PREAMBLE

Most people do not realize that many of our everyday problems and concerns in Vieques, are rooted in our restricted access to the main island caused by constraints imposed upon us through horribly inadequate cargo ferry service. Most people don't ever use the cargo ferry intentionally so they don't really care about it. But the thing is, we can't get the products and services here that we need to grow and develop jobs because of restricted access controlled by the ATM and others. No jobs, poor education, high crime, and limited medical services all spell: NO OPPORTUNITY! Am I obsessed with improving access to the main island? Absolutely! It affects everything else that we do or want to do to provide for our futures and those of our children.

Our collective responses to the immense damage to our lives caused by inadequate cargo ferry service and deplorable passenger ferry operations has captured the attention of the media and more local residents, but the bottom line is that we are not now, nor are we ever likely to be, effective at changing the ATM. The system is too established with too many vested interests in the status quo. Therefore, if we want to see any meaningful improvements in our lives here, we need to establish a private cargo ferry service. I don't suggest we give up our efforts to create better ATM service, but this could be a more positive approach.

The attached file reviews our situation and outlines a set of goals and objectives for our island to discuss. Even as a private operation, no ferry service will get the permits and use of the ports without government approvals. It is therefore essential that we have a common plan that defines our goals, objectives, and a plausible outline of the required equipment, facilities, and operations envisioned. This treatise must be a true reflection of the community's intent, it must be created with input from a large range of residents, and it must have island wide support from people willing to come forward.

This document represents my vision. In order to make this a useful dialogue, residents need to lay out their own views and/or comment on mine. We need to rationally and respectfully identify points of agreement and contention in order to compose THE PLAN that we can all get behind. The purpose of the plan could evolve into a co-op business plan, a brief for the director of Roosevelt Roads Redevelopment to craft a more appropriate RFP, a planning aid for a potential service provider, or a tool for further attempts to deal with the governor or DTOP.

RESTRICTED COMMERCIAL AND PERSONAL ACCESS TO THE MAIN ISLAND INFLICTED ON THE PEOPLE OF VIEQUES

Most passenger service and all of the cargo service between Isla Grande and Vieques is provided by the government through the Maritime Authority (ATM), a part of the Department of Transportation (DTOP). The service is deplorable and totally inadequate in both quality and quantity. Residents all know that their complaints are ignored and that no permanent changes for the better have been made in decades. Based on the overall economy and past experience, we have little hope for the future.

Given all of the broken promises and the utter futility of our collective actions thus far to "demand" improvements, we need to re-examine our approach. We need to focus our efforts on generating a plan that clearly identifies the goals of the community and provides a road map to achieving them. "United we stand, divided we fall."

While there are many divergent opinions about what to do about improving the service, before we can discuss them effectively, we need to identify what we know (or at least can agree to) as fact. Facts are truths, not opinions, perspectives, or desires. This is our first step.

As users of the system, what do we know?

- 1. The scheduled quantity of cargo boats is adequate for our raw survival, but not remotely close to what is required for us to prosper.
- 2. The published schedule of boats is inappropriate for our needs.
- 3. The operation of the boats is totally unreliable.
- 4. Standing reservations for vehicles are meted out on a personal basis once per year with priority given to existing users and "other criteria" that are not transparent.
- 5. Making reservations can only be done in person.
- 6. Despite notices to the contrary, the ticket windows are not open all day but are closed for unpredictable extensive intervals. When open near departure times the lines are long since pre-purchasing is so difficult or impossible.
- 7. Some agents will not sell to some people, period. Others will not sell to specific classes of people. Some will claim there are no spaces available, while the boat later departs with many empty spaces. Friends and family favoritism is rampant.
- 8. Having a reservation is no guaranty of passage.
- 9. Cargo loading and unloading at both ends is physically and operationally constrained and chaotic.
- 10. Road access in Vieques requires all large trucks (up to almost 40 tons) to cross a bridge in town that is tested and certified by DTOP to a 15 ton limit.

