

# Schacht & McElroy

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September 19, 2013

Clerk  
Division of Public Utilities and Carriers  
Motor Carriers Section  
39 Jefferson Boulevard  
Warwick, RI 02888

Re: Application of A & R Marine Corp. d/b/a Prudence & Bay Islands Transport for issuance of a Certificate Public Convenience and Necessity to operate a ferry to Prudence Island

Dear

This office represents A & R Marine Corp. d/b/a Prudence & Bay Islands Transport.

Enclosed for filing are the following:

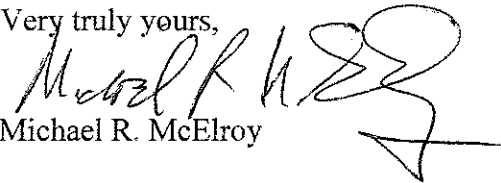
1. My check in the amount of \$250 made payable to the Division of Public Utilities and Carriers.
2. An original and four copies of a completed request for authority to operate as a water carrier, together with attached financial information and a business plan.

Given the fact that the current lifeline ferry operator to Prudence Island has indicated that it is planning to discontinue service after December 1, 2013, we respectfully request that this matter be set down for hearing at the earliest opportunity.

If you need any further information, please feel free to call.

Very truly yours,

Michael R. McElroy



MRMc:tmg

cc: Stephen Antaya  
John Doherty  
William Lueker, Esq.  
Terry Mercer  
John Spirito, Esq.  
David Bebyn



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**DIVISION OF PUBLIC UTILITIES AND CARRIERS**

**Motor Carriers Section**

89 Jefferson Blvd.  
Warwick, R.I. 02888  
(401) 941-4500

FAX (401) 941-9161

**\*\*IMPORTANT NOTICE\*\***

All applications must be accompanied by a photocopy of the driver's license for all principals in the application. That includes all individual applicants and all principals in applicant corporations, Limited Liability Companies (LLC) and Limited Liability Partnerships (LLP).

Please be advised that incomplete applications (including those without all required photocopies of driver's licenses) will be returned to the applicant unprocessed.

RECEIVED  
13 SEP 19 PM 2:43  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
MOTOR CARRIERS SECTION  
PROVIDENCE, R.I.

**STATE OF RHODE ISLAND  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
MOTOR CARRIERS DIVISION**

89 JEFFERSON BOULEVARD  
WARWICK, RHODE ISLAND 02888  
Tele: 941-4500  
Fax: 941-9161  
[www.RIPUC.org](http://www.RIPUC.org)

Any Applicant seeking authority to operate within Rhode Island as a common carrier must complete and file an application with the Motor Carriers Section of the Division. Applicants seeking authority to operate must submit \$250.00 at the time of filing (check or money orders only; no cash accepted).

Upon receipt of a complete application, the Clerk of the Motor Carriers Division will schedule a public hearing. The Applicant will receive direct notice, by first class mail, of the hearing date. In addition, the time and date of the scheduled hearing will be published in the legal notices section of the Providence Journal. The notice will be published at least ten (10) days before the scheduled hearing.

Hearings will only be continued for good cause and with the approval of the Hearing Officer.

An applicant wishing to withdraw an application must do so, in writing, at least seven (7) days prior to the scheduled hearing, by sending such request to the Clerk of the Motor Carriers Division.

For an application to be approved, the Applicant must prove, at the hearing, that it is fit, willing and able to perform the services for which it is seeking operating authority.

**In addition, Applicants seeking authority to operate as a mover of household goods; as a taxicab or limited public motor vehicle; or, as a jitney or water carrier, must prove that public convenience and necessity requires that the Division approve its application. To meet this burden of proof, the Division strongly encourages Applicants to offer witnesses in support of any assertion that public convenience and necessity require that the Division grant an operating certificate to the Applicant.**

**An Applicant seeking to transfer a certificate of operating authority must also prove that the Transferor has been actively operating under its certificate for the past sixty (60) days. In the case of taxicabs or limited public motor vehicles, this requirement is even more stringent - the Applicant must prove that the Transferor has been actively operating under its certificate for the past six (6) months.**

**STATE OF RHODE ISLAND  
DIVISION OF PUBLIC UTILITIES AND CARRIERS  
MOTOR CARRIERS DIVISION**

89 JEFFERSON BOULEVARD  
WARWICK, RHODE ISLAND 02888  
Tele: 941-4500  
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**If your application for operating authority is approved:**

An Order will be issued by the Division directing the Applicant to comply with several terms and conditions before a certificate is issued.

Generally, the Order will give the Applicant sixty (60) days to fulfill these terms and conditions.

At the minimum, they are:

- 1) Register vehicle(s) with the Motor Carriers Division of the DPUC (\$20 fee per vehicle)  
-
- 2) File proof of insurance with the Motor Carriers Division of the DPUC  
- \$10.00
- 3) File tariff with the Motor Carriers Division of the DPUC (\*Public Utilities Commission retains jurisdiction over tariff rates of Water Carriers.)  
- (Jitneys) \$50.00 tariff filing fee  
-

The Hearing Officer may impose additional requirements which will be set forth in the individual Order which is issued relating to your Application.

