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Steamship Authority to purchase third vessel following agreement to receive federal funding

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FALMOUTH (November 29, 2022) – The Woods Hole, Martha's Vineyard and Nantucket Steamship Authority has announced its intention to purchase a third offshore supply vessel (OSV), which was made possible through an agreement with the Cape Cod Regional Transit Authority (CCRTA) yielding \$28.1 million in additional federal funding.

On Monday, the Steamship Authority Board unanimously approved a Memorandum of Understanding (MOU) with the CCRTA that updated the distribution of multiple sources of federal grant funding available to the region. The SSA Board then unanimously authorized General Manager Robert B. Davis to execute the purchase of the *HOS North Star* from Hornbeck Offshore Services of Covington, Louisiana, for \$5,673,500. The *HOS North Star* will be the third OSV purchased from Hornbeck this year. The federal funding will be applied toward the conversion and reactivation of the three OSVs, which is estimated to cost \$8 million per vessel, while the proceeds of a previously approved bond sale will be used to purchase the vessels.

"This purchase was possible thanks in large part to our ongoing and strong partnership with the CCRTA," said Robert B. Davis, general manager of the Steamship Authority. "Being able to bring a third OSV into our fleet will strengthen the reliability of our service while giving the Steamship Authority the opportunity to investigate alternate propulsion opportunities more thoroughly, not only for new vessels but for our current fleet.

"I also want to thank U.S. Rep. Bill Keating and our entire Congressional delegation for their steadfast support at the federal level of our work to receive additional federal funds," Davis said.

"I want to acknowledge and thank Bob Davis, the Steamship Authority's general manager, and his staff for the outstanding and mutually beneficial partnership we have forged together over the years," said Thomas S. Cahir, administrator of the CCRTA. "I look forward to the continued

collaboration between the Cape Cod Regional Transit Authority and the Steamship Authority to ensure the protection of this valuable federal funding source in future years."

The MOU concerns federal funding from multiple sources: the Federal Transit Authority (FTA) National Transit Database program; the Coronavirus Aid, Relief, and Economic Security (CARES) Act; the Coronavirus Response and Relief Supplemental Appropriations Act; the American Rescue Plan (ARPA); and the Bus and Bus Facilities Formula Grant Funds. Starting in the 2017 federal fiscal year, the Steamship Authority began reporting its passenger traffic to the National Transit Database, which resulted in additional federal funds being made available to transportation services in the Barnstable Urbanized Area. As a result, the CCRTA, which serves as the designated recipient for this funding, agreed to share a portion of the additional revenue directly with the Authority.

"With FTA's approval of this ferry service reporting request and through the exceptional reporting efforts of the SSA, substantial amounts of new federal formula and stimulus funding have been provided to the CCRTA as the region's designated recipient of FTA funding," Cahir said.

"The purchase of these new vessels shows the initiative and creativity that the Cape Cod Regional Transit Authority and the Steamship Authority have taken to invest in a robust future for the Cape and Islands' transportation system," said Keating. "Local leaders like Tom Cahir and Bob Davis have utilized the CARES and ARPA funds in so many important ways for the Cape and Islands. Together with Senators Warren and Markey, we will continue to work to secure even more funds for our region and further expand access for residents and tourists alike."

The latest OSV will be the third such previously owned vessel to be added to the Authority's fleet from Hornbeck this year. In August 2022, the Board authorized the purchase of two OSVs; those vessels, later named the M/V Aquinnah and M/V Monomoy, will replace the open-deck freight vessels M/V Gay Head and M/V Katama. The latest vessel to be purchased will replace the M/V Sankaty. A recent study commissioned by the Steamship Authority identified the three freight vessels as having an expected useful life of less than five years. The three OSVs to be purchased by the Authority, by comparison, have an estimated remaining useful life of at least 25 years.

The new name for the *HOS North Star* will be chosen by the Board at a future date. Staff will present the Board a slate of suggestions received following a naming contest to solicit public input on its vessel names. More than 8,000 entries were received, totaling more than 9,000 names in the contest, which ended September 5, 2022. After the third vessel name is chosen, the winner of a \$250 Steamship Authority gift card will be randomly selected from those who submitted the winning name to the contest. That winner will also be invited to help welcome the vessel when it joins the Steamship Authority's service.

The terms of the MOU include funds previously allocated to the Authority in prior, similar agreements. In total, the new MOU covers the allocation of \$35.8 million due to the Authority.





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The Cape Cod Regional Transit Authority (CCRTA) is one of 15 regional transit authorities within the Commonwealth of Massachusetts and has been providing public transportation services since 1976 to residents and visitors, as well as consumers of state agencies and human service organizations for all 15 Cape Cod communities. The CCRTA owns and operates the Hyannis Transportation Center in downtown Hyannis and the state-of-the-art Operations and Maintenance Facility in South Dennis.

Since 1960, the Woods Hole, Martha's Vineyard and Nantucket Steamship Authority has served as the transportation lifeline to the islands of Nantucket and Martha's Vineyard year round. The Steamship Authority is the largest ferry service to the islands and offers the most frequent daily departures for passengers, automobiles, groups and trucks. In 2021, more than 2.7 million passengers and more than 700,000 vehicles were transported to and from the islands. Our U.S. Coast Guard-certified crews are committed to the highest level of safety at sea while our vessels offer comfort and convenience with spacious seating, free Wi-Fi and TV on board.

Note to editors: Two photos are attached for your use.

Photo 1: The HOS North Star

Photo 2: Pictured (L-R) are Board Member James M. Malkin of Dukes County, Cape Cod Regional Transit Authority Administrator Thomas S. Cahir, Board Member Peter J. Jeffrey of Falmouth, and Steamship Authority General Manager Robert B. Davis. Photo taken November 28, 2022, at the Steamship Authority's Administrative Office in Falmouth, following the affirmative Board votes regarding the Memorandum of Understanding with the CCRTA and the purchase of a third OSV.

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