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COMMITTEE ON TRANSPORTATION AND INTERNATIONAL AFFAIRS

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EXPEDITIONS – MAUI/LANA`I FERRY
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WEDNESDAY, JANUARY 30, 2008
ROOM 224 2:45 PM

SUPPORT OF SB 2816, RELATING TO INTRA-COUNTY FERRY SERVICE

EXPEDITIONS HAS BEEN PROVIDING FERRY SERVICE BETWEEN LAHAINA HARBOR ON MAUI AND MANELE HARBOR ON LANA`I SINCE 1990. STARTING THIS PAST OCTOBER EXPEDITIONS BEGAN ADDITIONAL SERVICE WITH TWO ROUND TRIPS DAILY BETWEEN MA`ALAEA HARBOR ON MAUI AND MANELE HARBOR ON LANA`I. FROM THE DATE OF INITIAL OPERATION IN 1990 UNTIL PRESENT, EXPEDITIONS HAS OPERATED UNDER THE SAME RATE SCHEDULE WITH NO INCREASE IN TICKET PRICES, EVEN THOUGH FUEL, VESSEL COSTS AND OTHER FIXED EXPENSES RELATING TO EMPLOYEE HEALTH CARE AND MARINE INSURANCE HAVE ALL AT LEAST TRIPLED OVER THAT PERIOD.

EXPEDITIONS IS PROUD OF THE SERVICE IT HAS PROVIDED TO THE OVER 185,000 PASSENGERS WHO TRAVELED IN 2007, HOWEVER AT THIS TIME WE NEED ASSISTANCE TO ENABLE US TO CONTINUE OUR NEW MA`ALAEA ROUTE. AT PRESENT THE COST IN LABOR AND FUEL ALONE TO DO THE TWO ROUND TRIPS IS APPROXIMATELY \$2500 PER DAY. THE RIDER SHIP AT THIS TIME DOES NOT JUSTIFY THE COST OF OPERATION BUT EVENTUALLY THROUGH ADVERTISING AND OTHER PROMOTIONS WE HOPE TO BUILD A CLIENTELE THAT WILL SUPPORT THIS SERVICE ON ITS OWN.

ONE OF THE PRIMARY REQUIREMENTS FOR THE FERRY AT MA`ALAEA IS A SAFE, SECURE PLACE TO BERTH WITHIN THE HARBOR. AT PRESENT THE EXPEDITIONS FIVE VESSEL IS BEING GRANTED 90 DAYS OF TEMPORARY MOORAGE WHICH WHEN EXPIRED MEANS THE FERRY WOULD HAVE TO TRAVEL TO LAHAINA AFTER THE DAYS SERVICE IN MA`ALAEA AND RETURN THE FOLLOWING MORNING TO RESUME OPERATIONS. THIS WOULD COMPLETELY PUSH THE LABOR AND FUEL COSTS BEYOND LIMITS FOR CONTINUED OPERATION.

EXPEDITIONS TRULY FEELS THIS SERVICE IN MA`ALAEA ADDS A POSITIVE BENEFIT FOR THE LANA`I RESIDENTS WITH THEIR TRAVEL NEEDS ALONG WITH REDUCING SOME OF THE MANY VEHICLES THAT PREVIOUSLY HAD TO TRAVEL TO OR FROM LAHAINA TO UTILIZE THE FERRY SYSTEM. ALSO HAVING THE MA`ALAEA SYSTEM IN PLACE MAKES FOR EASY IMPLEMENTATION OF EMERGENCY PROCEDURES TO CONNECT LAHAINA AND MA`ALAEA BY WATER SHOULD IT BE NECESSARY TO CLOSE THE HIGHWAY.

THE BENEFICIAL ASPECTS OF A MA`ALAEA FERRY ARE FAIRLY OBVIOUS AS STATED BUT THE FINAL AND MOST CRUCIAL IS THE FACT THAT BECAUSE OF EXPEDITIONS STARTING A FERRY OPERATION OUT OF MA`ALAEA HARBOR IT BECAME POSSIBLE FOR THE FEDERAL TRANSIT AUTHORITY TO MAKE FUNDS AVAILABLE FOR FERRY TERMINAL IMPROVEMENTS. MILLIONS OF DOLLARS IS BEING DIRECTED TO MA`ALAEA HARBOR FOR MUCH NEEDED REPAIRS AND IMPROVEMENTS BASED ON EXPEDITIONS FERRY OPERATION. THIS SAME FTA FUNDING TOOK PLACE IN MANELE HARBOR WITH THOSE IMPROVEMENTS VERY CLOSE TO COMPLETION.

THE REASONS EXPEDITIONS HAS REQUESTED YOUR SUPPORT FOR SB2816 ARE MANY BUT I HOPE YOU WILL AGREE ANYTHING THAT ENABLES THE FERRY TO CONTINUE OPERATING OUT OF MA`ALAEA HARBOR IS A WIN, WIN SITUATION FOR ALL. EXPEDITIONS URGES THE COMMITTEE TO PASS S.B. No. 2816. THANK YOU FOR THIS OPPORTUNITY TO TESTIFY.