

FY 2022 Passenger Ferry Grant Program, Electric and Low-Emitting Ferry Pilot, and Ferry Service for Rural Communities

Applicant and Proposal Profile

Is this a resubmission due to an invalid/error message from FTA? Yes No

Is this application for:

(If applying to two programs, please select both boxes)

- Passenger Ferry Grant Program (FTA-2022-006-TPM-FERRY)
- Electric or Low-Emitting Ferry Pilot Program (FTA-2022-007-TPM-FERRYPILOT)
- Ferry Service for Rural Communities Program (FTA-2022-008-TPM-FERRYRURAL)

If applying to more than one Ferry program, applicants should enter information for the applicable programs on this form but **Must** submit the application package including the Supplemental Form and attachments, to **Each** respective Opportunity ID on Grants.Gov. That is, complete one form, but submit it to each program in Grants.gov.

Section I. Applicant Information

Organization Legal Name:

FTA Recipient ID Number :

Organization Chief Executive Officer:
(Name and Direct Phone Number)

- Applicant Type:
- Designated or Eligible Direct Recipient of 5307 Urbanized Area Formula Funding
 - State or Territory
 - Local Governmental Authority
 - A Federally-Recognized Indian Tribe

- Project Location:
- Large Urbanized Area (200,000+ people)
 - Small Urbanized Area (50,000-199,999 people)
 - Rural (less than 50,000 people)

Description of services provided and areas served:

The Alaska Marine Highway System (AMHS) serves 35 Alaska ports by transporting passengers and vehicles between coastal communities. This service helps meet the social, educational, health and economic needs of Alaskans. AMHS provides year-round scheduled ferry service throughout Southeast and Southwest Alaska, extending south to Prince Rupert, British Columbia and Bellingham, Washington. The system connects communities with each other, regional centers, and the continental road system. It is an integral part of Alaska’s highway system, reaching many communities that would otherwise be cut off from the rest of the state and nation. AMHS also provides a coastal transportation alternative between Anchorage and the “Lower 48” states versus driving the Alaska Highway.

AMHS is designed to provide basic transportation services to communities; transportation that allows community access to health services, commodities, legal services, government services, and social services; transportation that meets the social needs of isolated communities; and transportation that provides a base for economic development. AMHS service is divided into two major systems: the Southeast System (from Bellingham north to Yakutat) and the Southwest System (from Cordova west to Unalaska). The Alaska Marine Highway fleet consists of 9 vessels; six operate in the Southeast System and three operate in the Southwest System. All 9 vessels are designed to carry passengers and vehicles ranging in size from motorcycles to large freight container vans. Trips on AMHS can last

several hours or several days, so passenger services are an important aspect of the state’s transportation service. Most vessels provide food service, shower facilities, observation lounges, and recliner lounges. The larger vessels provide additional amenities, including play areas for children. Four vessels have stateroom accommodations for overnight travel.

One regular use of AMHS is the year-round transportation of container vans. These vans transport time-sensitive cargo such as fresh vegetables, meat, and dairy products from Bellingham and regional Alaska centers to communities served by the system. Local restaurants, grocery stores, individuals, and food distribution businesses have established delivery schedules with AMHS to ensure regular and continuous delivery of perishable goods. Shipping perishable supplies on AMHS is more cost-effective than air freight, and in many cases ensures delivery to communities on a more frequent basis than commercial barge and freight lines. Vans are also used to move fresh Alaska fish and seafood to markets, and to transport U.S. mail and household goods.

The Southwest system serves Prince William Sound, the Kenai Peninsula, Kodiak Island, and the Aleutians. The MV Tustumena provides regular service between Kodiak, Port Lions, Seldovia and Homer. The Southwest routes connect to the continental road system at Valdez, Whittier, and Homer, Alaska. The MV Kennicott provides regular cross gulf sailings. These sailings connect Southeast Alaska with the Southcentral and Southwest regions of the state. The Southeast route is divided into two subsystems: the “mainline” routes which typically take more than one day for the ship to travel and shorter routes where vessels depart their home port in the morning, travel to destination ports and then return to their home port on the same day. The mainline routes carry a high percentage of tourists and vehicles in the summer, and provide service between Bellingham, WA or Prince Rupert, BC, and Skagway or Haines, Alaska. Along the way, the ships stop in Ketchikan, Wrangell, Petersburg, Sitka, Juneau, and Haines. Although Kake and Hoonah are smaller communities, they are also served by certain mainline sailings. The day boat routes connect the smaller communities to regional hub communities for commerce, government, health services, and connections to other transportation systems.