- 11. Roads from both ports are not designed for heavy truck traffic, and THE stop light in Fajardo causes delays of over 15 minutes during the peak traffic periods that the ferries disembark.
- 12. Parking for the ferry in Vieques is not available. Town and residential streets receive the load to the disadvantage of local businesses.
- 13. The dissemination of current travel information is almost non-existent. Employees seldom know (or will tell) the status of boats or trips. The new video monitors in Fajardo act more like printed flyers of the schedule and are not updated in real time. Only Isla Bonita has an AIS system that lets customers with internet connections track its location.
- 14. Efforts to continue the private ferry at Mosquito Pier by Aluma were vetoed by one or more members of the ATM board of directors, even though Aluma offered to pay for the Coast Guard mandated improvements at the pier.
- 15. Community efforts to apply pressure or make demands upon the government for improvements to the operations have received lip service time and time again. Promises are made that merely "kick the can down the road" to a time period that a new administration takes over.
- 16. Media attention stirs the pot and gets a reaction for a brief period, and then when the lights go out, everything returns to "normal." Those who are in charge are un-shame able. *Our pain does not become their pain.* They will bold face lie over and over again.
- 17. We have 9,200 people (approximately 3,000 voters) and have no real representation in our government with over 3,000,000 other citizens. We are thought by many on the main island to be hicks, hillbillies, or Jibaros. Neither the government nor the politicians take us seriously, and we currently have no leverage or power.

So, wouldn't we be certifiably crazy to believe anything is going to change if we don't approach this in a radically different way?

GOALS AND OBJECTIVES OF A NEW FERRY SYSTEM

Given that the ATM run ferry system is hopeless, we must establish a new service provider to satisfy the demands of our market. Our needs have always been "dictated" to us by a totally paternal government without real understanding of, or real concern for, our wellbeing. It is therefore necessary that those requirements come from the community as goals and objectives we collectively support and will fight for.

The following envisions a privately (individual, corporate, or co-op) owned and run cargo ferry service via the short route. No change in the current ATM operation is intended or contemplated. Both cargo and passenger services would continue to operate as they do now. The government will decide if and

when they make adjustments to their services. The immediate result will be the parallel operations of competing private and public systems.

The mission statement should read something like this: The purpose of the Private Ferry Service (PFS) is to provide safe, convenient, reliable, economical, and pleasant transport for passengers, vehicles, and cargo between Vieques (Mosquito Pier) and Ceiba on a schedule that accommodates the needs of the community for both personal access and business operations and development.

The mission statement above is the basic statement of the goals and objectives. The following discusses how these objectives may be reached. This is not a complete business plan but merely a partial list of things that should be included.

Equipment: Boats - Capacity

The primary function of this service is to move vehicles and cargo, but passengers should be provided for as well. To determine an optimal size for a ferry to match our purposes, we need to have a clear picture of the volume to design for.

Historically, Vieques has had only 15 cargo ferries allocated to service the island per week, which equates to about 320 vehicles. During the time period that PRFF was supplementing the ATM service, coincidentally, the passenger ferries were broken, and the ATM was using cargo ferries for all Vieques runs. Although scheduling was often impossible, the seven ATM round trips a day (4 each on weekends) were all cargo vessels. The total ATM cargo trips per week were intended to be 35 weekday and 8 weekend for a total of 43 – almost three times the normal allotment, and with a far more useful range of departure times. Add to this another 15 or more trips by PRFF, and the result was just under 60 round trips per week – almost four times the vehicle capacity of previous years. Assuming that the boats all ran, we had the capacity to move1200 vehicles. As it turned out, the ATM personnel often would not allow reservations (for reasons not forthcoming) yet the boats tripled the cargo volume anyway with traffic going standby to around 800 vehicles (my best guess).

Moving 800 vehicles per week using ferries that held 25 vehicles would require 35 round trips or 5 per day. In 2010, according to published ATM figures, from 600 to 900 passenger round trips per day were recorded. Boats with 200 to 300 seats should, therefore, be quite adequate. Ranging from 6:00AM to 8:30PM, convenient service objectives would be possible.

Note that the figures are for ALL Vieques traffic; however, the PFS would only capture a percentage of these because the ATM would still be in service. And, quite possibly, the ATM service could improve due to less demand and more political pressure. As service continues reliably, tourism and other businesses

would grow, resulting in an increased volume. The net effect is impossible to predict with confidence. Suffice it to say that if PFS garners 50% of the customers, the boats/schedule provide about 100% more capacity than required. Considering that the demand is not evenly spread out over the week or the day, this would accommodate peak loading.

