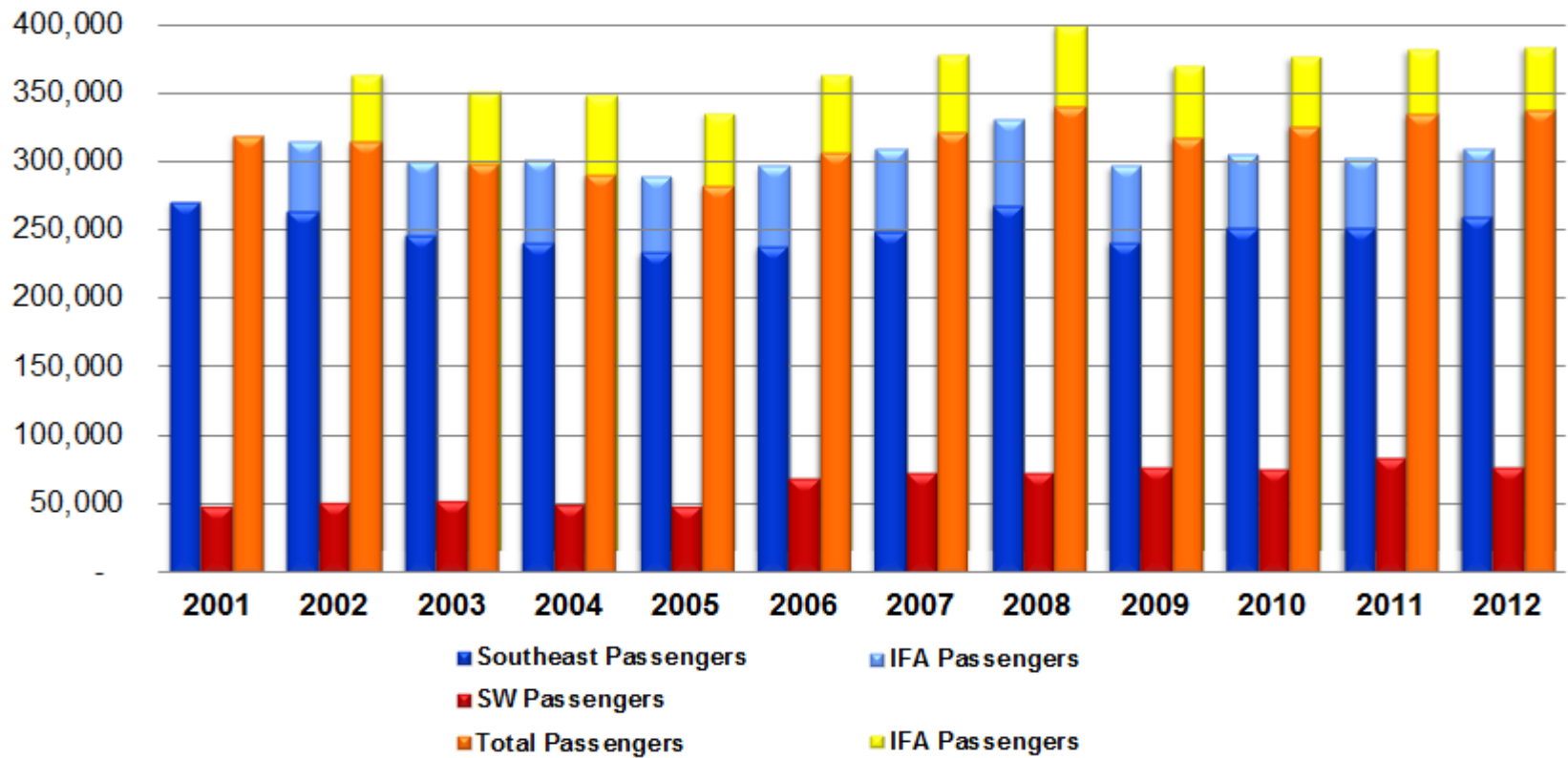
Route Summary



Alaska Marine Highway	Service Route:	3,500 miles
	Passengers:	340,000
	Vehicles:	115,000
BC Ferries	Service Route:	755 miles
	Passengers:	21,000,000
	Vehicles:	8,000,000
Washington State Ferry	Service Route:	200 Miles
	Passengers:	25,000,000
	Vehicles:	11,000,000

