

A meeting of the Maine State Ferry Service Advisory Board was held at 10:30am on Thursday, March 12, 2020, at the Rockland Ferry Terminal.

- A) Role Call: Matinicus, Vinalhaven, North Haven, Islesboro, Frenchboro, Swan's Island, Bass Harbor, Mainland
  
- B) Introduction of Visitors/List of Attendees:
  - Eva Murray, Matinicus, Chairperson
  - Bruce Van Note, Commissioner MDOT
  - Mark Higgins, Manager Ferry Service MDOT
  - Joanne O'Shea, Business Manager Ferry Service MDOT
  - Mike McKenna, MDOT
  - Dennis Damon, Bass Harbor
  - Duncan Bond, Frenchboro
  - Phil Crossman, Vinalhaven
  - Jon Emerson, North Haven
  - Kathy Clark, Swan's Island
  - Sonny Sprague, Swan's Island
  - Gabriel Pendleton, Islesboro
  - Tom Luttrell, Rockland
  
- C) Approval of Minutes from January 9, 2020—moved, seconded, all in favor, approved
  
- D) Communications to the Board - none
  
- E) Reports of the Board - none
  
- F) Reports of the Department
  - a. Financial Report—Mike McKenna presented a 3-year variance as of the end of February 2019. The report was included in the agenda packet.
    - Highlights:
    - Revenues: Farebox up \$131k, parking up \$24k, contributions from highway fund up \$450k, total up 600k.
    - Expenses: one-time retro lump sum payment line #3616 up, professional fees 4099 down \$189k—employees moving from temporary (Maine Staffing) to permanent employees. It's not a savings to hire from Maine Staffing—we don't pay benefits, though some costs offset. Repair to equipment #4721 up \$70k, doesn't include Lee. Insurance not yet billed \$95k. Overall expenses up \$914k over last year.
  - b. Eva asks if the level of detail is helpful. Consensus is yes.
  
- G) Vessel Status Report—Report included in agenda packet.
  - a. Mark reviewed the report for the Board

- b. Potential extension on Smith to be hauled out in Sept. Spear delivery expected in July. Spear could replace Smith during the haul out.
- c. Yesterday's Transporter trip to Matinicus was potentially its last trip yesterday—Eva expressed gratitude and said they've done a good job.

#### H) Island Specific Issues

- a. Vinalhaven: Phil said that he and Pat Lundhom had met on February 12 in VH, with Mark, Joanne & VH terminal manager Janet Gale to follow up on the line number policy he had proposed on behalf of the BOS. Mark stated that the proposal is with Bill Pulver for review. Phil expressed surprise that the issue would be in the hands of DOT's Chief Operating Officer but stated that he looks forward to it being resolved.
- b. North Haven – Jon: Noise from the Burgess is piercing. He said a public health officer on a recent trip to NH took a noise level test and he sent an email to MSFS with details. Mark said the Lee has the same propellers which have been modified/removed because there's an "anti-singing" / high harmonics issue that occurs at low speed. There's a sea trial today. Depending on the results, the modification could happen on the Burgess as well. Cost is a factor and so there needs to be a cost-benefit analysis.
- c. Frenchboro – Kathy: Cancellation policy inquiry. She said the makeup trip during lunch hour is not happening. It's happening at 9am. Unsure which captain. She suggests the Thursday schedule on makeup day. Mark will investigate this. She also asks if the Gott boat can be used at the end of day if the ferry is not in use due to mechanical issues. Mark says Gott needs to be under contract to do that. Eva asks if any island can have contract so the State can hire a boat with a private company whenever there is an emergency/need. Jon says Equinox serves the purpose for NH—it's an informal agreement. Eva says for Matinicus, a ride on a private boat costs over twice what the ferry costs. Mark will investigate a contract with each location. Mike says we have a contract with Gott that would need to be modified.

#### I) Old Business

- a. Emergency Trip and Special Trip Fees—Gabe asks about process for setting rates (tolls) outside of rulemaking process. Mark says new rate of \$1,000 doesn't cover costs. Commissioner says this went to the legal department and that rulemaking does not apply to this situation, but that communication is still important. Mark says the rate was communicated 7 times between Nov and Feb. Kathy asks if gas trips are special trips-yes.

#### J) New Business

- a. Ridership Numbers—Mark emailed ridership numbers ahead of time. Gabe asks

if school are part of passenger ridership-yes. Gabe asks for commuter pass numbers. Mark will get the info to Gabe. Jon asks if there are conclusions about ridership. Mark says there's a bounce back in Islesboro ridership though not to prior to Tariff 8. We are looking forward to seeing how the summer rates will impact ridership. Jon says there was concern about accuracy of the numbers. Mark says the numbers may be slow coming in but he does not think the info is inaccurate. Jon asks about the number of vehicles left behind, which identifies unmet demand. The information is written down but not entered as ridership data. Dennis says it does seem like important information but agrees it's difficult to know which vehicles are truly left behind. Eva suggests riders themselves self-report that they are left behind.

- b. Special Trips and Emergency Trips—no further questions
- c. New Construction Timeline - Spear delivery expected on July 31, launching early May or June. Need an astronomical high tide which won't occur again until August 18, so it's builders are aware of critical timeline.
- d. Hybrid Ferry for Swan's Island- BAE may be vendor for integrator, rep Joe Hudsmith is to go to Swan's Island with Mark next week to review. The hope is to put to bid next year. Parallel diesel electric: at certain times we can operate on battery power depending on application/power needs. Result should be 20% reduction in fuel. Eva asks if there is an expectation for port terminals to upgrade infrastructure. Mark says this one will integrate with current infrastructure however Lincolnville-Islesboro will be different. Batteries will charge overnight.
- e. LD1887 [**Bill Title:** Resolve, To Reduce the Operational Costs of Ferries in the State]—

Commissioner states that he is on the Governor's Climate Counsel: green house gas reduction is .05% if all ferries would become electric. He says the discussion is out of proportion to what the savings are. We will do everything needed for safety, life-cycle, costs, etc but the electric solution may not be best when all considerations are made. There's a balance. The first attempt on this next ferry shows reduction in fuel cost, etc and it is worth it. Electric ferries are getting plenty of attention. Trip times would not be impacted greatly. Safe and operational are priorities—there needs to be a balanced approach before getting overly excited by an electric ferry. Across the board at other ferry service operations, the scale is much bigger but same issues.