In order to provide backup for a boat being out of service, it would be prudent to have two.

Equipment: Boats - Configuration

The boats used should be selected for their task and their environment. They should be enjoyable – even fun – to ride.

- The fleet should consist of similar boats, having most if not all system components identical. This would aid dramatically in both maintenance and operations for parts inventory, technical expertise, backup, and operational substitution. Outfitting older boats in an identical way should be cost effective. Two new boats would be more costly and take more time.
- In an ideal world, the boats would be drive-through for rapid loading and unloading. Backing on or off would never be necessary. Due to constraints imposed by the Jones Act, such domestic boats are not likely to be found.
- All boats would be combination passenger and cargo. Passengers would ride above the cargo bay and load independently from the vehicles without a conflicting path. Multiple access points would be provided for embarkation.
- 4. All boats would be configured to include several restrooms, a ticket office, a canteen, and a maintenance facility. The restrooms should be plentiful, roomy and easily cleaned. The ticket office should allow for the sale of tickets and the making of reservations while in port and while under way. The canteen should allow the sale of food and beverages. The canteen area should include salon seating with tables. The maintenance facility should be created to allow maintenance activity to continue wherever the craft is located. Keep the mechanics, tools, and boats together.
- 5. Boats should be large enough to accommodate the above requirements. Passenger capacity of 200 and 25 vehicles would be minimums.
- 6. The cabins should include both outside and inside (air conditioned) seating options. The outside space should include both covered and uncovered seating.
- 7. Due to the shorter distance being run, a boat at 12kts would take about 30 minutes. Faster boats will typically burn more fuel.
- 8. Each boat should have effective high capacity internet service available for passengers and an AIS transponder for monitoring craft location.
- 9. Ticket offices require both internet and dedicated cell phones for reservations, payments, crew, and M&O (maintenance and operations) communications.

- 10. Ample security cameras and related systems should capture activities throughout the boat and surrounding areas.
- 11. Limited crew quarters are required for those occasions when one or more members are "stuck" out due to weather or maintenance issues.

Facilities

The most essential land side facility is the actual loading dock. Due to variations in tides, boat deck heights, and ramps, it may be prudent to construct adjustable hydraulically controlled dock ramps at both destinations.

Passenger loading should be through the sides. By way of an illustration, the ramp in the center of Mosquito Pier has only a couple of pilings used to hold the boats "straight". A covered pier or side ramp should be designed and constructed for the long term purpose of loading passengers without conflicting with vehicles.

Spacious queuing areas for loading should be provided for cars and trucks that do not conflict with disembarking vehicles or passengers.

Parking areas should be provided for passengers without vehicles. On Mosquito Pier the current road side parking could continue but should be formalized. Long term parking could be provided at the existing parking lot, but security might be an issue if there were no attendant. Publico parking could be the road side across from the dock and drop-off could be on the dock side of the road. Waiting areas for pickup should be north of the dock on the west side of the road.

Equivalent accommodation in Cieba is required. Additionally, the route from the ferry dock to the highway (to either Humacao or Fajardo) must be streamlined and trucks not run all over town.

A waiting terminal is not contemplated in the near term. Portable toilets might be used initially. The schedules should be adhered to closely, and prolonged delays avoided. Once the boat is docked and emptied, passengers could embark and use the salon, ticket office, or restrooms. Any required facilities should be as minimal as possible.

If adequate refueling facilities are already in place at the Cieba ferry dock, they could be utilized. If not, it may be possible to service the boats directly from a mobile fuel truck. There should also be water service and "pump out" services for removing all sewage in Cieba as well.

Crew Requirements

Minimum crew requirements are dictated by the Coast Guard based on the boat and the number of passengers. These crew members have specific duties that

require 100% of the attention and effort for small portions of the operations. During other times, they can be deployed for different functions. For instance, the captain pilots the boat but when not at sea, he or she may be directing the loading of vehicles, checking tickets, or performing administrative duties. Deck crews are busiest while docking or departing the dock; however, they can be serving passengers, selling tickets, performing maintenance, etc. at other times. The point is that the crew members will not be exclusive specialists but more like generalists in nature, each would have a primary responsibility and also one or more secondary job functions. Redundancy of skills yields flexibility.