**REQUEST FOR AUTHORITY TO OPERATE AS JITNEY AND/OR WATER CARRIER**

APPLICATION # APP-842

DOCKET # \_\_\_\_\_

CHECK/MONEY ORDER # 10138

ISSUING BANK Bank of America

\*\*\*\*\* (above is for office use only) \*\*\*\*\*

Jitneys are governed by R.I. Gen. Laws Chapter 39-13. Water Carriers are governed by R.I. Gen. Laws Chapter 39-3. The Applicant must prove that it is **fit, willing and able** to perform the services for which it has applied; and also, the **public convenience and necessity** require a new jitney and/or water carrier in the State.

APPLICATION FOR: (check all that apply)

\_\_\_\_\_ Authority to operate as a jitney over a regular route or between fixed termini.  
Please attach a comprehensive plan identifying proposed termini and/or route.

X Authority to operate as a water vessel passenger carrier authority.  
Please attach a comprehensive plan identifying proposed termini and route.

1. APPLICATION OF: A&R Marine Corp. d/b/a Prudence & Bay Islands Transport  
(Name of individual, partnership, corporation or business)

Business address: 0894 Neck Farm Road  
Prudence Island, RI, 02872

Mailing address: 0894 Neck Farm Road  
Prudence Island, RI, 02872

Telephone Number 401-474-7960 Federal ID# 46-3577248

2. Names and addresses of all partners, officers and directors:

President: Stephen Antaya , 73 Punchbowl Trail, Richmond, RI, 02892

Vice President Operations: Ethan Rossi, 0894 Neck Farm Road, Prudence Island, RI 02872

Vice President Engineering: Daniel Antaya , 73 Punchbowl Trail, Richmond, RI, 02892

Secretary, Patricia Rossi, 0896 Neck Farm Road, Prudence Island, RI 02872

Board of Directors:

Stephen Antaya, 73 Punchbowl Trail, Richmond, RI, 02892

Ethan Rossi, 0894 Neck Farm Road, Prudence Island, RI 02872

Daniel Antaya, 73 Punchbowl Trail, Richmond, RI, 02892

Matthew Rossi, 0896 Neck Farm Road, Prudence Island, RI 02872

John Doherty, 372 Adams Street, Abington, MA 02351

3. Provide the date and place of birth of the applicant(s), partners, officers and/or directors:

Stephen Antaya, 08/24/1958, Attleboro, MA; Daniel Antaya, 12/22/1990, Providence, RI; Ethan Rossi  
10/23/1990, Newport, RI; Patricia Rossi 10/02/1962, Clearwater, FL; Matthew Rossi 08/13/1948, Providence, RI;  
John Doherty, 07/21/1961, Cambridge, MA

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4. If the applicant(s), partners, officers or directors has/have experienced a change of name, resulting from marriage, legal name change, etc., state the details of the name change:

Patricia Rossi, maiden name Chapman.

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GENERAL FITNESS QUESTIONS:

Are you a legal citizen of the United States? \_\_\_ Yes \_\_\_. If not, please attach documentation of your immigration status.

Have the applicant(s), partners, officers and/or directors ever previously applied for a common carrier certificate from the DPUC? \_\_\_ No \_\_\_. If yes, what type of certificate was requested and what was the outcome of the application request?

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Have the applicant(s), partners, officers and/or directors ever been charged with or convicted of any criminal offense, either state or federal? If yes, explain.

No

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Have the applicant(s), partners, officers and/or directors been charged with a traffic violation within the last six (6) years? If yes, explain.

Daniel Antaya, MV Accident with no injury, Possession Beverage -underage person

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Describe the motor vehicle(s)/vessel(s) to be operated by the applicant(s) in this business:

See attached business plan

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Describe any experience the applicant possesses in the industry:

Ethan Rossi has a 100 ton Captain's license. Matt Rossi has worked in the marine industry for many  
Years. Daniel Antaya has a degree in Marine Affairs.

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FINANCIAL FITNESS QUESTIONS – Answers must be accurate as of the date of filing. (You may choose to attach a financial statement in addition to answering these questions.)

See attached Pro Forma Financial Statement.  
Assets:

Cash on hand: \_\_\_\_\_

Total value of motor vehicle(s) to be operated in this business: \_\_\_\_\_

Total value of other property (buildings, etc.): \_\_\_\_\_

Total value of investments, etc.: \_\_\_\_\_

Total of accounts receivable: \_\_\_\_\_

Liabilities:

Total of outstanding business loans: \_\_\_\_\_

Total of any other debts or liabilities: \_\_\_\_\_



Balance Sheet  
A&R Marine Corp

Schedule - 1

	Start-up	End of Year
<b>Assets</b>		
<b>Current Assets:</b>		
Cash	\$ 105,000	\$ 88,698
Accounts Receivable - Net	-	-
Receivable - Other	-	-
Deferred Expenses	-	2,617
Prepaid Expenses	-	20,000
Total Current Assets	105,000	111,315
<b>Property Plant &amp; Equipment:</b>		
Property Plant & Equipment	975,000	975,000
Less: Accumulated Depreciation	-	(50,893)
Total Property Plant & Equipment	975,000	924,107
<b>Total Assets</b>	1,080,000	1,035,422
<b>Capitalization &amp; Liabilities</b>		
<b>Current Liabilities:</b>		
Payables - Other	\$ -	\$ -
Accrued Expenses - Other	-	-
Total Current Liabilities	-	-
<b>Long Term Debt:</b>		
Long Term Bonds Payable	925,000	905,449
Notes Payable - Owner	-	-
Total Long Term Debt	925,000	905,449
<b>Capitalization:</b>		
Common Stock	5,000	5,000
Other Paid-In Capital	150,000	150,000
Unappropriated Retained Earnings	-	(25,026)
Total Common Equity	155,000	129,974
Preferred Stock	-	-
Total Capitalization	155,000	129,974
<b>Total Capitalization &amp; Liabilities</b>	\$ 1,080,000	\$ 1,035,422

Monthly Revenue and Expenses  
A&R Marine Corp

Schedule-2

	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	2014 Total
Operating Revenue:													
Passengers	\$ 12,674	\$ 12,583	\$ 11,754	\$ 14,733	\$ 15,132	\$ 19,890	\$ 22,708	\$ 35,456	\$ 34,856	\$ 21,100	\$ 17,595	\$ 15,174	\$ 233,655
Vehicles	21,380	20,064	16,610	19,965	26,122	29,602	30,811	46,897	46,543	31,949	31,130	25,597	346,671
Total Gross Operating Revenue	34,054	32,647	28,364	34,698	41,254	49,491	53,520	82,353	81,399	53,049	48,726	40,771	580,327
Operating Expenses:													
Salaries and wages	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 13,333	\$ 160,000
Payroll Taxes	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	12,240
Employee Benefits	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	13,500
Pension	150	150	150	150	150	150	150	150	150	150	150	150	1,800
President Compensation	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Vessel Repairs & Maintenance	6,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	17,000
Vessel Supplies	167	167	167	167	167	167	167	167	167	167	167	167	2,000
Fuel	14,333	14,333	12,946	14,333	13,870	15,113	14,625	18,740	18,740	14,625	15,113	13,870	180,638
Lease Expense - Vessels	0	0	0	0	0	0	0	0	0	0	0	0	0
Insurance	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Wharfage	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Dock and Terminal Maintenance	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Lease Expense - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Landing Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Office (Computer & Software)	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Office (Supplies, Postage & Misc.)	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Telephone	150	150	150	150	150	150	150	150	150	150	150	150	1,800
Utilities & Heat	250	250	250	250	250	250	250	250	250	250	250	250	2,100
Janitorial	75	75	75	75	75	75	75	75	75	75	75	75	900
Professional Fees	333	333	333	333	333	333	333	333	333	333	333	333	4,000
PUC Regulatory	0	0	0	0	0	0	0	0	0	0	0	1,335	1,335
Rate Case	833	833	833	833	833	833	833	833	833	833	833	833	10,000
Gross Receipts Tax	426	408	355	434	516	619	669	1,029	1,017	663	609	510	7,254
Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation	4,241	4,241	4,241	4,241	4,241	4,241	4,241	4,241	4,241	4,241	4,241	4,241	50,893
Total Operating Expenses	47,986	42,969	41,528	42,994	42,464	43,809	43,372	47,847	47,835	43,366	43,949	43,942	532,060
Earnings before Interest & Taxes	\$ (13,932)	\$ (10,321)	\$ (13,164)	\$ (8,296)	\$ (1,210)	\$ 5,682	\$ 10,148	\$ 34,507	\$ 33,565	\$ 9,684	\$ 4,776	\$ (3,172)	\$ 48,267
Interest Expense (Based on ROR)	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	63,613
Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Interest (Income) Expense	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	5,301	63,613
Earnings before taxes	\$ (19,233)	\$ (15,622)	\$ (18,465)	\$ (13,597)	\$ (6,511)	\$ 381	\$ 4,847	\$ 29,206	\$ 28,263	\$ 4,382	\$ (525)	\$ (8,473)	\$ (15,346)
Federal Tax (Based on ROR)	218	218	218	218	218	218	218	218	218	218	218	218	2,617
Net Income (Loss)	\$ (19,451)	\$ (15,840)	\$ (18,683)	\$ (13,815)	\$ (6,729)	\$ 163	\$ 4,629	\$ 28,987	\$ 28,045	\$ 4,164	\$ (743)	\$ (8,691)	\$ (17,963)

**Revenue Summary - Monthly Cash Flow**  
A&R Marine Corp

	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Total
# Days in month	31	31	28	31	30	31	30	31	31	30	31	30	365
Weekdays	23	22	20	22	21	22	21	22	22	22	22	22	261
Weekends	8	9	8	9	9	9	9	9	9	8	9	8	104
Usage Weekdays:													
Adults	29	28	29	41	46	48	52	90	90	51	50	47	601
Children													
Usage Weekends:													
Adults	51	48	49	50	60	122	167	270	260	155	80	60	1,372
Children	12	9	10	12	15	20	35	51	48	35	19	14	280
Total Usage: (Round Trips)													
Adults	1,075	1,048	972	1,352	1,506	2,154	2,595	4,410	4,320	2,362	1,820	1,514	25,128
Children	96	81	80	108	135	180	315	459	432	280	171	112	2,449
	1,171	1,129	1,052	1,460	1,641	2,334	2,910	4,869	4,752	2,642	1,991	1,626	27,577

