

What We Heard During Six AMHS Community Engagement Meetings

The Alaska Marine Highway System (AMHS) held six community engagement meetings across coastal Alaska last month. During this time the department also held numerous meetings with AMHS vessel and terminal staff. The purpose of the meetings was to involve Alaskans in the decision making process that AMHS is facing due to the reality of a declining operating budget.

It's often been quoted that the heyday of the AMHS is in our past. Just four years ago the system's 11 ship fleet sailed 412 operating weeks. At the same time the State of Alaska was enjoying extraordinary revenues from North Slope crude and this was reflected in nearly every area of the state, including its ferry system.

Due to the dramatic drop in the price of oil, the AMHS undesignated general fund allocation – what funds the operating budget – is now proposed to be \$31 million less than it was four years ago. Two of the system's eleven ships will not sail at all this next year and several other ferries will only operate portions of the year. With less ships sailing, AMHS is estimated to deliver 320 operating weeks of service, the lowest in over a decade.

Any business when faced with a steep budget deficit would first look to cut costs, create new revenue, find efficiencies and, at the last resort, begin curbing its operations. We too have begun this process by closing bars and gift shops, eliminating 30 shore side positions, installing fuel management systems fleet wide, increasing tariffs, and eliminating discount programs. These measures save money but not enough to close the gap.

AMHS is not a business; it is a service to all Alaskans. From the school groups who use the system to travel to tournaments to the military families moving from the lower 48 to interior Alaska, we all benefit from a transportation system capable of providing a service that would otherwise not exist. This is why we must find solutions that will sustain Alaska's ferry system well into the future.

As anticipated, each meeting included constructive and thoughtful dialogue. Alaskans are passionate about their state ferry system. A copy of the presentation and an entire summary of comments can be found online at FerryAlaska.com, under service notices. Here is a brief list of issues that were raised at nearly every meeting:

- AMHS service is critically important to residents, businesses, tourists and economies.
- Many individuals are willing to pay more for reliable service, if the money goes to better service.
- The system is critical to social connections within the Alaska Native culture.
- Coastal Alaskans believe they are paying a toll to use their highway when other Alaskans in other parts of the state are not.
- Some communities' economies and infrastructure were built with the promise of AMHS service.
- Schedule consistency, dependability and reliability are critical. Uncertainty is bad for a transportation system in terms of riders, repeat users and commercial customers.
- AMHS can save on fuel costs by slowing the ships down slightly.
- The system provides reasonable travel opportunities for school students and school officials. That travel is critical to the social development of our youth.
- The system is important to Alaska military personnel on assignment. It allows passage in and out of Alaska without requiring travel through Canada.

- AMHS needs a long-range transportation plan that is defined, realistic and within the 20 year planning horizon.

Alaskans are encouraged to continue to send their comments to dot.amhs.comments@alaska.gov. It is our intention that the community meetings act as springboard that will continue to generate solutions that guide AMHS.

We are committed to using your ideas where practical to provide reliable ferry service to Alaska, and thank those who have taken the time and effort to attend these meetings and comment on AMHS.