Passenger Traffic History

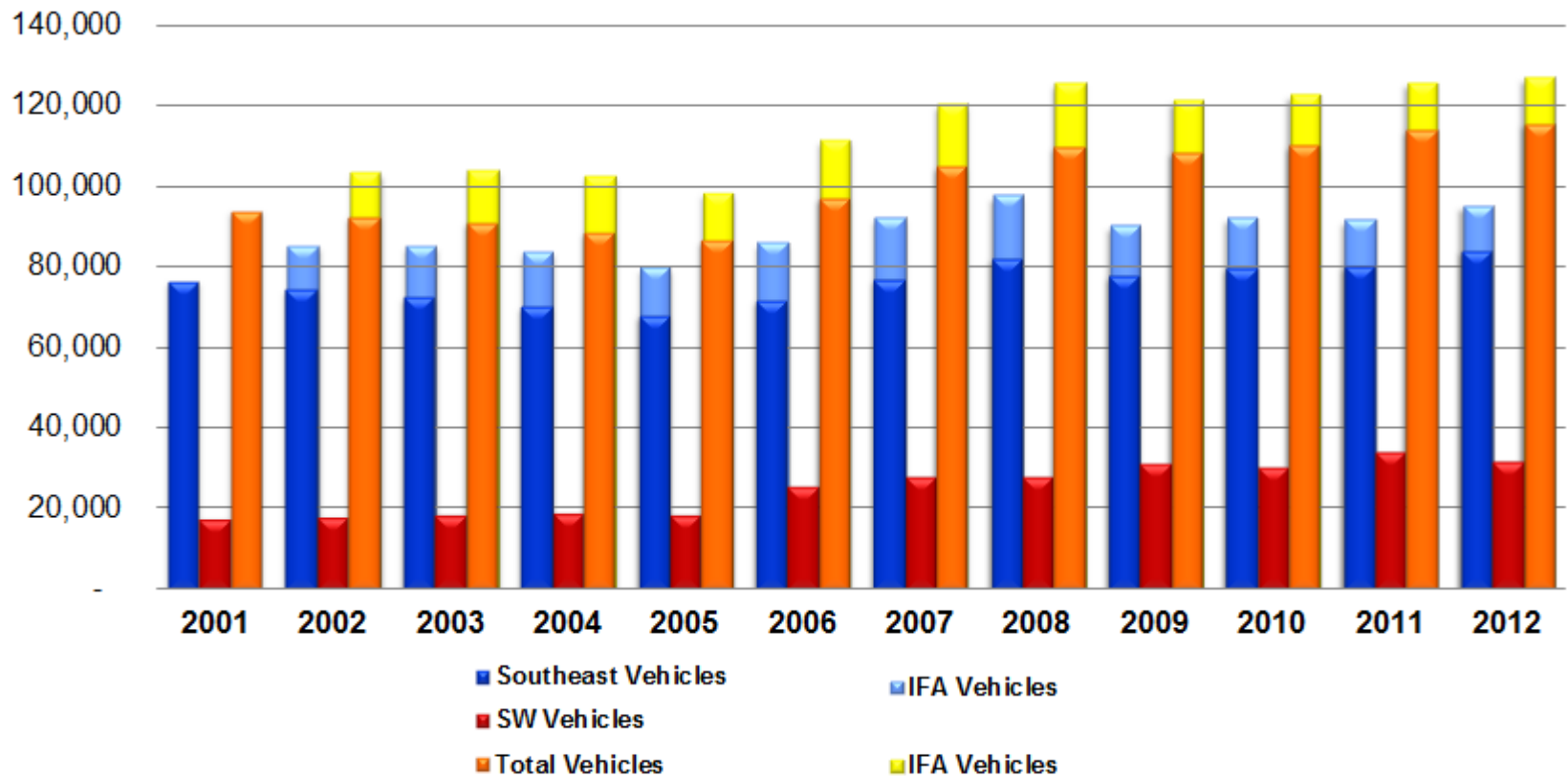
CY Passenger Traffic: Increased for 2012