Section II. Project Information

About the Project

Project Title: Critical Upgrades to Ferry Dock Infrastructure in Five Rural Alaska Communities
(Descriptive title of this project)

Project Executive Summary:

This bundled project encompasses dock upgrades and replacements that ensure continued service to three small, rural, disadvantaged communities, and from rural hub communities. The project results in one of the most active ferry terminals replacing 40-year-old infrastructure by improving existing Alaska Marine Highway System (AMHS) Auke Bay Ferry Terminal East Berth offshore dolphin structures. The pile-supported structures are essential features needed to berth AMHS ferry vessels. Improvements include replacement of five pile-supported berthing dolphins, replacement of two pile-supported float restraint structures, replacement of pile-supported gangway supports, catwalk and gangway upgrades, and electrical lighting improvements. The existing facility was constructed in 1982. The existing structures have extensive section loss due to corrosion, and the potential for structural failure is high. Further deterioration and failure are likely and would result in inoperability, threatening the functionality of the entire AMHS. The project will ensure that four ferry docks can accommodate the AMHS Alaska Class Ferry (ACF) Vessels (M/V Tazlina and M/V Hubbard) and the LeConte class vessel. The docks in Pelican, Chenega, Cordova, and Tatitlek are all currently configured for the LeConte class vessel only, and the ACF vessel cannot be accommodated without reconfiguring or installing a separate facility. Designed originally for a ferry that was envisioned to improve service, the age of the LeConte means that this vessel will no longer operate there in three to five years. The replacement facility will meet the standards for future service and ensure passenger and freight access by ferry continues to Pelican, Tatitlek, and Chenega via Cordova and Juneau. The project is envisioned to include an entirely new dock that would include construction of an access road, trestle, transfer bridge, float and apron structure, offshore mooring structures, and a passenger waiting shelter.

Project Statement of Work (one sentence summarizing request):

This bundled application is an effective way to increase the sustainability of five current rural AMHS port operations, ensuring service continues into three disadvantaged communities, and improving the safety and efficiency of operations from two hub communities that are essential to regional operations; the project will upgrade dock infrastructure in Juneau and Cordova, and replace current docks in Pelican, Tatitlek, and Chenega, without which service may cease.

Will you need a Buy America waiver? Yes No

- Propulsion Type:
- Battery electric
 - CNG
 - Diesel
 - Diesel-electric hybrid
 - Electricity (including electricity from solar energy)
 - Fuels (except alcohol) derived from biological materials
 - Gasoline
 - Hydrogen
 - Liquefied petroleum gas
 - Methanol, denatured ethanol, and other alcohols
 - Natural Gas
 - A mixture containing at least 85% of methanol, denatured ethanol, and other alcohols by volume with gasoline or other fuels
 - Any other fuel that is not substantially petroleum and that would yield substantial energy security and environmental benefits

If other fuel, specify:

Other

If Other, specify:

Docks project

- Project Type:
- Facility Rehabilitation
 - Facility Replacement
 - New Facility (expansion)
 - New Vessel (expansion)
 - Number of vessels for service expansion:
 - Vessel Rehabilitation
 - Number of vessels to be rehabilitated:
 - Vessel Replacement
 - Number of vessels to be replaced:
 - Related Equipment
 - Operating (Rural Program Only)
 - Planning (Rural Program Only)
 - Other

If Other, specify:

Climate Change

Please describe the significant community benefits relating to the environment (see NOFO section E.2):

This project increases the climate resilience of port infrastructure. The use of the AMHS to access the commercial fish market is a substantial carbon emission savings over fish freight transport by airplane. These savings will be increased with new ferries with better technology, improved fuel efficiency, and better equipped for the area and seas. New docks, too, will enable the communities to better withstand climate shocks, and design and construction will include climate considerations.

Environmental Justice Populations

Is there an environmental justice population(s) located within the service area? Yes No

Describe the environmental justice population(s) and the anticipated benefits resulting from the project for those population(s) (see NOFO Section E.2):

The Chenega dock is in the Native Village of Chenega and the Tatitlek dock is in the Native Village of Tatitlek, both on Tribal land and with majority Indigenous population. These communities and Cordova are in the Prince William Sound (PWS) Census Area and are listed as having a Resilience Disadvantage. Cordova serves as the regional hub for all services and goods. Pelican is listed as having a Health Disadvantage. The three PWS communities and Pelican are listed as Medically Underserved areas. AMHS ferries are used by Medicaid and Indian Health Service patients to travel to regional hub communities like Juneau (33% of which is non-White), which is served by the Auke Bay terminal, to receive medical care. These docks will allow new AMHS vessels to serve these communities, making service more reliable and safer. Improving ferry access to those communities increases the ability of residents to receive timely treatment, health care, recreation, education, goods, and services.