**Passenger Rates: (Round Trip)**

Adults	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	5.70	\$	
Children	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	2.00	\$	
Fuel Surcharge	5.43		5.71		5.75		4.66		4.66		3.83		3.11		3.11		2.50		1.97		2.68		3.46		3.89

**Revenue Totals:**

Adults	\$	11,961	\$	11,959	\$	11,134	\$	14,013	\$	14,345	\$	18,970	\$	21,290	\$	33,652	\$	33,140	\$	19,790	\$	16,662	\$	14,514	\$	221,431
Children	\$	713	\$	625	\$	620	\$	720	\$	786	\$	919	\$	1,419	\$	1,804	\$	1,716	\$	1,310	\$	933	\$	659	\$	12,224
Total Passenger Revenue	\$	12,674	\$	12,583	\$	11,754	\$	14,733	\$	15,132	\$	19,890	\$	22,708	\$	35,456	\$	34,856	\$	21,100	\$	17,595	\$	15,174	\$	233,655

Revenue Summary - Monthly Cash Flow  
A&R Marine Corp

	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Total
# Days in month	31	31	28	31	30	31	30	31	31	30	31	30	365
Weekdays	23	22	20	22	21	22	21	22	22	22	22	22	261
Weekends	8	9	8	9	9	9	9	9	9	8	9	8	104
Usage Weekdays:													
Cars	11	11	10	11	15	16	17	29	29	18	18	15	200
Trucks	1	1	1	1	3	4	5	6	6	5	5	2	40
Usage Weekends:													
Cars	20	14	13	18	22	23	24	39	39	25	20	22	279
Trucks	5	5	3	4	6	7	8	12	11	9	7	7	84
Usage Monthly													
Trucks (2-3 tons)	2	2	2	2	2	4	4	4	4	4	2	2	2
Trucks (4-5 tons)	3	3	3	3	3	5	5	5	5	5	3	3	3
Trucks (5-10 tons)	3	3	3	3	3	7	7	7	7	7	3	3	3
Trucks (10-20 tons)	3	3	3	-	-	-	-	-	-	-	3	3	3
Trucks (20-30 tons)	8	8	8	8	8	8	8	8	8	8	8	8	8
Total Usage: (Round Trips)													
Cars	413	368	304	404	513	559	573	989	989	596	576	506	6,790
Trucks	63	67	44	58	117	151	177	240	231	182	173	100	1,603
Trucks (2-3 tons)	2	2	2	2	2	4	4	4	4	4	2	2	34
Trucks (4-5 tons)	3	3	3	3	3	5	5	5	5	5	3	3	46
Trucks (5-10 tons)	3	3	3	3	3	7	7	7	7	7	3	3	56
Trucks (10-20 tons)	3	3	3	3	3	7	7	7	7	7	3	3	15
Trucks (20-30 tons)	8	8	8	8	8	8	8	8	8	8	8	8	96
	495	454	367	478	646	734	774	1,253	1,244	802	768	625	8,640
Rates:													
Cars	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00
Trucks (other 1 ton)	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00	\$ 43.00
Trucks (2-3 tons)	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00	\$ 68.00
Trucks (4-5 tons)	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00
Trucks (5-10 tons)	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00	\$ 124.00
Trucks (10-20 tons)	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00	\$ 155.00
Trucks (20-30 tons)	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00	\$ 248.00
Fuel Surcharge	\$ 5.43	\$ 5.71	\$ 5.75	\$ 4.66	\$ 3.83	\$ 3.11	\$ 2.50	\$ 1.93	\$ 1.97	\$ 2.68	\$ 3.46	\$ 3.89	\$ 3.89
Revenue Total:													
Cars	\$ 15,044	\$ 13,510	\$ 11,173	\$ 14,409	\$ 17,865	\$ 19,066	\$ 19,198	\$ 32,569	\$ 32,609	\$ 20,072	\$ 19,846	\$ 17,653	\$ 233,013.49
Trucks	\$ 3,051	\$ 3,264	\$ 2,145	\$ 2,765	\$ 5,479	\$ 6,962	\$ 8,054	\$ 10,783	\$ 10,388	\$ 8,314	\$ 8,037	\$ 4,689	\$ 73,929.93
Trucks (2-3 tons)	\$ 147	\$ 147	\$ 148	\$ 145	\$ 144	\$ 284	\$ 282	\$ 280	\$ 280	\$ 283	\$ 143	\$ 144	\$ 2,426.22
Trucks (4-5 tons)	\$ 241	\$ 242	\$ 242	\$ 239	\$ 236	\$ 391	\$ 388	\$ 385	\$ 385	\$ 388	\$ 235	\$ 237	\$ 3,609.13
Trucks (5-10 tons)	\$ 2,027	\$ 2,030	\$ 2,030	\$ 2,021	\$ 2,015	\$ 2,009	\$ 2,004	\$ 1,999	\$ 2,000	\$ 2,005	\$ 2,012	\$ 2,015	\$ 24,167.33
Trucks (10-20 tons)	\$ 388	\$ 389	\$ 389	\$ 386	\$ 383	\$ 890	\$ 886	\$ 882	\$ 882	\$ 887	\$ 382	\$ 384	\$ 7,127.52
Trucks (20-30 tons)	\$ 481	\$ 482	\$ 482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 475	\$ 477	\$ 2,397.70
	\$ 21,380	\$ 20,064	\$ 16,610	\$ 19,965	\$ 26,122	\$ 29,602	\$ 30,811	\$ 46,897	\$ 46,543	\$ 31,949	\$ 31,130	\$ 25,597	\$ 346,671.31