CY=Calendar Year

Vehicle Traffic History

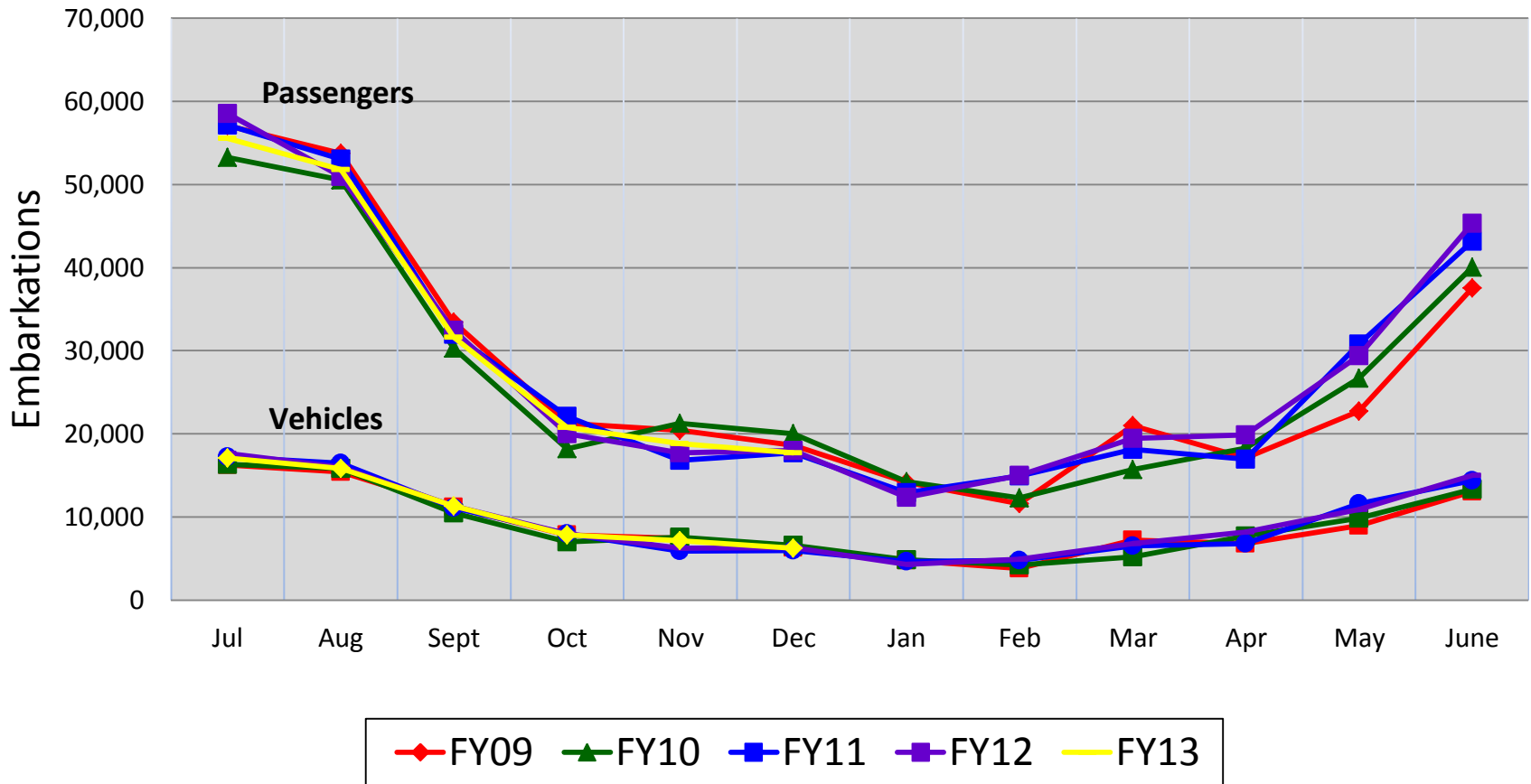
CY Vehicle Traffic: Increased for 2012



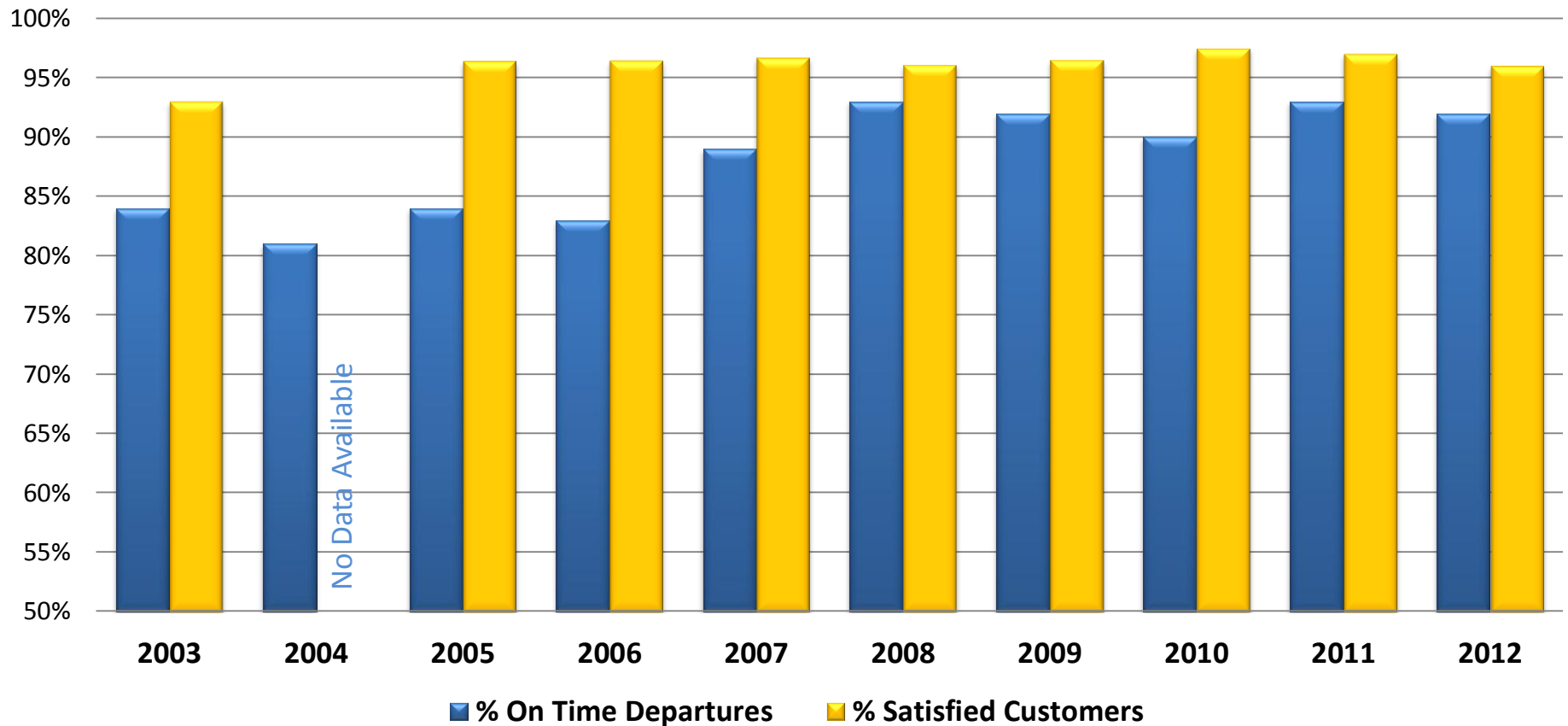
