

Ferry System Meltdown

Just when we thought the ferry system was starting to settle down and improve a bit, the ATM self-destructed again, worse than anyone can ever recall. For two months or more, they have not been able to keep operational even 10% of their fleet serving Vieques and Culebra. How can a transportation company consistently fail so dramatically and so completely and not be fired or replaced? It's easy, follow the money:

1. The ATM organization is a political entity, not a business. The politically appointed managers have had no proper training and experience. Their mission is to organize, train, and equip the ATM to operate a ferry service for the benefit of the Clients, us. However, they are not competent and they can't organize, train, or properly equip any person or any thing.
2. The ATM (organization/ personnel) does not report to us, the Client.
3. The government people who run the system don't use the system, don't care about the Client, they aren't held accountable to us, and they don't fear any repercussions from our protests or complaints when everything breaks.
4. The entire system is held hostage to the organization's self-centered interests. We, the Clients, are here for the benefit of the government run ATM, instead of the other way around. Schedules are designed for the convenience of crews and staff, not Clients.
5. With an annual budget of over \$25 million, half goes to the employees. Given the totally inappropriate purchases of boats, one can't help but wonder how much more money works its way back into the pockets of management?
6. The system is corrupted, many of the personnel are incompetent, and the operation (including maintenance) is deplorable. Federal investigations are ongoing. And through it all, people are actually paid to keep operating in this mode year after year.

Our road to suppliers, medical services, government offices, and the rest of the world currently passes through 26 miles of ocean. This road is barely accessible, and we are totally dependent on the ATM. **The entire ferry system (ATM) is now, and has been, so totally mismanaged that it has almost single-handedly crushed the economy of Vieques and is dashing the hopes for our future.** Our constitutional rights of equal access have been denied. The government that has been charged with protecting our interests and providing our access has totally failed us.

According to ATM's own budget figures, around 80% of the funds (approximately \$20 million) come from federal sources, and that money is being misused every year to the detriment of Vieques and Culebra. Discrimination against Vieques through political and economical favoritism toward Culebra has led to the systematic deprivation of services for us to the benefit of Culebra:

Vieques has a permanent population of about 9,200 people plus part time residents and tourists. We are allocated only 15 cargo ferries per week to supply all of the island's needs. In comparison, Culebra with a population of approximately 1,800 plus tourists is allocated 12. ***The math reveals the obvious intent of the authority to hold us down and suppress any possibility of prosperity. If the ATM limits the total round trips to 27 per week, the fair mix of ferries would be 21 for Vieques and 6 for Culebra.***

To add even more insult to our injury, there is substantial evidence that local business interests exercise a high degree of influence over who gets access to the island. In the *PR Daily Sun*, February 6, 2011 issue, our senator, Lorna Soto, is quoted as saying: "There are sectors inside Vieques that control the economy...." We are forced to deal with family monopolies in most all of our necessity purchases in Vieques:

1. Grocery stores
2. Gasoline
3. Pharmacy
4. Building materials
5. Auto inspection
6. Bank

Government monopolies include:

1. Electricity
2. Water
3. Telephone
4. Ferry

According to *Caribbean Business*, 62% of our household expenses go to food, utilities, and fuel. In Vieques, almost all of our necessary expenses are paid to monopolies of one sort or another. We experience little of a "free market" society. Competition in retail is systematically prevented through the limitation of availability of reservations and space on the cargo ferry on a consistent basis.

Efforts to improve the performance of the ATM by the new director (Ferdinand Cedeño) through the use of outsourcing to private companies reflect a more professional attempt to rectify some of the inadequacies. The skill sets required to consult on the issues outlined in the DTOP INVITATION FOR BID 12-0011C (a request for bids developed with the assistance of the Federal Transportation Administration) are just not available in any branch of the PR government, and definitely not in the ATM. Therefore, the private sector is the ONLY place to find the expertise required to organize and train the current employees in:

- Vessel Refurbishment Services
- Preventive Maintenance Program Development and Implementation
- Maintenance and Vessel repairs Support
- Day-to-Day Operational Oversight

- Service Disruption and Emergency Circumstances
- Computer Systems

Critics of this level of private company contracting are concerned that there is a slippery slope that will lead to “privatization” of the whole system, increased fares, and worse problems than we already have. Community activist and Independista Ismael Guadalupe has suggested that this latest move to outsource is part of a conspiracy. No matter how bad things get, they can always get worse, but realistically, cargo ferry operations are below subsistence level now and the only thing worse would be discontinuing operations completely. The Governor recognized the hopelessness of the ATM and had proposed a public-private partnership last year, but it died politically. The true conspiracy here is to constrain supply capacity to Vieques by any means possible, and it has been extremely successful.

The outsourcing is not intended to address equipment selection or facilities. Any economic analysis will show that the only reasonable operation of ferry services requires that all boats be able to carry 30 or more cars **and** 350 or more passengers. Such boats allow twice as many round trips of cars/trucks and passengers at the same cost or less than the current procedures. The announcement that the ATM was going to buy a new cargo ferry and a new passenger ferry is evidence of a total lack of understanding of (or concern for) our needs.

While there is reason to be optimistic regarding the hiring of outside firms to consult with the ATM, there is an enormous need to inform the ATM directors that the lack of cargo ferry service is totally unacceptable. It is time to ensure that the director realizes that there are federal law suits around the corner and that competition from a private ferry owned and run by locals is being studied. We can no longer sit quietly while the future of our island is stolen from us.