Racial Equity/Barriers to Opportunity

Does the project address racial equity or barriers to opportunity (see NOFO Section E.2)? Yes No

If yes, please describe:

This project promotes racial equity and removes barriers to opportunity. The AMHS is at the heart of Alaska’s equitable approach to ensuring the benefits of affordable transportation. This publicly subsidized system ensures that coastal communities (the majority of which are considered disadvantaged) have high costs and limited service mitigated. Coastal communities’ land use policies and housing take into account distance from the ferry terminal and dock access. The State’s sustainable transportation program and future transportation equity plan take into account the AMHS. This project is essential to continued service to communities that would otherwise be further disadvantaged; the projects proactively advance racial equity and address a barrier to opportunity if they were to otherwise fail. Because the alternative to the projects is no or reduced ferry service, all project costs are considered investments in addressing racial equity or removing barriers to opportunity.

Creating Good-Paying Jobs

Applicants for facility projects, please describe how the project will support creating good paying jobs (see NOFO section E.2):

The contract includes specific provisions to implement equity-focused policies and labor standards related to all phases of contracting and construction and requires payment of Davis-Bacon wages when applicable. For small communities with few opportunities, AMHS provides good career jobs with benefits. AMHS employees are represented by three unions. The project supports workforce opportunities by maintaining the terminals with year-round jobs providing substantial union benefits.

Justice40

Does the project support the Justice40 Initiative? Yes No

Describe how the project supports the Justice40 Initiative and the benefits provided (see NOFO Section E.2):

The project will support the Justice40 Initiative by strengthening the resiliency of a vital transportation system in the face of extreme impacts from climate change and by connecting disadvantaged rural communities to commerce, health and social services, and providing an economical way to bring in food and other goods and services. Transportation planning in Alaska accounts for communities that are very remote, and dock designs and asset management planning include resilience and adaptation measures. The marine highway plays an important part in connecting residents to basic services that are often a short drive away in other parts of the U.S. Resilience to climate change in the transportation network is particularly important in Alaska, where climate change puts much of the state at increased risk for natural disasters. Since the Exxon Valdez oil spill in Prince William Sound in 1989, the AMHS has been integrated into the state's emergency response system.

Describe the methodology used to determine the project meets the Justice40 Initiative (see NOFO Section E.2):

Many of the datasets in various Justice40 screening tools are not complete for Alaska and the data that is used is not always applicable to Alaska. Chenega and Tatitlek are federally recognized Alaska Native Villages and thus have Disadvantaged Community status. Some environmental datasets did not include Alaska, but the Climate and Economic Justice Screening Tool lists the 3 PWS communities in the 99th percentile for Expected Population Loss Rate. Pelican is in the 87th and Juneau is in the 70th. The EJScreen tool lists the 3 PWS communities and Pelican as Medically Underserved. Juneau's hospital serves all of Southeast Alaska, the majority of which is also Medically Underserved. The unemployment rate in Tatitlek and Chenega is in the 94th

percentile. Juneau’s and regional Tribal Climate Action Plan includes the need for efficient public transportation. The State is in the process of developing an equitable development plan. EPA’s EJSCREEN is part of DOT&PF project planning.

Justice40 Population Impacted

Justice40 Disadvantaged Community Served as Identified in the NOFO Section E.2

Actual or Estimated Annual Ridership Count

Chenega	127
Tatitlek	98

What is the percentage of Disadvantaged Communities within the project area? %

Was this estimate generated using the Justice40 online mapping tool? Yes No

Project Budget

Description	QTY	Federal Amount Requested	Federal Match Amount	Other Federal Funds	Other	Total Cost
Construction Subtotal	1	27,156,500	4,899,900	0	0	32,056,400 <input type="checkbox"/>

Description	QTY	Federal Amount Requested	Federal Match Amount	Other Federal Funds	Other	Total Cost
Contingency at 25%	1	6,789,125	1,224,975			8,014,100 <input type="checkbox"/>

Description	QTY	Federal Amount Requested	Federal Match Amount	Other Federal Funds	Other	Total Cost
Design and Permitting at 15%	1	5,097,844	918,731	0	0	6,016,575 <input type="checkbox"/>

Description	QTY	Federal Amount Requested	Federal Match Amount	Other Federal Funds	Other	Total Cost
Construction Engineering	1	6,789,125	1,224,975			8,014,100

Description	QTY	Federal Amount Requested	Federal Match Amount	Other Federal Funds	Other	Total Cost
ICAP at 6.87%	1	2,332,064	420,779			2,752,843

Total:		48,164,658	8,689,360	0	0	56,854,018
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Operating Support (Rural Program Only)

Rural Ferry Program applicants requesting operating assistance should complete the following based on the applicant's fiscal year.