CY=Calendar Year

Monthly Traffic Activity

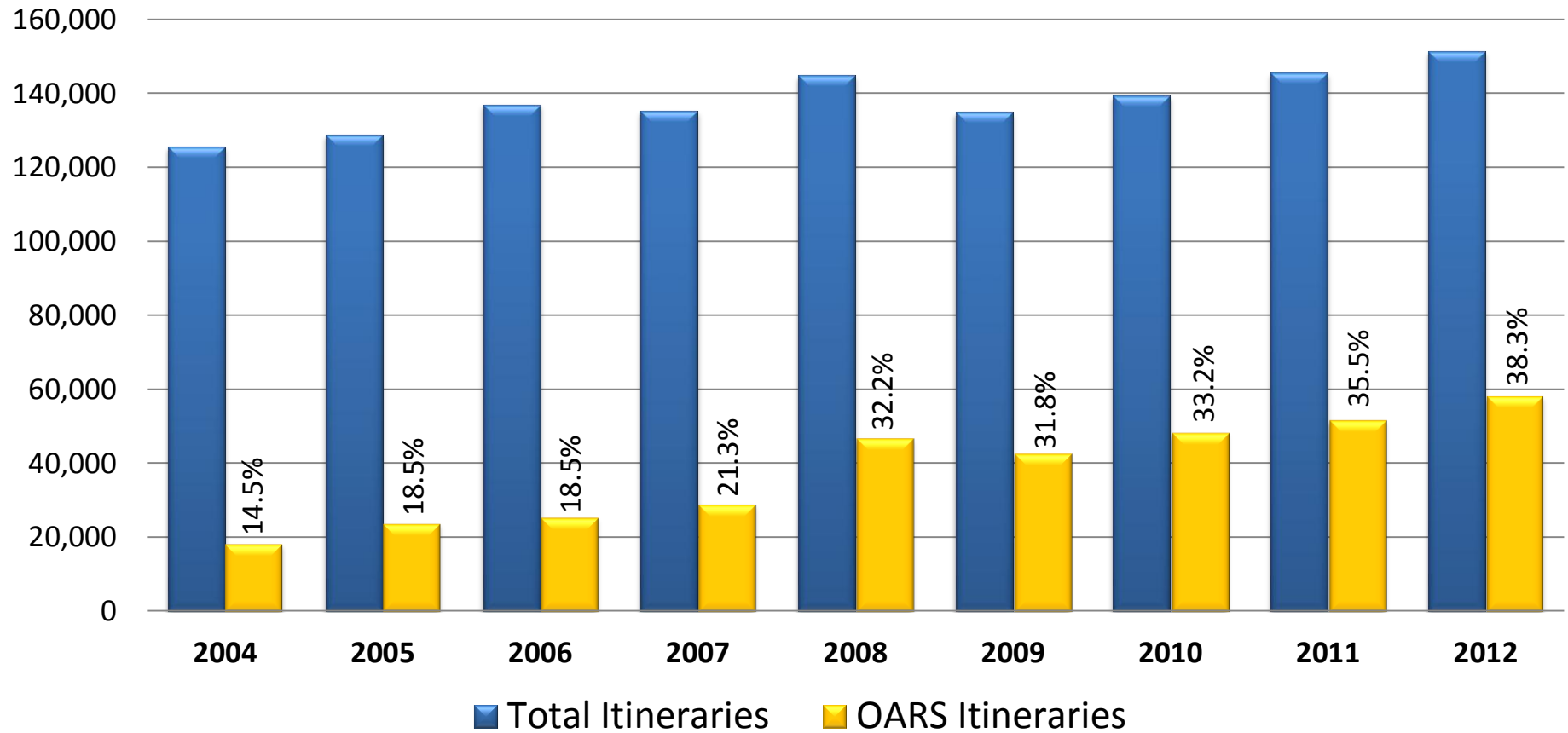
AMHS
 FY2009 – FY2013 YTD
 Monthly Embarkations
 As of December 31, 2012



