

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Transportation/Public Facilities  
Vessel Operations Management  
Component

## **Component: Vessel Operations Management**

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## **Component Mission**

To provide safe, reliable and efficient transportation of people, goods and vehicles through the Alaska Marine Highway System by developing sound policy and procedures for operations of and manning with well trained professionals who are sensitive to the needs of our customers.

## **Component Services Provided**

Vessel Operations Management operates 9 ships and 20 terminals with 800 vessel employees and 80 personnel ashore. The service provided is:

- To develop, implement and enforce policies and procedures of AMHS.
- To enforce labor contracts to provide benefits for AMHS employees without incurring increased costs and to schedule qualified employees for work assignments to meet required manning levels including vacation and sick leave reliefs.
- To provide training of vessel and terminal personnel to enhance safety and service for the travelling public and meet the Standards for Training, Certification and Watchkeeping for Seafarers (STCW) requirements.
- To provide support for vessel and terminal personnel in the performance of their duties to enhance efficient and customer oriented operations.

## **Component Goals and Strategies**

To operate a safe, reliable and efficient fleet of vehicle-passenger vessels year round.

- Standardize fleet wide operational procedures under the Safety Management System (SMS) through annual audits of all AMHS ships.
- Plan the annual direction and operation of the System based upon the generation of more revenue.
- Meet the traffic demands of the travelling public by soliciting community input in the development of fall/winter/spring and summer schedules and adjusting services based upon traffic predictions from the Marketing and Tariff Study.
- Improve internal and external communications through the use of technology and timely use of the AMHS website for updating the published schedule on line and publishing quarterly the AMHS Newsletter to the all employees.
- Maintain the largest fleet of vehicle-passenger vessels in the U.S. to efficiently meet a published schedule and provide effective service in future operations. Through federally funded Capital Improvement Projects (CIP), the service life of mainline and oceangoing vessels will be extended. The replacement of the most inefficient vessels with more economical ships will occur as per the Southeast Alaska Transportation Plan, the Southwest Alaska Transportation Plan and the Prince William Sound Transportation Plan.
- Train all vessel employees in Basic Safety Training and thirteen other courses and certify that they meet all the safety requirements of STCW.

## **Key Component Issues for FY2001 – 2002**

- Integrate the Southeast Alaska Transportation Plan into the development of future operations, vessel maintenance and terminal construction schedules.
- Coordinate with planners the development of the Southwest Alaska Transportation Plan and the Prince William Sound Transportation Plan.
- Establish the operational parameters, manning and crew training for the new fast vehicle ferries proposed in the Southeast Alaska Transportation Plan
- Hire more new vessel employees for each summer season so that crew members will not be held over another week and overtime will be reduced by 10%.

- Expand the STCW program so that Alaska based training facilities will be utilized for companion training and the AMHS in house computer based training course will prepare all vessel employees for BST certification.
- Utilize the standard computer network aboard each AMHS vessel to facilitate electronics ordering of supplies, the exchange of revenue plus maintenance data and the submission of routine reports.
- Improve customer service with timely updates of the AMHS website for travel promotions, schedule changes and service marketing along with reducing costs by developing online reservations.
- Provide additional service to and from Bellingham during peak season to maximize revenue generation.
- Improve customer satisfaction by improving food service aboard AMHS vessels and training shipboard employees in customer relations.
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### **Major Component Accomplishments for FY2000**

- Provided 310 total operating weeks of service in SE and SW Alaska including cross gulf service connecting the two systems.
- The "dayboat" concept provided a very popular daily service in North Lynn Canal during the summer season adding greater vehicle and passenger capacity at the Northern Gateway.
- The M/V Kennicott maintained full service across the Gulf and in Southeast and operated without mechanical delays. Operated all other vessels with minimal loss of service due to breakdowns.
- Conducted a marketing and tariff study to evaluate AMHS customer satisfaction and determine market demands.
- Service in Southeast and Southwest Alaska was rescheduled successfully to meet travelers needs for regional sports tournaments and school activities during inclement March weather.
- Established a computer network aboard all AMHS vessels and successfully connected with each vessel via email and a wireless bridge setup at each terminal.
- Hired a website coordinator who brings schedule updates and promotions to the traveling public.
- Increased ridership aboard the AMHS 3 percent.
- Negotiated new labor agreements with all three vessel employee labor unions.

### **Statutory and Regulatory Authority**

AS 19  
AS 44

**Vessel Operations Management**  
**Component Financial Summary**

*All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	918.3	1,109.0	1,219.4
72000 Travel	66.9	26.9	36.9
73000 Contractual	36.0	25.0	45.0
74000 Supplies	25.1	23.1	43.1
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>1,046.3</b>	<b>1,184.0</b>	<b>1,344.4</b>
<b>Funding Sources:</b>			
1076 Marine Highway System Fund	1,046.3	1,184.0	1,344.4
<b>Funding Totals</b>	<b>1,046.3</b>	<b>1,184.0</b>	<b>1,344.4</b>

## Vessel Operations Management

### Proposed Changes in Levels of Service for FY2002

The Department is requesting an inspector position. It is anticipated that with the addition of this ISM auditor position, we will fully integrate the International Safety Management (ISM) into the AMHS. This position will inspect AMHS vessels annually, follow up on nonconformance reports and implement SMS documentation in headquarters and aboard ships that is in compliance with ISM standards.

### Summary of Component Budget Changes

#### From FY2001 Authorized to FY2002 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>0.0</b>	<b>0.0</b>	<b>1,184.0</b>	<b>1,184.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-2.1	-2.1
<b>Proposed budget increases:</b>				
-Add \$50.0 Marine Funds to support the International Safety Management (ISM) program	0.0	0.0	50.0	50.0
-Add Admin Mgr I position and \$112.5 Marine Funds for support of AMHS vessels and crews	0.0	0.0	112.5	112.5
<b>FY2002 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>1,344.4</b>	<b>1,344.4</b>

## Vessel Operations Management

### Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	15	17	Annual Salaries	888,606
Part-time	0	0	COLA	16,767
Nonpermanent	0	0	Premium Pay	15,544
			Annual Benefits	314,247
			<i>Less 1.28% Vacancy Factor</i>	(15,764)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>15</b>	<b>17</b>	<b>Total Personal Services</b>	<b>1,219,400</b>

### Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	0	1	0	1
Administrative Clerk III	0	0	1	0	1
Administrative Manager I	0	0	1	0	1
Asst Port Captain	0	0	1	0	1
Dev Spec II, Option A	0	0	1	0	1
Division Director	0	0	1	0	1
Ferry Services Manager IV	0	0	1	0	1
Marine Trans Srvs Mgr	0	0	1	0	1
Passenger Services Insp	0	0	1	0	1
Passenger Services Inspector	0	0	1	0	1
Personnel Asst II	0	0	1	0	1
Personnel Officer II	0	0	1	0	1
Port Captain	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
Reservations Specialist	0	0	1	0	1
Safety Officer	0	0	1	0	1
Ship Services Mgr/Port Steward	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>17</b>