

State Ferry Advisory Board
Thursday 7/31/25 10:30 AM via ZOOM

1. Roll Call

Board:

Vinalhaven: Alan Barker – Primary and Marjorie Stratton – Alternate

North Haven: John Emerson – Primary

Islesboro: Peter Willcox- Primary

Swan's Island: Kathy Clark – Primary and Sonny Sprague - Alternate

Matinicus: Eva Murray – Primary and George Tarkleson – Alternate

Frenchboro: Duncan Bond - Primary

Bass Harbor: Dannis Damon - Primary

MaineDOT:

Bill Pulver, Andrew Bickmore, Henry McFerren, Bill Geary, E.J. Dupont, Dan Conrod, Michael Cavalieri, Danielle Molloy, Missy Goocher

2. Introduction of Visitors

Tracy Ames – Supervisor at Rockland Terminal, Bethany Brown - Supervisor at North Haven Terminal, Rebecca Carmichael-Austin – North Haven Town Administrator, Jake Caron – Matinicus Plantation Administrator, Billy Banks and Gary Farley of Swan's Island. Peter Drury. iPhone - Captain Kevin Hopkins of the M/V Captain E. Frank Thompson.

Dennis Damon, Board Chair, explained his rationale for removing an unidentified phone caller from the last Board meeting; no objections were raised.

3. Approval of Minutes

Unanimous approval of the May 2025 meeting minutes as drafted.

4. Communications:

To or by the Board: None

To or by the MSFS/MDOT: None

5. Reports of the Board

Financial Subcommittee Report:

Peter Wilcox presented the Financial Subcommittee's report from its July 23 meeting, attended by John Emerson, Gabe Pendleton, John Kim, and himself.

The sub-committee met on 23 July. The report detailed the year-end variance as of June 30. Fare box revenue totaled \$7.9 million, exceeding the prior year by \$1.1 million and reaching 104% of the budgeted \$7.6 million. The state subsidy was \$10.79 million—\$2.3 million higher than the previous year and 142% of the budgeted amount, largely due to increased following expenses: Personnel expenses were \$10.7 million, or 99% of the \$10.92 million budget; Health insurance costs were significantly under budget at \$1.2 million versus a projected \$1.8 million, but these costs are controlled by the State, not DOT. Professional services totaled \$1.29 million, far exceeding the \$400,000 budget, with major expenditures including \$153,000 for project staffing and \$741,000 for Seaward Services; as per the previous committee discussion these expenses are listed under Personal Services to track the line. Diesel came in at \$1.7 million, slightly ahead of the year before. The committee was not sure why the budgeted amount was only \$1.085 million when the expenses the year before were \$1.7 million. Repair costs were \$3.1 million, 232% of the \$1.35 million budget, largely due to work on the M/V Margaret Chase Smith. The sub-committee understands this is the final amount for repair work on the Smith. It should be noted that in the past two years, repairs have totaled \$6.1 million, which is a very significant amount, reflecting the difficulties inherent with an aging fleet.

Although not a huge number, the committee notice supplies for 360% over budget, \$275,000 versus \$81,000 budgeted. However, the year before, that line item, which was \$5,600, was \$238,000. It appears to the committee that some of the expenses are getting tacked on as supplies, fairly regulated, but perhaps are not being completely considered during the budgeting process.

Total "All Other" came out at \$18.7 million. The committee thought this was a pretty significant amount. It was \$3.3 million more than the year before. It was 180% over budget and \$3.5 million over the budgeted amount of \$4.2 million. Total expenses, Personal Services and others, totaled \$13.78 million, which the committee thought probably an all-time high. The total expenses were 120% over budget and \$3.5 million over the budgeted amount of \$15.2 million.

Discussion – DOT noted that health insurance costs are entered into the budget by the State Department of Administrative and Financial Services, using

calculations based on number of positions, not by DOT. In terms of the State subsidy for the MSFS, the ferry service budget was not sufficient to cover expenditures over the past year, so money from other DOT accounts were used to cover the overages; the government subsidy was 58% of expenditures over the last fiscal year. In the budget under “Personal Services”, only MaineDOT (state) employees are allowed in that category. Contracted services like Seaward Services and Project Staffing are considered “All Other” category; DOT can’t change the categories. The “All Other” category was high because at the start of the fiscal year, a financial order was done to create 6 extra positions; the funds (\$735,000) were moved from the “Fuel” category to the “All Other” category. DOT clarified that the total year-to-date for “All Other” was not \$18.7 million, it was \$8 million (\$1.3 million over budget); the amount of \$18.7 million is actually the combined “All Other” and “Personal Services” total. DOT is able to separate repair costs by vessel. The motion moved to accept the report as there were no objections to the report submitted.