	A. Total Operating Cost**	B. Operating Support Provided by the State	C. Fares and Other System Generated Revenues	D. Other Funding Sources*	Amount Eligible to Apply
2017					
2018					
2019					
Anticipated*					
2023					
2024					

*do not include funds anticipated through this application

** Column B+C+D=A for 2017-2019

2017-2019 Average Operating Support Provided by the State or locality:

75 Percent (minimum that must be provided) of 2017-2019 Average Operating Support Provided by the State or locality:

Matching Funds Information

Matching Funds Amount:

Source of Matching Funds:

The State of Alaska DOT&PF is the source of non-federal matching funds. These funds are currently available and have been appropriated to the project. DOT&PF is committed to this match due to the disadvantaged status of AMHS-served communities, as described below.

Disadvantaged Community Status:

The communities of Sand Point, False Pass, Akutan, Chenega, Tatitlek, Seldovia, Saxman, Ouzinkie, Chignik, Kake, and Metlakatla are all

federally recognized Alaska Native Villages and therefore have Disadvantaged Community Status.

Environmental Factors:

Environmental data is from the EJScreen Tool and the Climate and Economic Justice Screening Tool. Many communities on AMHS routes face environmental and climate change challenges. Expected population loss rate is high for the following communities: Sand Point, Cold Bay, False Pass, and Akutan are at the 83rd percentile. Klukwan is at the 99th percentile. Homer is at the 81st percentile. Seldovia is at the 98th percentile. Ouzinkie is at the 89th percentile. Chignik is at the 99th percentile. Yakutat is at the 92nd percentile. Diesel particulate matter exposure is high in Ketchikan and Kodiak, where one census tract in each community is at the 99th percentile. Five communities have high proximity to Risk Management Plan (RMP) facilities: Unalaska at the 92nd percentile, Cordova at the 87th percentile, Ketchikan at the 91st percentile in one census tract and 98th in another, Kodiak in three census tracts (81st percentile, 98th percentile, 99th percentile), and Sitka at the 81st percentile in one census tract.

Health Factors:

Twenty-five communities are in Medically Underserved Areas according to the EJScreen tool: Ketchikan, Saxman, Wrangell, Kake, Juneau, Haines, Klukwan, Skagway, Cordova, Valdez, Whittier, Chenega, Tatitlek, Yakutat, Kodiak, Homer, Seldovia, Ouzinkie, Chignik, Sand Point, King Cove, False Pass, Akutan, and Unalaska. EJScreen lists four communities in food deserts: Wrangell, Kake, Klukwan, and Chignik. Other health data came from the Climate and Economic Justice Screening Tool. Four communities on AMHS routes have high rates of asthma among adults, with Klukwan at the 91st percentile, Ouzinkie at the 85th percentile, Chignik at the 93rd, and Metlakatla at the 93rd percentile. Two communities have high rates of both diagnosed diabetes and coronary heart disease among adults: Klukwan is in the 92nd percentile for diabetes and the 96th for heart disease and Metlakatla is in the 94th percentile for diabetes and the 83rd percentile for heart disease. One census tract in Juneau is in the 92nd percentile for low life expectancy.

Socioeconomic Factors:

Socioeconomic data is from the Climate and Economic Justice Screening Tool. Klukwan is in the 90th percentile for low median household income as a percent of area median income, Chignik is in the 88th percentile for the same metric and one census tract in Ketchikan is in the 80th percentile. Four census tracts along AMHS routes are at the 80th percentile or above for linguistic isolation: one census tract in Ketchikan is at the 80th percentile, two census tracts in Kodiak are in the 80th percentile and one census tract in Kodiak is in the 85th percentile. Four communities have very high unemployment rates: One census tract in Ketchikan is at the 85th percentile, Ouzinkie is at the 93rd percentile, Chignik is in the 95th percentile, and Metlakatla is in the 97th percentile.

Supporting Documentation of Local Match:

DOT&PF is the state transportation agency that plans, designs, constructs, maintains, and operates transportation infrastructure in the State of Alaska. DOT&PF has a proven track record of utilizing FHWA formula funds, through surface transportation grants, and constructing maritime infrastructure in support of the operations of AMHS, which is a division of DOT&PF. DOT&PF is committed to the long-term sustainability of the AMHS. The docks in Chenega, Tatitlek, Cordova, Pelican, and Auke Bay (Juneau) are critical pieces of infrastructure in these communities, serving as a lifeline for many. Their replacement and/or rehabilitation will result in improved quality of service to rural and disadvantaged communities, greater operational efficiency and cost savings, and the health and safety of residents and mariners. The total project cost is \$56,854,018. Through the Rural Ferry grant program, the State is requesting \$48,164,658 which is 80 percent of the total eligible project cost. The State of Alaska commits to contributing twenty percent (\$8,689,360) of the total eligible project cost towards this critical state need. This is equal to 20 percent of the Rural Ferry Program grant request. DOT&PF undertakes this project as a sponsor and experienced project manager building a sustainable Alaska Marine Highway System. DOT&PF has included its match commitment and local letters of support in Appendix C. All project documents are located at <https://dot.alaska.gov/amhob/strategy.shtml> under Item 1.4 "IJA Funding and Discretionary Grants." Appendix A provides maps and routes for the AMHS, and Appendix B is a Technical Volume providing any condition reports or implementation plans.