Expenditure Summary - Monthly Cash Flow  
A&R Marine Corp

	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	2014 Total
<b>Salaries &amp; Wages:</b>													
1 Owner Captain	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
1 Alternate Captain	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
1 Owner Deck Hand	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
1 Alternate Deck Hand	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
1 Co-Coordinator	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	25,000
<b>Total Wages</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>13,333</b>	<b>160,000</b>
<b>Payroll Taxes (7.65% of wage):</b>	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	12,240
<b>Benefits</b>													
Full time Captain & Deck Hand	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	13,500
<b>Pension</b>													
Full time Captain & Deck Hand	150	150	150	150	150	150	150	150	150	150	150	150	1,800
<b>President Compensation</b>	18,000	Annual											18,000
	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
<b>Repairs &amp; Maintenance:</b>													
Oil & Filters:													
Oil (55 gallons @ 800)	800	800	800	800	800	800	800	800	800	800	800	800	8,800
Filters (\$200)	200	200	200	200	200	200	200	200	200	200	200	200	2,200
Haul:	5,000	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Repairs &amp; Maintenance</b>	<b>6,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>17,000</b>
<b>Vessel Supplies</b>	2,000	Annual											2,000
	167	167	167	167	167	167	167	167	167	167	167	167	2,000
<b>Fuel Costs</b>													
# Days in Month	31	31	28	31	30	31	30	31	31	30	31	30	365
<b>Generators</b>													
# Hours per day	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Fuel Consumption/Hr.	3	3	3	3	3	3	3	3	3	3	3	3	3
	42	42	42	42	42	42	42	42	42	42	42	42	42
<b>Engines</b>													
# Hours per day	5.57	5.57	5.57	5.57	5.57	6.00	6.00	8.00	8.00	6.00	6.00	5.57	5.57
Fuel Consumption/Hr.	18	18	18	18	18	18	18	18	18	18	18	18	18
	100	100	100	100	100	108	108	144	144	108	108	100	100
Consumption per day	142	142	142	142	142	150	150	186	186	150	150	142	1,826
<b>Consumption per month</b>	<b>4,410</b>	<b>4,410</b>	<b>3,983</b>	<b>4,410</b>	<b>4,268</b>	<b>4,650</b>	<b>4,500</b>	<b>5,766</b>	<b>5,766</b>	<b>4,500</b>	<b>4,650</b>	<b>4,268</b>	<b>55,581</b>
Cost of Fuel	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25	\$ 3,25
<b>Fuel Costs</b>	<b>14,333</b>	<b>14,333</b>	<b>12,946</b>	<b>14,333</b>	<b>13,870</b>	<b>15,113</b>	<b>14,625</b>	<b>18,740</b>	<b>18,740</b>	<b>14,625</b>	<b>15,113</b>	<b>13,870</b>	<b>180,638</b>
<b>Cost of Fuel Floor</b>													
\$ 1,20													
<b>Cost of Fuel Recovery</b>	5,292	5,292	4,780	5,292	5,121	5,580	5,400	6,919	6,919	5,400	5,580	5,121	5,121
	9,041	9,041	8,166	9,041	8,749	9,533	9,225	11,820	11,820	9,225	9,533	8,749	8,749
<b>total passenger &amp; Vehicle ct RT</b>	1,666	1,583	1,419	1,938	2,287	3,068	3,684	6,122	5,996	3,444	2,759	2,251	2,251
<b>Fuel Surcharge</b>	5.43	5.71	5.75	4.66	3.83	3.11	2.50	1.93	1.97	2.68	3.46	3.89	3.89



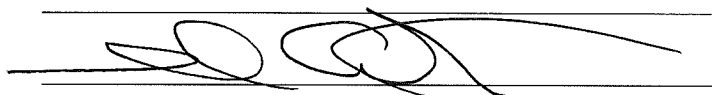
Expenditure Summary - Monthly Cash Flow  
A&R Marine Corp