Schedules

Schedules are determined primarily to meet the needs of the customers but are constrained by the limitations of the system - including crew labor and costs of operation. While from a customer point of view there can never be too many departures, boats must run sufficiently full to cover costs. The objective is to spread out the trips to efficiently cover each day without turning people or vehicles away.

Possi	ble	Scl	ned	lu	les

Possible Schedules				
Vieques Cieba Scenario 1	6:00	Cieba to Vieques	7:00	
	8:00		9:00	
	12:00		1:00	
	4:00		5:00	
	6:30		8:00	
Vieques Cieba Scenario 2	6:00	Cieba to Vieques	7:00	
	8:00		9:00	
	11:00		12:00	Could be fuel run
	2:00	Could be fuel run	3:00	
	5:00		6:00	
	7:00		8:00	

In both scenarios the primary boat would spend the night in Viegues and the backup in whichever port was convenient. Two full time crews would be required each day. Two part time crews would be required for the weekends and covering for vacations, sickness, etc.

The schedule should be subject to modification over time to meet the customer demand. Space availability should be shown on the website in real time as online sales take place. Delays or other items impacting travel should be current and online.

Pricing

Setting price levels is a science. If the prices are low, there are typically more who will buy. Fewer will pay higher amounts. The secret is in understanding how elastic the demand is: how many buyers will there be at various prices. From the business side, one wants to charge the price that yields the most return at any given service level. We don't have a clear picture of this from past performance given the subsidized rates of the ATM. When Aluma was running a private ferry service, their prices for vehicles were about three times those of the ATM, and many people used them because dealing with the ATM was too difficult.

With so many people in Vieques unemployed and living below the poverty level, a significant percentage of our population has much more time than money and will stick with \$2 ATM tickets regardless of the service quality. Over time that will change, but it could take a while. Those who wish to take a vehicle will probably be willing to pay more for reliable service – they have plans, and that's why they have a vehicle in the first place.

Initial attempts to estimate the optimal price structure follows:

Pricing (Round Trip)	
Passenger	25
Car & Driver	75
Small Truck & Driver	125
Large Truck & Driver	300
Semi & Driver	500
Fuel Truck & Driver	750

Contractual Requirements

Given that the ATM has been openly hostile to any competition, and given that they are a part of the government, there is no doubt that efforts will be made to undermine the private operation. The following are just some of the issues that need contractual protection for viability of the PFS:

- 1. The dock space at both sides, including all of the facilities outlined above, must be exclusively leased long term to PFS. The cost of the startup and the improvements require from 10 to 35 years to be fully amortized. The lease must be exclusive because otherwise the ATM or others will freeload off of the improvements and interfere with PFS operations.
- 2. PFS must be free to purchase fuel and all other products and services from whomever they choose.
- 3. The US Coast Guard is the only entity allowed to inspect and certify the boats, crews, and operations of the PFS. The only PR laws, permits, inspections, taxes, etc. that will apply to PFS are those that are applicable

- to typical businesses. No detrimental rules, requirements, or legislation targeting ferry operations will be applicable.
- 4. No required access, permissions, permits, endorsements, approvals, etc. by any Puerto Rican government entities shall be unreasonably revoked or withheld after this agreement is consummated.
- 5. PR will protect PFS from interference with its operations from any PR government entity or any affiliated or related labor union.

Summary

We know that reforming the structure of the ATM to fit the true needs of the people of Vieques and their collective future is next to impossible. We therefor need to develop an alternative solution, some sort of a private cargo ferry system whose purpose is to provide safe, convenient, reliable, economical, and pleasant transport for passengers, vehicles, and cargo between Vieques (Mosquito Pier) and Ceiba on a schedule that accommodates the needs of the community for both personal access and business operations and development.

I have presented a single vision based upon my observations and experience. Others will have differing views which need to be expressed so that we can have a meaningful dialogue that may lead us to a consensus on common goals and how to implement a solution.

Please feel free to respond in an email or through Facebook message or any other way.

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