On-Time Departures/Customer Satisfaction

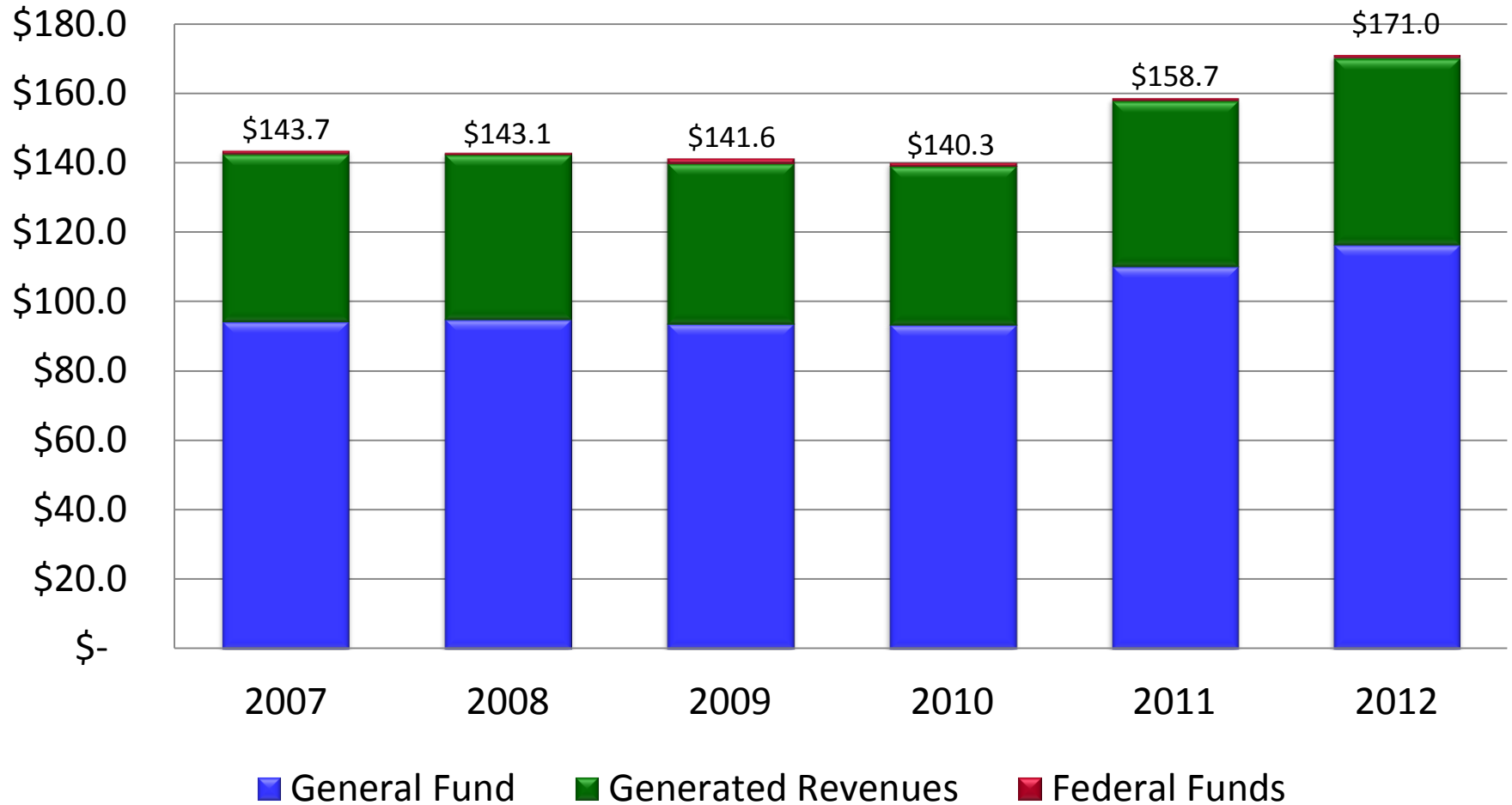


OARS Usage (Online Automatic Reservation System)



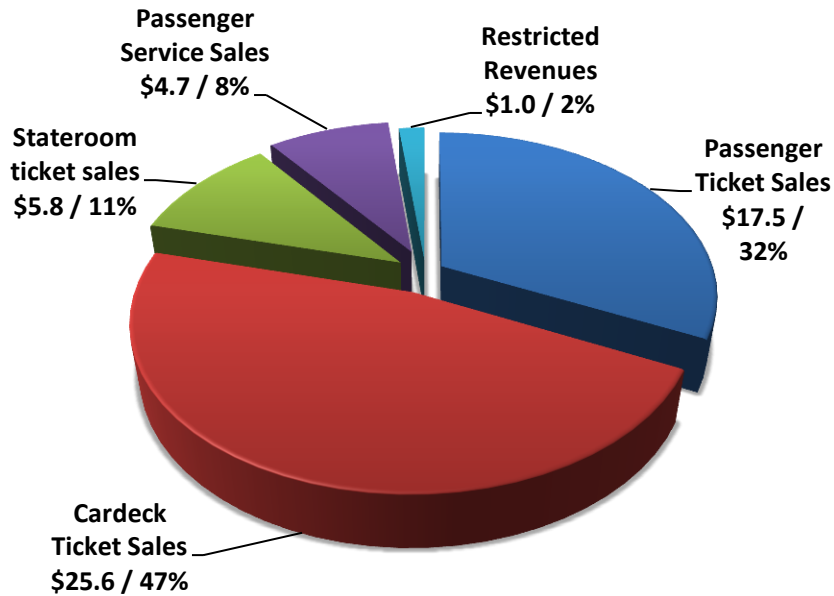
Operating Expenditure Analysis FY2007 – FY2012

