

A meeting of the Maine State Ferry Service Advisory Board was held at 10:30am on Thursday, November 14, 2019, 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  
Dennis Damon, Bass Harbor  
Mark Higgins, Manager Ferry Service MDOT  
Joanne O'Shea, Business Manager Ferry Service MDOT  
Bill Pulver, MDOT  
Mike McKenna, MDOT  
Duncan Bond, Frenchboro  
Phil Crossman, Vinalhaven  
Jon Emerson, North Haven  
Kathy Clark, Swan's Island  
Sonny Sprague, Swan's Island  
John King, Islesboro  
Gabriel Pendleton, Islesboro  
Joe Curtis, Maine Maritime Academy  
Bill Maxwell, Customer Service Trainer  
Tom Luttrell, Rockland  
Rick Lattimer, North Haven

C) Approval of Minutes from October 3, 2019

D) Communications-none to the Board.

2 letters from Vinalhaven: winter schedule / response from Commissioner and standby line

E) Reports of the Board - none

F) Reports of the Department

Financial Report—Mike McKenna presented a 3 yr variance of where MSFS is as of the end of October. The report was emailed ahead of time and included in the agenda packet. Total operating rev is \$1.8M. \$1.7M of that is contribution of highway fund. Expenses: Lump sum payment caused all overheads to be up. This will continue thru the year. Diesel fuel is \$2.32 vs last year \$2.56. Maintenance repair on Burgess occurred in July. Report is actual-showing when cash goes out, regardless of when the work was done.

G) Vessel Status Report—Report included in agenda packet.

Libby is dockside now. Jason's cradle should arrive tomorrow. Sea trial will occur soon and equivalency letter will come from Washington DC. Earliest to having it in working order would be Feb 2020 at best. Mark can share correspondence with Coast Guard if requested.

Henry Lee going on railway at Rockland Marine. Usually it takes 5-6 weeks. With holidays it may be January.

Gabe said Margaret Chase is down per town manager. Mark checks with port Captain. Electrical problem is being addressed.

Thompson is hopefully through all issues it has been plagued with the past 3 months: Issues with helm unit regarding steering. Hydraulic system was contaminated. System had to be flushed twice. Dennis asks about culpability of company that built the system- they've been out of business for 5 years.

Spear scheduled for completion 1Q20. Board is invited to make a site visit. Organized trip or individual visits may take place.

#### H) Island Specific Issues

- a. Vinalhaven-phone issue. Cumbersome system causes frustration. Joanne will follow up and has a meeting 12/6 with our internal phone system group
- b. North Haven – passenger fell asleep on boat and didn't wake up until boat was docked. Jon asks about a "final sweep." Mark will ask ABs to check bathrooms and cabins. Phil says this has happened at VH too.
- c. Vinalhaven-Phil asks about line up. Mark describes walk way and that it must be in the confines of safety. MSFS will work with Town to come up with solution.
- d. Swan's Island-Kathy says thank you for waiting until now to take Lee out

#### I) Old Business

- a. Update on Customer Service Training- Safety Days/Customer 10/17-18 & 10/24-25  
Bill Maxwell: He provided a synopsis of the training which was included in the agenda packet. He said the overall structure of the training was that we are all leaders in our roles and that each person has the ability to lead in their place. Customer Service is a function of being comfortable in a person's role. "We aren't in the ferry ride business, serving people. We're in the people business, serving ferry rides." Bill talked about body language, eye contact, nodding, etc. People may intend something but it may not be received that way. We don't know people's story—the idea is to step back before making a judgement. Fundamental attribution error—when others make a "mistake" they're in error...when we make a "mistake" there is a reason. Customer service issues take place around processes...if we improve processes we take our employees out of difficult situations. Bill described how people were open to the training and were willing to participate.  
Breaking out of patterns...silk/milk exercise. In order to make positive change, we need to take into account the whys, the emotions and to clear the path of obstacles.  
Bill asked for specific recommendations to be emailed to him, as a third party. He encouraged everyone to ask themselves how they can change their own behavior and take responsibility for helping to improve the MSFS.

Phil asks if all employees attended, specifically VH and if training is complete.

Joanne will talk with Bill about ongoing training.

Eva asks about specific employees, and how there is the thought about state employees not being able to be fired—Mark responds about ongoing feedback to employees, working with HR, quarterly training and that next year's training is already scheduled.

John asks about flexibility with the 15-minute rule. Mark responds that CSRs are directed to respond to context and to read the situation—ex. Does a mother need help?

Jon: per email 11/18/19: "My comment was to say that the employees were feeling the pain in these problematic interactions, perhaps as much as the customers, and that might be one reason why they were so accepting of the training and seemed to be taking it to heart." Training was past due. Bill says it's great to be empathetic.

Sonny—when there's a conflict, it gets blown out of proportion around the island. He suggests an improvement would be to have island employees and mainland know about each other's location.

Phil says he's very encouraged by Bill's assessment. He feels more can be done on the island—we should take advantage of more training.

Bill Pulver thanks Bill Maxwell for preparing the training.

Jon would like to see Bill included on quarterly trainings.

