

FAQs on Ferry Outsourcing

Given the volume of interest in our evaluation of ferry outsourcing options, the HMC Board is publishing this FAQ to answer key questions that we are hearing from our members. Access to and from Herron Island concerns all of us and we encourage open dialogue as we consider our options.

Q: Has the HMC Management Board decided to outsource our Ferry Operations?

A: No, issuing an RFP doesn't mean we will outsource ferry operations. The board, on behalf of our membership, has issued an RFP seeking contractor responses with an aim of providing safe and efficient ferry transportation, and engaging with the Herron Island community to meet their transportation needs between the island and the mainland ferry dock.

Q: Will members be forced to vote on a ballot measure without the opportunity to hear directly from the proposed new contractor?

A: No. Assuming we have one or more viable contractor proposal(s), our board meeting on April 14 has already been announced as an extended session for members to hear from both the board and our proposed contractor.

Q: Why is the board pushing to outsource our ferry operations now?

A: As agents representing our entire membership, the board has the responsibility to ensure that we continuously examine the major expenses within our budget as they directly drive member assessments. As demand for ferry service increases, we've seen costs increase and service levels be maxed out, as seen in our recently released report on ferry traffic.

Q; Is the membership vote on our annual budget the only way to weigh in on ferry outsourcing?

A: No. Board President Mike Graham spoke in error on February10 when indicating the budget would be the means of membership voting on ferry outsourcing. His statement was corrected on the same day when <u>our revised</u> <u>schedule</u>, inclusive of a ferry outsourcing ballot on May 4, was published. The May ballot is when our membership will vote on ferry outsourcing, assuming we have a viable proposal and recommended contractor. Our budget ballot will follow on June 9.

Q: Why isn't the board being transparent about what is happening with ferry outsourcing?

A: The board has used all of our communications channels, <u>website</u>, email, <u>HMC Management Facebook page</u> to keep our members up to speed on our intent, the <u>RFI</u> we issued, RFI responses (<u>Praetorian</u>, <u>HMS Ferries</u>), the <u>RFP</u> that was issued, and the <u>timeline</u> we're working against. Members have access to all of the current information regarding our exploration of ferry outsourcing.

Q: Why would we sell the Charlie Wells?

A: We have no intention of selling the Charlie Wells. If we move to outsource ferry operations, HMC will retain ownership of the Charlie Wells.

Q: What happens with our current ferry crew?

A: We've been clear on page 3 of our <u>RFP</u> that "It is HMC Management's desire and preference to retain its current ferry crew, assuming they meet the contractor's employment standards."