Millions

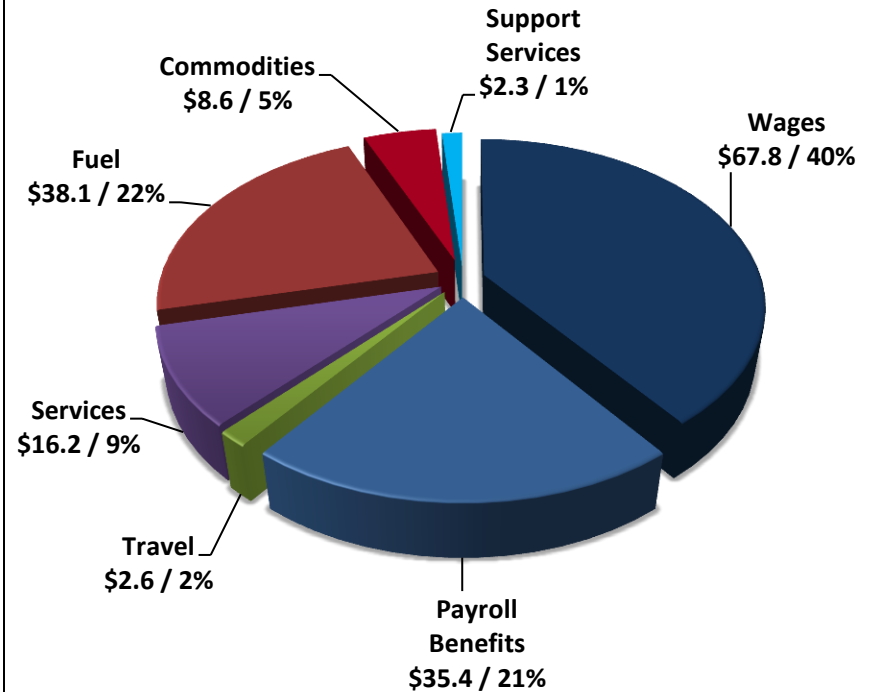


FY2012 Revenues & Costs

AMHS
FY2012 Revenue Sources (\$54.6)
 (in Millions)



AMHS
FY2012 Annual Operating Costs (\$171.0)
 (in Millions)





Alaska Marine Highway System Fund

- Fund established July 1, 1990 – All gross revenues and General Fund appropriations deposited in fund to provide for operational expenditures of the system.