Dennis is appreciative of Bill's work. He has been disturbed and embarrassed by complaints and examples of poor customer service. This can't be one-time lip-service. It needs to become part of the MSFS. In the event that an employee is unwilling to change, it gives management a great capacity to counsel the employee on subsequent complaints, because the employee did receive the training. Dennis wants this to become a climate and a culture at the MSFS.

Bill says it was helpful to have management attending and participating.

Sonny talks about how there must be tension between the crews because of their living situation, being together 7 days.

Eva says MSFS customer base can be difficult—there's a lot of taking things out on the wrong person.

- b. Board's most recent report and recommendations made to the Commissioner and the Department's response: John had sent an email on 11/5, which is included in the agenda packet. John passed out a chart of Expenses by Fiscal Year since 2012. He is concerned about trend line increasing. His concern is that in 2-3 years we will need a 20-25% increase in Tariffs to keep up with expenses. It isn't sustainable. If trendline cannot be changed, people will look at other options like bonds and grants to operate a passenger vessel between Islesboro and Belfast, where there is unlimited and free parking.  
Bill Pulver's response: he takes exception to the insinuation about the MSFS not caring. Salaries are determined through a Hay Job Evaluation study by the State Department. There was a suggestion to do a benchmarking with other ferry services. There was a thorough review of the Ferry Service in 2010 and there are certain number of things we can control. Structural changes can impact expenses. Casco Bay peer review started in 2016, and NC strategic plan should be published soon. These are being reviewed for

efficiencies. Mark is on Casco Bay Board and says they have similar issues and approx 2.5% per year growth on budget. Their healthcare went up 40%.

Bill says he can put together a review of State of Maine wages.

Joe: Maine Maritime graduates don't consider the MSFS because pay is so low compared to other companies. Mark says we've had to advertise job 3 times and we finally had 1 person apply and be offered a job.

Gabe is looking for steps of how expenses are being treated and doesn't know how to address underpayment in wages even when that is such a large budget line item. What steps are being taken? He is concerned about long time viability of island life. Island communities will change dramatically as fares increase.

John wants an energetic effort to review and economize...sell tickets from a machine, internet sales. A concerted effort is justified in bringing costs down.

John's report will be included as part of the minutes.

Gabe wants to increase ridership to defray costs. Publicity year round is a thought.

Joe asks about islands wanting the increased population/traffic/services/logistics Jon all elements of island sustainability, like schools, are low and keep decreasing...grocery store has been for sale for 3 years. Post office is tiny, lobstering is the elephant in the room, and the ferry is an important element that allows the other parts to keep working.

Dennis-farebox is 50% of revenue. We could work to get a greater percentage from the highway fund. He thinks it's not likely though because the sentiment isn't understood or shared by most legislature/population in Maine. He also suggests that customers pay more, though that's not popular. He cautions us in trying to affect the budget in ways that seem small but are "death by a thousand pricks". Any action is going to impact something else in ways we may not be aware of currently. We should review other things like the cost per mile to pave a road and see how that compares to the expense report John provided. Bill spoke about expenses across the DOT.

Dennis tells a story of a recent ferry trip he took at Isle au Haut mail boat saying it was \$33 RT to walk on...Eva and Gabe confirmed online that a winter rate is actually \$20 one way.

Sonny suggests we need federal funding or another source.

Jon asks John about his graph. He said that up until 2019 it was actual vs budgeted after 2020. John used budget from FY2019-21. For 2022 and 2023 he used the projection used for Tariff 9. It was a good faith estimate—a projection. He is concerned about the trendline-absent a motivated effort, it will not flatten out.

Bill says we are open to suggestions on how to increase ridership. We are looking into online ticketing, new boats should decrease maintenance, fuel costs are down, Mark will send out the 2010 Review PDF to the board

Mike asks if islands have discussed a municipal tax. The general feeling is that would not be well received.

- c. Standby Line on Vinalhaven—reviewed earlier in the meeting

## J) New Business

- a. Generator of Frenchboro—Duncan: question about who will maintain/fuel the generator. Mark will talk with Joe Prescott.
- b. 2020 Schedule-MSFS is putting this together now.  
Matinicus: Eva asks for additional trips. It's not efficient to say "let us know when you need a trip" –they should be on the regular schedule. Trucks should be redistributed. Avoid early Monday mornings because there's no way to get the word out to businesses. Can public schedule have a closer approximation of times of departure.  
North Haven: Jon is happy with schedule  
Mark asks for any schedule requests by end of two weeks  
Mark asks about Islesboro summer schedule to start May 10. Mark will send this to select board.
- c. Proposed Tariff 9.1 changes  
Draft was part of agenda packet and was sent out ahead of time.  
Capping parking pass numbers is not popular—looking for reasonable number and a viable solution.
  - Announcement that there is a FSAB page on the Ferry Website:  
<https://www.maine.gov/mdot/ferry/fsab/>
  - Joanne will check with creative services about livestreaming

K) Motion to adjourn. Meeting adjourned at 12:35.

Next meeting: January 9, 2019 at 10:30am