	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	2014 Total
<b>Depreciation</b>													
Assets													
Working Capital	100,000	-	Contributed Capital	100,000									
Fixed Assets													
Start-up Cost	50,000	-	50,000										
Small Ferry	100,000	100,000	-		7	7,143							
Larger Ferry	675,000	675,000	-		20	5,000							
Terminal Facilities Costs	150,000	150,000	-		20	33,750							
		<u>925,000</u>	<u>150,000</u>		30	<u>5,000</u>							
						<u>50,893</u>							
Rate		8.0%	11.5%										
Interest		<u>74,000</u>	Monthly will be Based on ROR										
													4,241 Monthly Depreciation

OATH

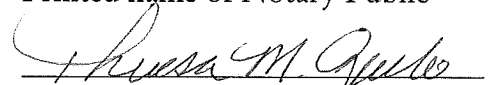
I (We) Stephen Antaya  
\_\_\_\_\_  
\_\_\_\_\_

being duly sworn, state that I am (We are) qualified and authorized to file and verify this application, that I (We) have carefully examined all the statements and answers contained in the application and that all such statements and answers set forth herein are true and correct to the best of my (our) knowledge and belief.

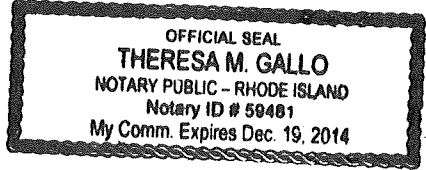
\_\_\_\_\_  
\_\_\_\_\_  
  
\_\_\_\_\_  
Signature of Applicant(s) before Notary Public

Subscribed and Sworn to before me at Providence, in the state of  
Rhode Island, this 18<sup>th</sup> day of September, 2013.

Theresa M. Gallo  
Printed name of Notary Public

  
Signature of Notary Public

My commission expires: 12/19/14





# A & R Marine Corp.

Business Plan

September 17, 2013





## Reason for Application

- The current ferry is operated by Bruce Medley, owner of Prudence Ferry, Inc.
- Mr. Medley had hearings before the DPUC on March 27, 2013 and May 8, 2013.
- At the close of the hearing on May 8, 2013, (Mr. Medley) the current provider of the ferry service to Prudence Island, notified the Hearing Officer that it was his company's intention to cease operations following the last scheduled trip on December 1, 2013. This was confirmed in a report and order issued by the DPUC.
- Since that time, Mr. Medley has confirmed his shut down plan through social media, specifically Facebook.
- As a result, the Town of Portsmouth has requested that interested parties show that they are fit, willing and able to provide this lifeline service.



## Mission Statement

- A & R Marine Corp. is a Prudence Island business formed by Prudence Island residents to provide transportation needs to and from the island. Our goal is to step in no later than December 2<sup>nd</sup> when the Prudence Ferry Company stops. We will continue the current schedule and will meet with the islanders and town to see if there are schedule changes they would like to see going forward. What makes us different is we know what it's like to leave every day to go to work or school. We know what it's like to be in business here on the island and scheduling supplies to be brought over and we know how important it is to keep to a schedule. Communication between the residents, town and any other interested party will be welcome. We are islanders and want to work with the island residents to help preserve our community.

## Initial Plan

- A & R Marine Corp. has come up with a plan so there's no interruption in service to and from Prudence Island. In an ideal situation we would like to believe we could secure both terminal locations, get all the CRMC and the Army Corps engineering permits and start building to be ready to start December 2. However we are looking at this with open eyes and feel it's important to do it right the first time, so this is our plan.
- The immediate solution is to provide passenger service between Prudence and the mainland on a daily basis. An LCM is a landing craft that does not need to land at a dock. We would lease either a LCM that is passenger inspected to carry both vehicles and passengers or a LCM for vehicles and a crew boat for passengers until permanent facilities could be built on both Prudence Island and the mainland. At that point we would either buy or lease a single ferry to provide service.
- As long as we have the support of the town and PUC we will follow through with our plans. We feel strongly that we are fit, willing and able to provide safe, affordable service to the island and with the support of the town's business we can make it work. Both the Town of Portsmouth and the Town of Bristol have expressed their support for us.



## Sourcing the ferry

- We currently have negotiated non-disclosure agreements to look at boats in various locations.
- We are working with a licensed broker in Maine who understands our needs and is looking for the ferries that would be the right fit for our business.
- We have a contact with the Coast Guard who is working with us to ensure that any vessel we acquire is able to be properly certified for the needs of this ferry service.
- One of our requirements of both the broker and the seller is that the ferry we acquire will be able to be licensed and certified within 90 days of approval of our DPUC application.
- We intend to acquire two ferries so that there will not be any interruption of service due to mechanical issues.

## The Ferry we currently are negotiating for.

- **Vessel Overview:**
- 1970 122' x 40' x 3.5' custom passenger ferry
- Built in New Bern, North Carolina
- 199.33 gross tons
- 135 net tons
- 3 Detroit 6-71 diesel engines
- Cruising speed 10 knots
- 3 Detroit 3-71 generators
- Dry docked in 2011, media blasted in and out and painted, hull sounded for thickness, new zincs welded on
- For our purposes we need to reduce the vessel's gross registered tonnage to 100GRT. This can be done by having a naval architect review the vessel's plans and re-design the void spaces. Once the changes have been made on paper we will have the Coast Guard review the plan and either accept or reject the changes. If accepted we can have the work done and the boat can be re-registered at 100GRT. We have the plans out to a naval architect now.