- The Marine Highway Capitalization Account was established June 30, 2009, to collect surplus “Fuel Trigger” monies with restricted AMHS access.
- Commencing July 1, 2012, interest earned on the Fund balance to remain in fund.



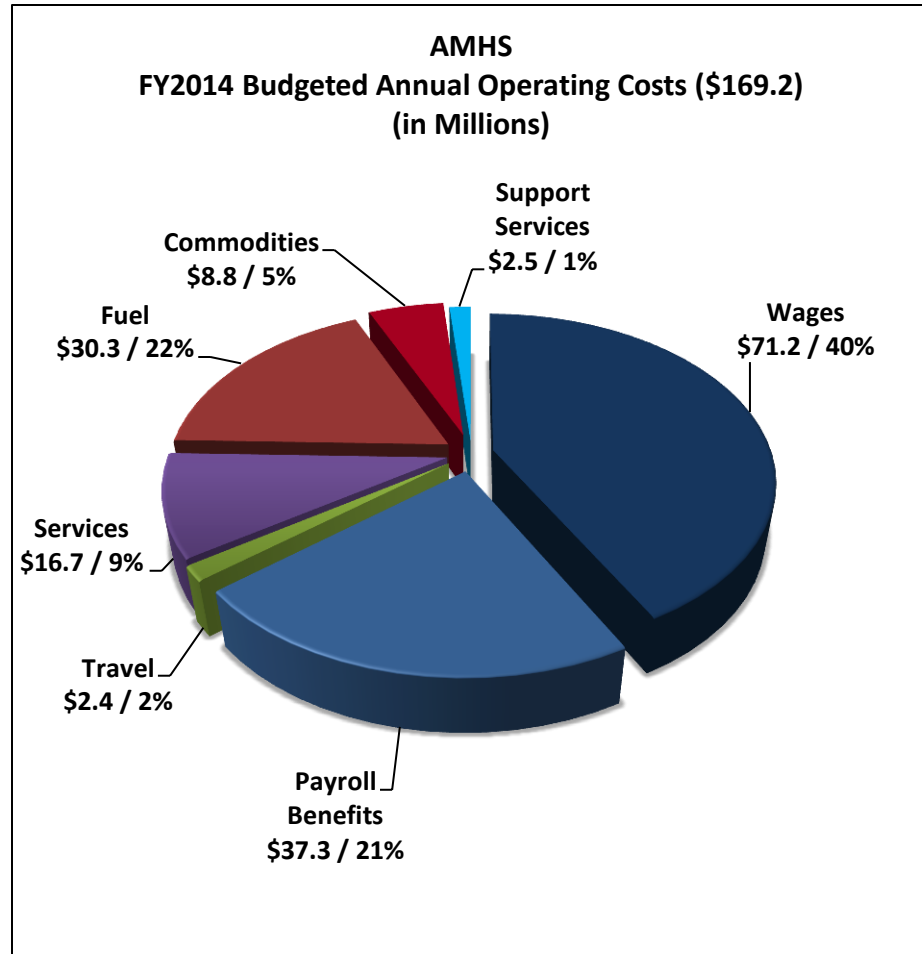
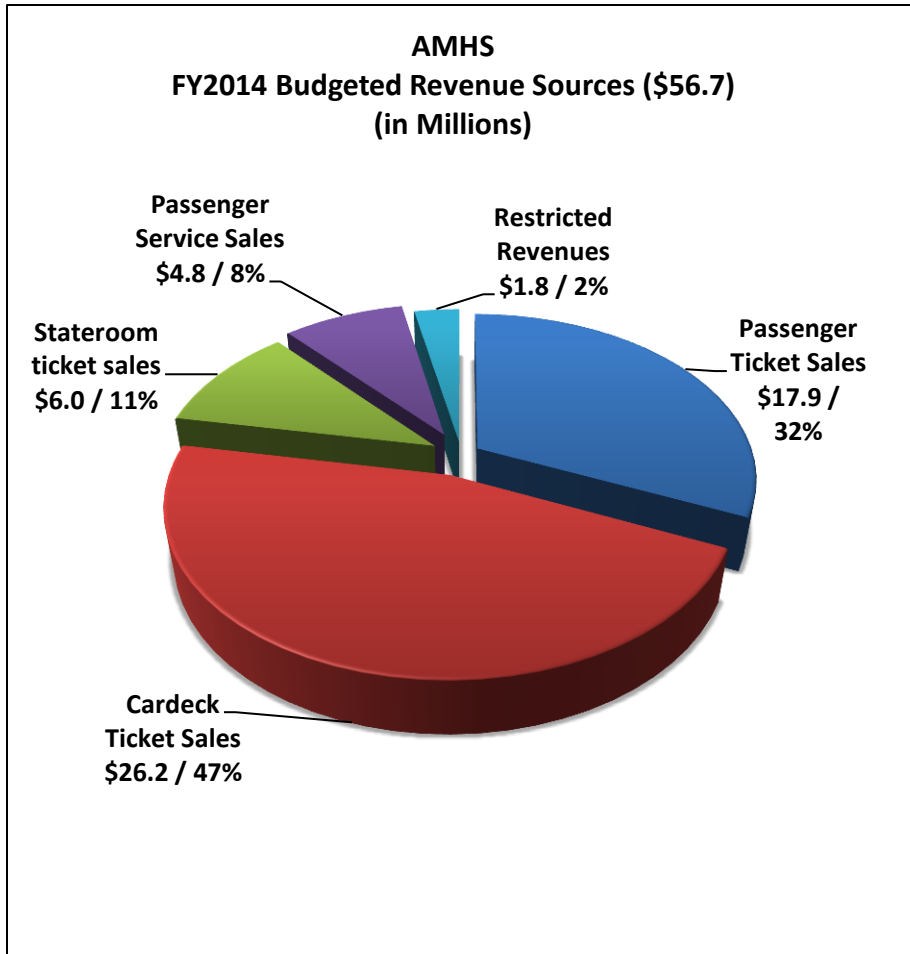
FY2013 Look Forward

