



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Transportation and Public Facilities

OFFICE OF THE COMMISSIONER
Ryan Anderson, P.E., Commissioner

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June 20, 2025

Mayor Kate Kolodi
Municipality of Skagway
700 Spring Street
P.O. Box 415
Skagway, AK 99840

Dear Mayor Kolodi,

Thank you for your recent letter and for sharing your thoughts and concerns about the Cascade Point Ferry Terminal and the future of AMHS service to Skagway. We value Skagway's active engagement and advocacy for a strong, reliable ferry system for your community.

Cascade Point is not an isolated project — it is an integral part of our broader strategy outlined in the AMHS 2045 Long-Range Plan. One of the Plan's core goals is to increase service reliability and frequency by shortening vessel runs and improving terminal infrastructure. Cascade Point specifically addresses these needs for the Lynn Canal corridor by providing a strategically located terminal closer to Haines and Skagway, which will:

- Cut vessel transit times by over two hours per round trip, directly supporting the Plan's target for more frequent daily runs and improved schedule reliability.
- Reduce operating costs and vessel wear, helping stretch the life of our aging fleet while new vessels come online.
- Create standardized, resilient infrastructure for better vessel interchangeability — another key Long-Range Plan priority.

It's important to clarify that Phase 1 of Cascade Point is being funded through dedicated appropriations from the Juneau Access project — funds that were originally set aside for improved transportation north of Juneau. No other communities' terminal funds are being diverted for this work. Future phases of Cascade Point will pursue federal grants and other competitive funding opportunities, in line with the Plan's capital investment strategy.

We fully recognize the community's concerns about the condition of the Skagway Terminal. We have plans in place to address the most immediate needs related to anchor chains in the very near future. Additionally, we are actively moving forward with the replacement of the Ferry Terminal through our project delivery process at the current site and have since been in active coordination with the City Manager on how to do so at the current site per the recent change in desires by the City Council. Our goal is to advertise the Skagway Terminal project as soon as it is ready.

Over the past 18 months, we have been conducting detailed engineering feasibility studies and design work for Cascade Point. We have kept the Alaska Marine Highway Operations Board (AMHOB) updated at each key milestone, and the concept has been presented and discussed in multiple public forums.

Regarding a cost-benefit analysis, it's worth noting that in practice, these analyses for individual terminals can be limited in capturing the full community and economic benefits unique to coastal Alaska. If done, a robust cost-benefit study would need to compare all terminals under consistent assumptions. Public infrastructure decisions for remote communities must weigh social, cultural, and resiliency values alongside raw financial numbers.

We are committed to continuing an open dialogue with Skagway and all affected communities. Cascade Point and the Skagway Terminal improvements together support our shared goal: a dependable, affordable, and resilient ferry service for the long term. We welcome the opportunity to present a full update to your Assembly and the public at your convenience.

Thank you again for your leadership and collaboration. We look forward to working together to keep Alaska moving.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan Anderson".

Ryan Anderson, P.E.

Commissioner

Alaska Department of Transportation and Public Facilities