Project Scalability

Is Project Scope scalable? Yes No

If Yes, specify minimum Federal Funds necessary:

Provide explanation of scalability with specific references to the budget line items above:

Scaling this bundled application is not ideal, as it threatens the integrity of the AMHS and for three of these communities thrusts them into an uncertain future. Without this project’s quick implementation to full construction, Chenega, Tatitlek, and Pelican may be faced with no service in future years, as there will be no vessel able to serve them under their current dock configuration. Two of the three are considered disadvantaged communities. Cordova’s upgrades are essential to serving Chenega and Tatitlek, as part of a regional hub and spoke model of service. Finally, Auke Bay is essential for a different reason - this is one of the busiest terminals in Alaska, and this dock is essential to a smooth-running economy and travel for regional residents. It is in dire need of rehabilitation to ensure its useful life is extended.

Unbundling these, while possible, calls into question the viability of all projects and means these communities have to come to grips with an uncertain future, even as the State works to mitigate the what it can with limited resources.

With that in mind, USDOT could choose to scale back the project to focus on design, planning, and engineering, leaving construction to a future award. The total for that would be approximately \$11.8 million, with the State committing \$2.1 million in match. The Alaska DOT&PF would then apply in the future for federal funds to complete the project through construction, within a narrow window of time before planning, design, and engineering must be redone.

Alternatively, USDOT could choose to split the bundle of projects into specific dock upgrades. In this case, the four options in priority order would be 1) Pelican replacement for continued service (\$8.3 million request of \$9.1 million project), 2) Chenega and Tatitlek replacement for continued service (\$11.2 million request of \$14 million project), 3) Auke Bay rehabilitation (\$4.6 million request of \$5.1 million project), and 4) Cordova upgrades (\$2.96 million request of \$3.7 million project). AMHS has based prioritization on community need, ridership, equity, and criticality.

Project Timeline (Please be as specific as possible)

Timeline Item Description	Timeline Item Date
Funds obligated all projects	01/01/2023
Preliminary Design Auke Bay and PWS	04/01/2023
Preliminary Design Pelican	07/01/2023
Environmental Process Auke Bay and PWS	04/01/2023
Environmental Process Pelican	01/01/2024
ATP to Final Design Auke Bay	10/01/2023
ATP to Final Design PWS and Pelican	01/01/2024
Final Design Auke Bay	01/01/2024
Final Design PWS and Pelican	07/01/2024
ATP to Construction Auke Bay	01/01/2024
ATP to Construction Pelican	10/01/2024
ATP to Construction PWS	07/01/2024

Construction Award Auke Bay	07/01/2024
Construction Award Pelican and PWS	01/01/2025
Construction Complete all projects	10/01/2025

Congressional Districts (Project Location)

Congressional District

AK-001

Section III. Evaluation Criteria

***** Address each of the evaluation criteria as described in the Notice of Funding Opportunity. *****

Demonstration of Need

This project meets the unmet need for capital investment that cannot be addressed otherwise by current available funding. In the Prince William Sound region, Cordova’s original facility was built in 1964. The uplands were expanded/improved in 1997, the terminal building constructed in 1998, and the maintenance building in 2005. The marine structures were completely reconstructed in 2006. The Chenega dock and tidal ramps were originally constructed in 1995. The Tatitlek facility is a multipurpose dock structure, originally constructed in 1995. The Pelican facility was built in 1976, expanded in 1980, and completely removed and replaced in 2012. The replacements will meet the standards for future service and ensure passenger and freight continues. The existing Auke Bay Ferry Terminal East Berth (serving Juneau) was built in 1982 and it is in such a state of disrepair that it is at risk of structural failure. The submerged steel pile structures are nearing the end of their useful service life. The berthing dolphin piles have extensive corrosion, and several fender piles have areas with full section loss. None of the five communities are accessible by road, so the cost of transporting freight and travel for individuals is quite high.