- Current Status:
 - Managing to the budget
 - Minimal mechanical casualties – some weather cancellations
 - Ward Cove development – layup & working berth
 - FVF lawsuit – Trial in Juneau starting April 8, 2013
 - Reservations system – continuing development

FY2014 Governor's Requested Budget

- Operating Budget: \$166.7M provides for 416 weeks of service with 7,254 ports of call (Equivalent to FY2013 service level) maintaining:
 - Twice monthly Bellingham-Whittier summer runs
 - Twice monthly summer chain runs
 - Expanded service to Gustavus, Old Harbor and Ouzinkie
- Capital Budget includes
 - FVF Propulsion Replacement
 - Vessel Overhauls – maintain Certificates of Inspection
 - Terminal and Vessel Life extending projects (Columbia/Kennicott)
 - Reservations System Upgrade
 - Asset Management Software

FY2014 Governor's Requested Budget Revenues/Expenditures





Fuel Trigger

- Fuel trigger established as part of FY2007 budget to provide conditional general fund cash and authority predicated on Alaska North Slope oil pricing to offset increased fuel costs over established base budget costs
- Current FY2014 base budget price of fuel \$2.56 per gallon – Current actual cost \$3.43 – Estimated annual usage 11.8M gallons
- FY2013 trigger events occur on August 1st and December 1st



FY2014 Budget Increments

(in Thousands)

- Salary and Health \$907.6
- Maintain Current Level of Service (Baseline) \$227.5



AMHS 50th Anniversary Celebration

- Strategic Purpose
 1. Position AMHS to take full advantage of additional media opportunities associated with the event
 2. Provide support to the existing marketing efforts
 3. Educate current and potential customers about the AMHS
- Celebrate the Past
 1. Locate and collect historical footage, archived images, and individuals for oral histories
 2. Underwrite historical documentary with KTOO TV
 3. Create historical timeline and editorial materials
- Launch AMHS into the Future
 1. Reinforce and validate the AMHS brand and new logo
 2. Plan regional events to show appreciation and educate

Questions?



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