Sonny asks how diesel can be used when electric isn't enough. Mark says it's called a shaft generator. BAE will be helping with these considerations. Sonny says trips can be up to 40 min behind-can hybrid help with this?

Phil asks about what common issues are with larger places: Mark replies: abrupt leadership changes, crewing issues, infrastructure that needs to be changed/updated, fuel costs.

Dennis observes that there is a lot of interest in ferries reducing pollution, but vehicles are the bigger problem. He says it's good to review entire problem but

bad because ferries seem to be under the microscopic. Caution to not overblow what new and subsequent ferries can do. Commissioner says he prefers to evaluate and respond, not react or panic. He says it's important to get valid information. He said Hannah Pingree is en pointe with this issue and keeps him up to date. Money matters, but life cycle costs and other analysis is very important.

Commissioner discusses fleet replacement timeline—new vessel every few years. Longtime costs are higher if we spread out the time line. Are there savings by spreading out to 5 years? There is analysis ongoing and the Commissioner says it's at his direction so that all the ferries aren't at the end of their life in 30 years all at the same time. We need to spread out capital costs. Gabe supports the pragmatic approach. Commissioner discusses opposition to the bill and that the FSAB is a conduit where concerns are heard. The MSFS isn't going to do everything the FSAB says—it is an advisory group—but we will listen. Jon points out that Commissioner has been to 4 meetings. Commissioner says Bill Pulver is at most meetings and he communicates well with him.

Commissioner said there is philosophical opposition to the bill because ferry pollution is only .05%. Electronification of vehicles is bigger bang for the buck—"less stuff out of tail pipes or less tail pipes." Climate Counsel is working on strategy. Electric ferries although important, are not going to solve climate issues. He considered the bill unnecessary because we're already doing the work as fast and as reasonably as possible. Eva says FSAB informally weighed in but was not for or against. A bill that dies still has value—puts conversation on front burner.

Dennis—single greatest concern of MSFS: a lack of importance on updating the fleet. 20+ years ago we started talking about the Thompson. Committees were formed regarding what it should be/how it should be look. Frustration was that FSAB would think that bonds would go towards ferry but that wasn't the case—purposely foot-dragging, no commitment to upgrade vessels regularly. He's relieved about the current progression.

[Commissioner left at 11:42am]

Mark said MDOT is spending a lot of time/effort with colleagues, vendors to advocate. There was a meeting last week with Bill Pulver and Dave Barnhardt discussing the fleet spread from 2028 to 2032. Design time is built in to enable public process.

Gabe appreciates all these positions—says FSAB is here to address ferry, not all DOT. He thinks FSAB should draft something acknowledging current efforts and future—new technologies to reduce costs without losing safety.

Eva says primary purpose of FSAB is to communicate with Augusta re: specific locations-need to ensure conversation is inclusive, that doesn't oversimplify the issues.

Dennis-makes motion that Gabe's general statement be crafted. Doesn't want it

to be overly prescriptive. Needs to be general so the public is aware of purpose. Move that Gabe is directed to develop a Resolution regarding ferry vessel propulsion. Seconded. Discussion will occur at the next meeting, where Gabe will present the Resolution. All in favor, no opposition, so moved.

New Topic: Dennis likes the Maine Maritime Flag. Mark says Maine is one of 2 states to fly it. He will share it next meeting. Dennis would like it to be flown on all State Vessels.

- f. MSFS Covid-19 Response: Mark describes how MSFS has been working with the CDC. The language on the Continuity Plan goes through the Governor's office for consistency and is posted on website. Refer to hand-out given at meeting. Discussion about new reality and possibility of reduced summer tourism.
- g. Advisory Board Finance Subcommittee-John King is absent. Gabe says last meeting we approved the creation. This meeting was to get members: Gabe and John. Eva suggests that information be available but should cause a minimal amount of disruption to the board. Documents should go to the whole board. Phil makes motion to approve John, Gabe and Jon as members. Dennis says action steps should go to the full board and not be implemented without a majority vote. The subcommittee is for research, not decision-making. Phil: mission statement is to advise. Jon doesn't want the subcommittee to be limited to the 3 initial "members." Mike asks for purpose of subcommittee. Gabe says it's to understand MSFS finances—cost savings would be great, but the focus is on understanding and potentially making recommendations to the budget process. Eva asks if subcommittee membership is limited to FSAB members or if other "experts" could join. Phil says just FSAB. Eva is concerned about a crowded table of people which waters down the purpose of the FSAB. We need to be careful of "de facto FSAB members." Sonny says any new members should be approved by FSAB. Phil says it's a moot point-bylaws forbid it-and the subcommittee is just an extension of the FSAB.  
Motion to enable the budget subcommittee to consist of Gabe, John, and Jon plus anyone else on the board. All in favor, so moved.  
Mike says we should inform the Commissioner of this subcommittee formation. Phil corrected himself saying it's not in the by-laws.

K) Motion to adjourn. Meeting adjourned at 12:19.

Next meeting: May 7 at 10:30am