All of these facilities are built to accommodate only the LeConte and Aurora. Built in 1974 and 1977 respectively, these vessels may soon no longer be able to provide service to PWS. The planned new vessels require either a side-berth or additional stern-berth loading facilities. The existing docks are serviceable only to the extent that the LeConte and Aurora remain operational, and these will be retired shortly. The need for an updated design and rebuild is justified based on its impact on delivering critical goods, supplies, and passenger transportation into the communities. In recent years they have already proven unreliable, sometimes leaving passengers and freight stranded. The dock must be replaced to allow for accessibility by other vessels in the AMHS fleet, which have already been identified and committed to by DOT&PF. Retiring the LeConte class vessels will allow DOT&PF better maintain the condition of the rest of its fleet. The improvements to the Chenega and Tatitlek docks will bring those docks in line with the system that is standardized throughout the Southeast Alaska ferry terminals and is similar to how ferry loading operations are done in Cordova, Valdez, and Whittier.

DOT&PF is responsible for the maintenance of facilities spread out over thousands of miles and standardizing these facilities will make maintenance of these facilities more efficient. The Auke Bay upgrades will address the maintenance needs of the East Berth,

which if not addressed, may lead to critical failure of the facility and the inoperability of the ferry system. The engineer’s report lists numerous and significant deficiencies that must be improved if freight and passenger service is to continue via the ferry system. Both weather variations and the linear, multi-stop nature of AMHS routes that serve Juneau mean that vessel arrival times at the terminal could vary. As such, keeping the number of routes per berth low is vital to minimizing any vessel delays that could occur if multiple vessels are present at the terminal that are allocated to the same berth. If such a coincident presence occurs, vessels must wait. In that event, the resulting delay has multiple negative effects, including wasted burned fuel and emissions when idling, lost time for travelers, extra labor expense for crew time, and delayed goods shipments. All of the negative impacts of vessel queuing would be magnified significantly without the proposed project, as not repairing the East Berth would eventually result in its failure, and all four routes served by side-loading vessels would need to be accommodated by the West Berth. Potential vessel delays would be magnified in terms of their duration and the number of occurrences.

Demonstration of Benefits

Note: If applying to more than one program, be sure to select "yes" and provide a response to the applicable questions below.

Is this an application to the Passenger Ferry or Rural Program? Yes No

Please describe the benefits of the proposed project per the statutory requirements of the Ferry or Rural Programs (see NOFO Section E(1)(b)(ii)):

The benefits of the proposed project fulfill the statutory requirements of the Rural Program:
1. Safety - New docks will include improved lighting and safety features, expanding potential hours of operation.
2. State of good repair - This project will address the maintenance needs of the East Berth, which if not addressed, may lead to critical failure and inoperability of the Auke Bay terminal.
3. Additional transportation options for community and economic development - This project will enable the project communities to continue to rely on the ferry system for the bulk of their freight needs.
4. Improve quality transit - These docks are the surface transportation lifeline to economic hubs, and almost all goods entering and leaving these remote towns need this infrastructure.
5. Support for walk-on passengers: For Pelican, there are 321 walk-ons to 142 vehicles; Auke Bay 21,793 to 11,729; Cordova 1,617 to 1,213; Chenega 57 to 44; and Tatitlek 111 to 11.

Is this an application to the Low-Emitting Program? Yes No

Please describe the benefits of the proposed project per the statutory requirements of the Low-Emitting Program (see NOFO Section E(1)(b)(ii)):

Planning and Local / Regional Prioritization

This bundled project is supported by regional Comprehensive Economic Development Strategies (CEDS) and local Comprehensive Plans. Numerous support letters have been provided by impacted communities. Each of these ferry terminal dock upgrades are included in Alaska’s STIP and are consistent with other State plans.

Consistent with Regional and Community Plans:
Southeast Conference’s CEDS stresses that a strong ferry system is essential to regional economic development, quality of life and community wellbeing in Southeast Alaska. Their priority transportation objective is to minimize impact of budget cuts to AMHS and develop sustainable operational model. This objective includes: Design a new strategic operating plan for AMHS, Lower State’s general fund subsidy percentage, Fleet Renewal Plan, and AMHS Value Outreach. Kenai Peninsula Economic Development District’s

CEDS highlights disruptions to marine travel as being a key challenge for the region. The ferry service provides critical passenger connections and transporting goods between the Kenai Peninsula and southwest and southeast Alaska. Cordova's number one Transportation Goal identified in their Comprehensive Plan is to secure reliable and affordable air and ferry service due to their limited access to and from the community.

Consistent with STIP, DOT&PF Strategic Planning and AMHS Prioritization:

STIP. Each of these projects are in the STIP. Pelican Ferry Terminal Improvement is Need ID 33885, Cordova Ferry Terminal Modification is Need ID 33886, Chenega Ferry Terminal Improvement is Need ID 33888, Tatitlek Ferry Terminal Improvement is Need ID 33887, and Auke Bay Ferry Terminal East Berth Mooring Improvement is Need 29709.

