



MATANUSKA-SUSITNA BOROUGH

PORT MACKENZIE DIRECTOR

350 East Dahlia Avenue • Palmer, AK 99645

Phone (907) 746-7414 • Fax (907) 745-1248



January 31, 2013

TO: Fellow AAPA Members

Subject: Letter of Solicitation for a Ferry Vessel

The Matanuska-Susitna Borough (County), Palmer, Alaska, is soliciting interest from federal, state, and local governments, including U.S. Territories, in accepting a new ferry, capable of handling 129 passengers and 20 vehicles, **FREE OF CHARGE**. This may be an ideal opportunity for you to replace an aging vessel or expand your fleet without having to purchase a new vessel. This vessel cost approximately \$72 million to construct and with design and furnishing expenses included, the total cost was approximately \$80 million. A marine survey conducted in 2012 estimated the replacement value at \$60 million. We are also soliciting interest from non-government entities that may be interested in purchasing this vessel through a sealed bid process. Bids are currently scheduled to be opened at noon (AST), Friday, March 29, 2013.

This vessel, M/V Susitna, is a U.S. Office of Naval Research (ONR) sponsored, Lockheed Martin and Guido Perla & Associates design, state-of-the-art steel welded ferry. The design is a 50% scale model of a proposed U.S. Navy amphibious landing craft. The ship's barge dock raises and lowers, making it efficient for loading and off-loading even on unimproved landings. The ONR paid for the construction of this vessel at Alaska Ship and Dry Dock, in Ketchikan, Alaska. The Matanuska-Susitna Borough obtained additional funding from the Federal Transit Administration (FTA) to complete the design and outfitting the vessel as a ferry. Rather than have the Navy mothball the vessel after sea trials, we agreed to accept it to run as a ferry between Anchorage and Port MacKenzie, Alaska.

Because of permitting problems for one of the two required ferry landings in Upper Cook Inlet, a lack of funding to construct the landings, and the likelihood a bridge will be constructed between Anchorage and Port MacKenzie, we are forced to find another owner for the vessel.

The FTA has told us we could transfer the vessel to another federal, state, or local government, including U.S. Territories, that would like to operate it as a ferry **FREE of CHARGE**. In addition, we still have approximately \$6 million in unspent FTA grant funds that will be returned to the FTA. Any government entity accepting this vessel could apply to the FTA for all or part of these funds to be used to modify the vessel or construct/modify ferry landings.

As an alternative, non-government entities interested in purchasing this vessel can submit sealed bids to the Matanuska-Susitna Borough's Purchasing Office prior to noon (AST), Friday, March 29, 2013. Unsolicited offers to purchase the vessel from private parties will also be considered prior to

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the bid opening. Transfer or sale of the vessel are contingent on our Borough Assembly, FTA, and ONR approval and subject to applicable federal regulations.

Vessel specifications, designer brochure, drawings, survey, photographs, and a link to a movie demonstration are available upon request. Point of contact for this transfer is Marc Van Dongen, Port Director, Port MacKenzie, mvandongen@matsugov.us, 907-746-7414 (office). There is a four hour time change from the East coast, so please call in the afternoon your time.

If you are interested in this unique opportunity, please contact the undersigned as soon as possible. Since sealed bids will be open on March 29, 2013, we would need to have a written request to transfer the vessel to a qualified government entity prior to that date.

Sincerely,



Marc Van Dongen
Port Director
907-746-7414

Proud to Serve the Matanuska-Susitna Borough