Update on Year End Advisory Board Report to the Commissioner:

The Board members from the various islands will turn their respective comments in to the Board Chair in the next several weeks. It was noted that Commission Van Note will retire on 15 August 2025 and that it would have been nice to have been able to get the report in to him prior to his retirement. It was clarified that island comments will be included in the report verbatim, not paraphrased.

6. Reports of the Ferry Service

Ridership: The Year-to-Date ridership numbers were provided.

Vessel Status Report: The vessel status report was provided. It was asked if the M/V Captain Henry Lee could be used as a spare to cover for the M/V Captain E. Frank Thompson during the Thompson’s COI inspection on 7 August 2025; this would not be possible because the Thompson’s whole crew would be required for the COI. An update was provided on the construction status of the M/V Captain Almer Dinsmore. The Board Chair expressed appreciation for the ferries’ plaques explain the boats’ namesakes to the public. An update was provided on the repair status of the M/V Charles Norman Shay and the MSFS stated it would make up all the runs needed for Matinicus.

Staffing Report:

7. Island Specific Issues

Frenchboro: No issues

Matinicus: Glad to hear about estimated repair time for the Shay

North Haven: Supports the idea of different rate categories for tickets

Swans Island: Asked the reason for delay in replacement boat after Shay grounding and not running for Friday and Saturday. MSFS explained several reasons; the Shay could not take passengers while operating on one engine, and a full crew could not be mobilized to bring out the replacement vessel so the fastest method was returning the Shay to Rockland and getting the replacement vessel. The Gott boat was unavailable but in the future MSFS will look to book the Gott boat as soon as possible.

Islesboro: Residents of the island are having trouble with the ferry ticket rate and would like to get the full-time resident rate lower than \$40. The Board Chair recommended to include that issue in the island's comments for the Year End Advisory Board Report to the Commissioner. Visitor Bethany Brown suggested the possibility of one-way tickets at more than 50% of a round-trip ticket price (i.e. \$14 one-way tickets compared to a \$23 round-trip ticket) as there are some public that only have a one-way journey so some people buy roundtrip and use it for two people; introducing a one-way ticket could be a profitable move. The suggestion was noted.

Vinalhaven: Asked about USCG plan for buoy removal and details on parking lot project for Vinalhaven terminal.

8. New Business

William Geary made recommendation that he be relieved as Clerk and that the new Director of the MSFS – EJ Dupont - be voted in as the new Clerk. The Board made the motion and unanimously approved it.

9. Old Business

Reservation discussion: Vinalhaven recommended that vehicle height restrictions should also impact reservations for the ferries, i.e. cars with a height over 7' 4" would not be able to get a vehicle reservation because these vehicles would not fit in the side tunnels and would need to be loaded in the center line which would already be filled with trucks with reservations. The Chair made a

motion for Advisory Board to request the MSFS to consider including in the Tariff language that says if a reservation is being made to or from Vinalhaven then the ticket agent will request information relevant to the height of the vehicle; the motion was seconded and passed unanimously. This restriction is specific to three vessels based on vehicle tunnel height: Thompson, Spear and Burgess, irrespective of which island they are servicing. It would also apply to the Dinsmore once in service. No objections raised.

White Paper discussion: Islesboro noted that the White Paper says the MSFS only serves 2,800 year-round residents but emphasized it also serves the numerous tourists; Vinalhaven supported this by noting ridership numbers – 88,055 vehicles under 20' from January to July 2025, and 253,000 passengers and vehicles total. The White Paper's suggestion of an island-run transit authority was discussed. Some thought it would be logistically daunting while others thought it possible if the State's 50% subsidy would continue. Maine DOT noted there are plenty of models in Maine and that a transit authority would be more nimble than the State-run Service. The Board agreed to discuss the suggestion with their respective island authorities.

10. Next Meeting/Adjournment

It was agreed that the next Advisory Board meeting will be on Thursday, September 18, 2025, at 10:30am.