## Pictures of this ferry

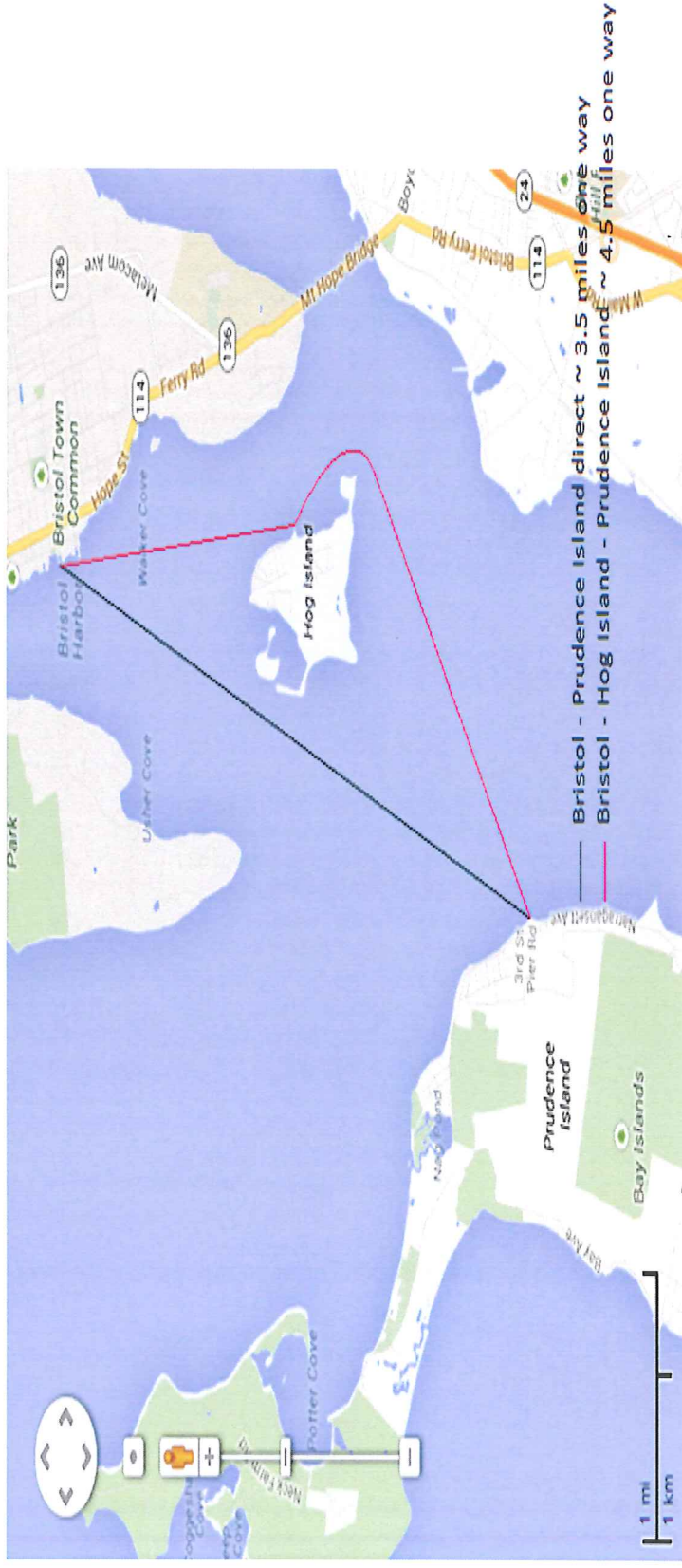


# More pictures





# The Ferry Route





## Officers

- A & R Marine Corp. has been set up as a Corporation, with the officers of the company as follows:
  - President: Stephen Antaya
  - Vice President, Operations: Ethan Rossi
  - Vice President, Engineering: Daniel Antaya
  - Secretary: Patricia Rossi
  - Treasurer: Stephen Antaya
- Board of Directors:
  - Stephen Antaya
  - Daniel Antaya
  - Ethan Rossi
  - Matthew Rossi
  - John Doherty
- The Antaya and Rossi families are residents of Prudence Island.



## Stephen Antaya: President A&R Marine Corp.

Stephen Antaya is a Director and Vice President of Antaya Technologies Corporation. He has been with the company since 1990 in the capacity of Product Development, Technology Development, Market Development, and Business Planning. Since founding the company with, and under the direction of, his Father the late Donald Antaya the company has grown from a startup to \$30 million in annual sales with three plants and over 200 employees in RI. Due to the strong entrepreneurial spirit instilled in him by his father Donald Antaya, Mr. Antaya is eager to work with young energetic individuals like Ethan and Daniel to provide them with the basic skills and resources to start and run their own business. Mr. Antaya has a degree in Business management from Southeastern Massachusetts University and after finishing school spent ten years working in the fishing industry.