Sustainable Transportation Program:

DOT&PF's draft Long Range Term Plan "Alaska Moves 2050" drives strategic goals for the DOT&PF family of plans. Focus areas impacting AMHS are identified to make progress toward the long-term strategies, including Sustainability. DOT&PF Strategic Themes (and the respective AMHS Focus areas) include: Safety (Vessel Repair); State of Good Repair (Preservation and Maintenance of Terminals and Vessels); Economic Vitality (New Service Vessels, New Terminals); Resiliency (Fleet Modernization, Vessel Replacement, Terminal Upgrades); Sustainability (Vessel Hybrid Conversion, terminal Electronification, Electric Shuttle Ferry Construction, Energy Efficient Operations Strategies); Mobility/Access (Increased Service, ADA accessibility). Developing sustainable transportation infrastructure involves a multi-modal lifecycle approach that considers environmental quality, economic development, and social equity.

Ferry-related Focus Areas:

Sustainable Transportation Research: FHWA Low-No Emission Ferry Research, Renewable Diesel Research, and Automation through Digitization;

AMHS Fleet Modernization: Tustumena Replacement Vessel Construction, Low-No Emission Shuttle Ferry Construction, Shoreside Charging, Ferry Retrofits;

Statewide Equipment Fleet Modernization: Statewide Fleetwide Modernization and Rolling Stock Electrification.

Modernization Topics:

Low-Cost Transportation: Alternative Energy Corridors EV Infrastructure, Port Parking Community EV Infrastructure;

Energy Efficiency: DOT&PF Facilities Energy Efficiency Upgrades, LED Streetlight Conversions;

Healthy Environment: Tracking Transportation Emissions, Cruise Line and Port Facilities Electrification; and

Equitable Transportation: Promoting equity within and between successive generations.

Sustainable Transportation Program Goal:

Help communities thrive through transportation investments that promote independence, efficiency, low-cost transportation, and a healthy environment.

Local Financial Commitment

The Alaska Department of Transportation and Public Facilities (DOT&PF) is the State Transportation Agency that plans, designs, constructs, maintains, and operates transportation infrastructure in the State of Alaska. DOT&PF has a proven track record of utilizing FHWA formula funds, through surface transportation grants, and constructing maritime infrastructure in support of the operations of AMHS, which is a division of DOT&PF.

DOT&PF is committed to the long-term sustainability of the AMHS. The docks in Chenega, Tatitlek, Cordova, Pelican, and Auke Bay (Juneau) are critical pieces of infrastructure in these communities, serving as a lifeline for many. Their replacement and/or rehabilitation will result in improved quality of service to rural and disadvantaged communities, greater operational efficiency and cost savings, and the health and safety of residents and mariners.

In rural Alaskan towns, a ferry ride is a slower but more affordable way to the city than an air taxi or float plane for student groups, medical patients, or individuals looking to travel for work or for pleasure. In winter, severe weather makes air transportation risky and unreliable. Lack of ferry service leads to a host of logistical problems, ranging from broken vehicles to stranded fishing gear and construction equipment. Locals may spend up to four times as much to barge freight if ferries are not available. These terminal projects reduce these barriers by ensuring regular ferry service.

The total project cost is \$56,848,018 Through the Rural Ferry grant program, the State is requesting \$45,478,414 which is 80 percent of the total eligible project cost. The State of Alaska commits to contributing twenty percent (\$11,553,502) of the total eligible

project cost towards this critical state need. This is equal to 20 percent of the Rural Ferry Program grant request.

DOT&PF undertakes this project as a sponsor and experienced project manager building a sustainable Alaska Marine Highway System.

DOT&PF has included its match commitment and local letters of support in Appendix C. All project documents are located at <https://dot.alaska.gov/amhob/strategy.shtml> under Item 1.4 "IIJA Funding and Discretionary Grants." Appendix A provides maps and routes for the AMHS, and Appendix B is a Technical Volume providing any condition reports or implementation plans.

Project Implementation Strategy

Can this project be obligated within 12 months? Yes No

DOT&PF and its marine design group are knowledgeable about federal requirements, including Build America stipulations. The terminal designs are based on a standard DOT&PF design modified to meet site geology and terminal configurations. DOT&PF expects that this project can be accomplished in under a four-year time frame: two years for design and environmental permitting and one to two years for physical construction depending on environmental permit limitations, AMHS vessel scheduling, and construction logistics such as material supply. Physical construction activities will need to consider staging ferry vessel use while the berths are under demolition and construction.

This project will need to be conducted in full compliance with federal NEPA requirements – which have not yet been completed. DOT&PF has initiated preliminary design and permitting activities for Auke Bay and recently completed a major offshore improvement project at the nearby Stern berth. The staff is familiar with the site, and this previous data will be helpful. DOT&PF will pursue this project similarly to our current and previously completed FHWA-funded ferry terminal projects. It will take approximately 12-18 months to complete the NEPA and State and Federal permitting requirements for this project. DOT&PF will do this concurrently with preliminary and final design efforts.

