



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members

From: Hugh Bevan, Interim Municipal Administrator *HB 2-13-20*

Date: February 13, 2020

Subject: AMHS Ferry System
Ideas from David Kensinger
Owner of Chelan Produce

Mr. Kensinger has been using the ferry system for many years as the transportation system for his business – Chelan Produce.

He is also a leader within SE Conference and the advisory Marine Transportation Advisory Board.

Attached are some his thoughts on the ferry system that I believe the Assembly will find interesting.

2-13-20

Ferry System Ideas by Dave Kensington

How to build a new AMHS owner of Chelan Produce.

- We currently have a system of 747's when we need a system of 700's.

Alaska Airlines could fly a couple of 747's into Juneau a week to cover what the traffic demands.... but it makes a lot more sense to have numerous smaller planes providing a craft that meets the demand. Of course, if AMHS was operating the one weekly northbound and southbound it would leave during the middle of the night.

All advanced nations (with exception of Washington State Ferries) surplus their vessels at the 25 to 30-year life cycle due to the high cost of refurbishing and crew cost. Simply put, modern vessels are constructed with labor and operational savings. Older vessels are very expensive to rebuild at a midlife age and they have the highest resale value on international markets to third world nations at mid-life.

- Labor contracts follow the vessels

The current system has a Byzantium labor process that is cumbersome to implement and does not work well for any of the parties.

WHAT I PROPOSE IS A COMPLETE REBUILT OF THE CURRENT FLEET.

- A fleet of small inexpensive vessels that travel on point to point routes versus the current system of 24/7 mainliners.
- Southeast and Southwest Alaska can be divided into day boat routes. Nearly all routes will require the vessels to travel from point A to B with the crew staying overnight at commercially provided accommodations. The crew returns the next day to their starting or home port. It is important that these vessels be 18 knots with a reserve capability of 20 knots. They should carry no more than 125 passengers and 400 lane feet of traffic (the current carrying capacity of the

FVF's). Ideally, they would be crewed with no more than 7 except on certain routes where night time cleaning and maintenance cannot be accomplished in a twelve-hour day.

- This system provides flexible daily service to most ports in Southeast and Southwest Alaska. It enables managers to switch to every other day cycle during slow or vessel haul out periods. The cost of running the entire system would be less for a week of operation than a week of the Columbia or Kennecott operation.
- The cost of building a 10-vessel fleet (this includes a reserve vessel) would be less than constructing one new replacement mainliner (approx. 450 million dollars).

CONS

- All traffic must overnight making it difficult to transit the system to a roadhead. Instead of staying on board in a stateroom or deck chair, passengers would be overnighing in communities. If someone in Juneau wanted to travel to Prince Rupert, they would overnight in Petersburg and Ketchikan. It would add about 12 hours to the travel time.
- Crews would have to live in the homeports of each vessel. Crews would have to eat most meals and sleep onshore.

PROS

- All traffic including crews will be sleeping ashore. This switches from a state-run hotel to private enterprise. This will be a big boost to overnight communities.
- Daily fast consistently scheduled service will boost the use of the system. By the time the system is built out.... traffic will increase to the point that operating subsidies will be minimal.
- The system is scalable.... need more service, increase frequency.... low ridership periods....run every other day versus daily.

- A system of local ferries that are identical will not need the large bureaucracy that is currently necessary for the current system.

This is just a short explanation. I have a lot more detailed information about how it would all work if desired. We can have a marine highway that will provide expanded service at substantially less cost.

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POINT TO POINT BY ROUTE

SOUTHEAST ALASKA BOROUGH ROUTE SYSTEM

- 5 ROUTES
- ALL POINT TO POINT (DAY BOATS)
- ALL IDENTICAL VESSELS
- 125 PASSENGERS CAPACITY
- 400 LANE FEET (20 LARGE PICKUP TRUCKS) OR ANY COMBINATION OF VANS TRUCKS CARS
- 18 KNOT OPERATION

ROUTE 1 KETCHIKAN/PRINCE RUPERT/KETCHIKAN

I would propose two things different than the current AMHS approach. One, I would contract with the city or port of Prince Rupert to provide a dock that would accommodate overnight berthing. Two, customs would be in Ketchikan, bringing the jobs and eliminating the expense of providing armed escorts in Prince Rupert. The current setup is like many things AMHS, an artifact of the past. Where else in the world do you clear US customs in a foreign country.

ROUTE 2 KETCHIKAN/WRANGELL/SOUTH MITKOF/WRANGELL/KETCHIKAN

This route would come into the abandoned South Mitkof Island terminal. A bus would be required to transport passengers without vehicles to Petersburg. Ideally this bus (which like the ferries can be purchased with Federal dollars) could be contracted to private parties to operate. Also, it would make sense to include the cost of the transportation in the ticket price.

ROUTE 3 PETERSBURG/JUNEAU/PETERSBURG

This route could possibly be completed by the vessel returning to its home port. It would require a new terminal (remember these are small vessels with a maximum of 20 vehicles) south of downtown Juneau. The state owns property south of town that would accommodate this terminal.

ROUTE 4 AUKE BAY/SITKA/AUKE BAY

Since the inception of the system, servicing Sitka has been a challenge. While Sergus tidal restriction would impact a consistent schedule, it impact would only shift departure or arrival times by 2 hours. The size and the reserve power of the vessel would enable it to safely transit Sergus at most points of the tide.

ROUTE 5 LYNN CANAL

Many options depending on the terminal location. Cascade Point would provide the cheapest fastest terminal location. Like Mitkof Island a bus would be necessary to provide transportation between downtown Juneau and the South end terminal.

This system of routes should be able to operate close the fare box. Additional village routes could be incorporated but would require additional subsidies. If the state does continue a limited mainline service in the future to Bellingham, customers would be able to transit the entire system without the overnight stays that the Borough road system would require.