# Ethan Rossi: Vice President of Operations A&R Marine Corp.

- Full time Resident of Prudence Island for his entire life.
- Commuted off and on island to school in Portsmouth for 8 years September thru June on the current Prudence ferry and would sometimes need to return after sports activities in a 31' power boat, year round.
- Ethan has worked in the capacity of Captain on the landing craft Beachcomber, Documentation No. 1056517 owned by clean the bay, for 3 years. The vessel operated between the geographical points of the Providence River, Narragansett Bay, to Block Island at a distance of less than 40 miles offshore. Mr. Rossi also operated this vessel from Bristol Harbor, RI to New Bedford, MA, and also from Bristol Harbor, RI to the Mystic River, CT.
- Ethan is currently working for Bristol Marine as a captain and service technician moving and rigging vessels.
- Ethan has continued to live on Prudence Island and commutes daily, year round in his own boat as the current ferry schedule does not work with his needs to get to his job on time.

## QUALIFICATIONS:

- 2010- Completed 100 ton Merchant Mariners and Assistance Towing course, Confident Captain/Ocean Pros, Newport, RI.
- 2010- Present holds a license Master of steam or Motor Vessels of not more than -100-gross tons upon near coastal waters.
- 2010- Completed Firefighter level 1, 2 and Hazardous Materials Operations, Rhode Island Fire Academy, Providence RI. Currently lieutenant on the Prudence Isl. Vol. fire department.
- 2008- Completed EMT training, Roger Williams Medical Training Center, Providence, RI
- 2008- Graduate of Portsmouth High School, Portsmouth, RI



## Daniel Antaya: Vice President of Engineering A&R Marine Corp.

Education and Marine Industry experience

Graduated Chariho High School in 2009

Completed the Marine Technologies program at Chariho's career and technical center during high school.

Through this program received Rhode Island boaters license

Learned various navigation techniques

Various hands on skills; composite repair and construction, welding, boat maintenance, engine repair, woodworking

Enrolled at the University of Rhode Island in fall 2009, will graduate with a B.S. in Marine Affairs and Business Administration in December 2013

Experience on URI's smaller research vessel R/V Cap'n Bert doing biological and physical sampling

Using ArcGIS mapping and modeling software

# Matthew Rossi

- Licenses:
- 1975-present Operating Engineer - Received full operator's license for the State of Rhode Island to operate including, but not limited to, the following: cranes, excavators, bulldozers, loaders, backhoes and all heavy equipment.
- 1975-present Class A License from Rhode Island Department of Transportation to operate passenger buses, double and triple trailer vehicles, tankers, placarded hazardous vehicles.
- 1984-present Private Pilot's License
- 2001-present holds a license as Master of steam or Motor Vessels of not more than -100-gross tons upon near coastal waters;
- Employment:
- 1972-1994 Pasquazzi Brothers, Inc., Cranston, Rhode Island. Foreman
- on job sites in Rhode Island, Massachusetts, Connecticut.
- In charge of operation and maintenance of equipment
- (crane, backhoes, jackhammers, bobcats, etc.) and trucks.
- 1997-2011 Specialty Diving Services, North Kingston, Rhode Island. In charge of operation and maintenance of equipment (cranes, 65' Tug, 26' Push boat, Barges varying in size from 30' X 90' to 150' X 300').
- 2011- present Retired
- Affiliations:.
- 1974-present International Union of Operating Engineers, Local 57B
- 1970-present Member of Prudence Island Volunteer Fire Department.



## Funding

- Funding for this venture will be provided privately by Stephen Antaya. As we are still looking at ferries, we do not yet know the capitalization of this company, but are certain that the funding will be available for this venture.
- As mentioned before, financing will be provided to acquire two ferries to service the needs of Prudence Island.
- If there is a need to finance the facilities at the island and on the mainland, we are prepared to do that.
- Funding would also be available to fund operations while we ascertain our ridership and apply for the proper rate structure based on our experience operating the ferry.
- Currently, the Town of Portsmouth is planning to own the landing facility on Prudence Island, which the Town would finance. Surveys for this project are on-going.

A decorative graphic on the left side of the page, consisting of several overlapping, curved, wavy bands in various shades of blue, ranging from light to dark. The bands flow from the top left towards the bottom right.

# Rate Structure

- Proforma financial statements for one year are attached.



# Summary

- While there are still issues to address, we would like to show that we have done the following to both understand this business, its requirements, and the needs of the Prudence Islanders who rely on this Lifeline Service:
  - We have met several times with the Town Administrator and Town Planner of the Town of Portsmouth to introduce ourselves, to understand their needs and to incorporate those discussions into our plan.
  - We have met with the Town Administrator of the Town of Bristol, as well as the Town Planner.
  - We have attended town meetings on Prudence Island where the ferry issue was a significant topic on the agenda.
  - We have engaged a licensed broker to procure the necessary ferries, a marine engineering firm, a CPA firm (B&E Consulting) with considerable industry experience and experience before the PUC, and a legal firm (Schacht & McElroy) that also has considerable industry experience before the DPUC and the PUC.
- We believe that with the information we have provided, along with the firms we have engaged, and the backgrounds of the officers who will be operating the business, we have shown, and will continue to refine, that we are “Fit, Willing, and Able” to provide this Lifeline Service.