These projects encompass offshore construction and placement of driven and drilled pile foundations. Environmental permits will include the U.S. Army Corps of Engineers Section 10/404 permit, Clean Water Act Section Water Quality Certification, a Section 106 review, Formal Consultation under Section 7 of the Endangered Species Act, an NMFS Incidental Harassment Authorization (IHA), an Essential Fish Habitat Consultation with NMFS under the Magnuson-Stevens Act, and coordination with Alaska Department of Fish & Game, Alaska Department of Environmental Conservation, and USFWS. All necessary project partners are State agencies with long-standing cooperative status.

Environmental studies will include a Section 106 Programmatic Allowance, a Biological Assessment in support of Section 7 Formal Consultation, an IHA permit application, an EFH Assessment for the EFH Consultation, and other analysis in support of the Federal Environmental NEPA document which is expected to be a Categorical Exclusion (CE).

Risk mitigation during design will primarily include time. Careful attention is needed for scheduling and environmental permitting activities to be completed on time to advertise for construction bids and construct the project. Risk mitigation during construction is also of importance. The Auke Bay project primarily involves driven steel piles. Therefore, the design and associated bid documents will ensure an understanding of the depth of driving or required pile lengths and anchoring or rock socketing measures. Fortunately, DOT&PF has extensive pile records and experience at this location due to our past projects at and near this ferry berth.

Technical, Legal, and Financial Capacity

DOT&PF owns, operates and/or maintains ferry terminals in 35 Alaskan communities. AMHS has operated since 1968. DOT&PF has a dedicated marine design group and environmental staff who have delivered dozens of terminal improvement projects, including up to six per year. DOT&PF has maintained a marine engineering team since Statehood in 1959 – primarily dedicated to supporting the AMHS ferry system. They have directly designed or managed consultant designs and conducted numerous refurbishments, replacements, repairs, and maintenance on nearly every ferry terminal facility in the State and many other ports, harbors, and seaplane facilities. Most of these projects utilized federal aid through FHWA. They have successfully delivered many federal aid

marine projects supporting AMHS over the years, including 86 projects totaling over \$308,000,000 since 2002 alone. DOT&PF has designed all of the existing ferry terminal facilities. We have standard mooring dolphin and other marine facility designs on file. The marine engineering team also inspects every ferry terminal and associated transfer bridge structure in the State. They are highly experienced and intimately familiar with this particular project's local conditions and needs. DOT&PF's project development staff comprises 75 persons, including materials and geotechnical engineers, environmental and right of way professionals who can navigate and achieve the required support products according to all Federal regulations and requirements. DOT&PF and its marine design group are knowledgeable about federal requirements, including Build America stipulations. The terminal design is based on a standard DOT&PF design modified to meet site geology and terminal configurations.

Alaska DOT&PF was granted primacy over its NEPA Assignment Program through an MOU with FHWA signed Nov. 3, 2017 to assume responsibilities under NEPA and all or part of FHWA's responsibilities for environmental review, consultation, or other actions required under any Federal environmental law with respect to one or more Federal Highway projects within Alaska. The assigned responsibilities are subject to the same procedural and substantive requirements as applied to FHWA.

Alaska DOT&PF's Equal Employment Opportunity Plan (2022) includes a review of personnel designations, employment practices information, employment practices assessment, monitoring and reporting systems, and additional resources. DOT&PF participates in the federal Disadvantaged Business Enterprise (DBE) program and meets the federal requirements. DOT&PF has a vibrant Disadvantaged Business Enterprise Program and a DBE Utilization Goal of 8.63 percent for federally funded projects. According to a 2019 study, M/W/DBE firms were awarded contracts totaling \$418.8 million, 17.68 percent of construction dollars. MBEs were awarded \$298.8 million in contracts, 12.61 percent of construction dollars.

DOT&PF has authority under 23 U.S.C. 140 to implement and conduct a compliance program that addresses Equal Employment Opportunity (EEO) and Affirmative Action (AA) for employment on federally assisted construction contracts. DOT&PF maintains a Civil Rights Office committed to ensuring equal opportunity for all businesses and personnel on DOT&PF projects. The bidding and contract documents include specific provisions to implement equity-focused policies related to all phases of contracting and construction. The contract provisions address nondiscrimination, equal employment opportunity, reasonable accommodations for employees with disabilities, and non-segregation of facilities.

DOT&PF provides reasonable accommodations to applicants and employees who need them because of a disability or practice or observe their religion absent undue hardships. DOT&PF has created a Diversity, Equity, and Inclusion (DEI) Team whose members work with the different department training systems.