



February 23, 2016

Mayor Mark Jensen  
Petersburg Borough  
P. O. Box 329  
Petersburg, Alaska 99833  
e-mail: [mayorjensen@petersburgak.gov](mailto:mayorjensen@petersburgak.gov)

Dear Mayor Jensen:

North End Ferry Authority has submitted the attached CAPSIS application for a Named Recipient Grant of \$117,000 in the State of Alaska FY 2017 Capital Budget.

In developing the Rainforest Islands Ferry, North End Ferry Authority has not previously applied for or received Federal or State grant assistance. The present application will facilitate Rainforest Islands Ferry service by funding a bow ramp extension to MV Rainforest Islander, augmenting working capital during the initial full year of operations, and retiring short term debt.

Would it be possible for the Petersburg Borough to send a letter of support for the North End Ferry Authority's grant application to Alaska State Legislators representing the Rainforest Islands Ferry service area? Names and addresses of Legislators are as follows:

The Honorable Bert Stedman  
Senate  
State of Alaska  
State Capitol Building  
120-4th Street  
Juneau, Alaska 99801-1182

The Honorable Jonathan  
Kreiss-Tomkins  
House of Representatives  
State of Alaska  
State Capitol Building  
120-4th Street  
Juneau, Alaska 99801-1182

The Honorable Dan Ortiz  
House of Representatives  
State of Alaska  
State Capitol Building  
120-4th Street  
Juneau, Alaska 99801-1182

Thank you.

Sincerely yours,  
NORTH END FERRY AUTHORITY

A handwritten signature in black ink, appearing to read "Kent Miller".

Kent Miller  
General Manager

North End Ferry Authority  
P. O. Box 18071 • 110 NW Stikine Way • Coffman Cove, Alaska 99918  
Toll Free (844)329-2031 • Office (907) 329-2031 • Fax (907) 329-2035  
E-mail: [kent@rainforestislandsferry.com](mailto:kent@rainforestislandsferry.com)

# **Project Title: North End Ferry Authority - Capital Improvement to Ferry Vessel, Augment Working Capital, Retirement of Debt**

**TPS Number: 64351**

**Priority: 1**

**Agency:** Commerce, Community and Economic Development  
Grants to Named Recipient (AS 37.05.316)

**Federal Tax ID: 45-2454556**

**Grant Recipient: North End Ferry Authority**

**FY2017 State Funding Request: \$117,000**

**One-Time Need**

## **Brief Project Description:**

Design and construct bow ramp addition to MV Rainforest Islander, add working capital to assist first full year's operations, partially retire short term debt to City of Coffman Cove.

## **Funding Plan:**

Total Project Cost:	\$3,113,200
Funding Already Secured:	(\$2,996,200)
FY2017 State Funding Request:	(\$117,000)
Project Deficit:	\$0

## **Explanation of Other Funds:**

Short Term Loan, City of Coffman Cove, 2010: \$22,000

Medium Term Loan, City of Coffman Cove, 2010: 30,000

Long Term Loan, U. S. Department of Agriculture-Rural  
Development: \$2,996,200

## **Detailed Project Description and Justification:**

North End Ferry Authority is an Alaska Municipal Port Authority, organized in 2010 by the City of Coffman Cove under AS 29.35.600-730, the Alaska Municipal Port Authority Act. The Authority has developed the Rainforest Islands Ferry to restore passenger-vehicle ferry service between Coffman Cove, on Prince of Wales Island, Wrangell, and Petersburg, via South Mitkof Island.

The Rainforest Islands Ferry is the 28 passenger, six vehicle landing craft, MV Rainforest Islander, which started service in August, 2015, and following a winter shutdown beginning December 1, 2015, will restart ferry service on April 15, 2016. Four round trips per week are scheduled, on Sunday, Tuesday, Wednesday, and Friday; it is planned that this service will continue year-around.

The Rainforest Islands Ferry provides safe, reliable, timely, and comfortable surface transportation for passengers and vehicles between Prince of Wales Island and Wrangell and Petersburg, a route where there is no scheduled direct air or ferry service. The Rainforest Island Ferry saves travelers and their vehicles approximately 50% of the fares and transit time of an alternative routing via Ketchikan; on this alternative routing, additional cost of accommodations and wait time between ferry connections is also necessary on most trips. The Rainforest Islands Ferry facilitates Prince of Wales residents' connections with Alaska Marine Highway System and Alaska Airlines at Wrangell, and increases frequency and reduces cost and transit time of ferry service between Wrangell and Petersburg. This service is used by school groups, Prince of Wales Island residents seeking essential health care, legal, accounting, and other essential services in Wrangell and Petersburg. The service creates opportunity for business travelers, contractors, and professionals to competitively sell goods and services within an expanded area, from home bases on Prince of Wales Island, Wrangell, and Petersburg. The service improves opportunity for visitors to schedule travel loops in Southern Southeast Alaska, using Rainforest Islands Ferry service in one direction and Alaska Marine Highway System and Inter-island Ferry Authority services in the other.

In 2016, the Rainforest Islands Ferry's passenger-vehicle ferry service to and from Petersburg via South Mitkof Island will be facilitated by

operation of an eight-passenger mini-bus, meeting arrivals and departures of the ferry at South Mitkof; it is believed this is the first time an Alaskan public agency has operated coordinated water transportation and highway transit services.

To date, the North End Ferry Authority has been financed by loans from the City of Coffman Cove, and U. S. Department of Agriculture-Rural Development; no Federal or State grants have been used in developing this service. Therefore the Rainforest Islands Ferry is an excellent example of local initiative and self-help in providing necessary local infrastructure. This ferry has been carefully planned to be sustainable by earned revenues; its vessel, MV Rainforest Islander, operates with a crew of two, and has fuel consumption of 25 gallons per hour, scaling its operating costs to the traffic and revenue initially expected on its route. This ferry service operates with very low shoreside overheads, there is only one full time employee other than vessel crew.

Named Recipient grant funds applied for will be used to improve MV Rainforest Islander's ability to load-unload vehicles at launch ramps, and will provide working capital to facilitate its operations during the always challenging first full year of service. The grant will also enable North End Ferry Authority to retire short term debt to its Participating Municipality, the City of Coffman Cove.

**Project Timeline:**

Grant funds will be full expended in CY 2016.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

North End Ferry Authority, an Alaska Municipal Port Authority

**Grant Recipient Contact Information:**

<b>Name:</b>	Kent Miller
<b>Address:</b>	P. O. Box 18071 Coffman Cove, AK 99918
<b>Phone Number:</b>	(907)329-2031
<b>Email:</b>	kent@rainforestislandsferry.com

This project has been through a public review process at the local level and it is a community priority.