

Maine State Ferry Advisory Board

Thursday 3/21/24 10:30 AM via ZOOM and In-Person

1. Roll Call

Advisory: Jon Emerson/ Chair NH, Dennis Damon/ Vice Chair BH, Al Barker/ VH, Kathy Clark/ SI, Sonny Sprague/ SI, Jamie Lane/ NH, Eva Murray/ MAT, John King/ IS, Hank Berg/ Appointed, George Tarkleson/ MAT, Jennifer Feezor/ VH and Jan Keiper/ FB.

MDOT: Matt Higgins/ HR Manager at Ferry Service, Henry McFerren/ Asst. Director of M&O, Joel Perry/ Business Manager at Ferry Service, Derek Dostie/ Asst Director at Ferry Service, Bill Pulver/Chief Operating Officer of MDOT, Missy Goocher/ Financial Analyst of MDOT, Abby Baker/ Office Associate at Ferry Service, and Bill Geary/ Director at Ferry Service.

2. Introduction of Visitors

Jon Emerson- Bill in terms of the minutes, do you have what you need for the roll call.

Bill Geary- Yeah just real quick before we go into that, with the introduction of visitors. I'd like to extend a warm welcome to Al Dinsmore. So, he's down here at the Samoset on his timeshare this week. He came and saw me earlier this week, and I told him about the Advisory Board Meeting and invited him to come if he had some free time. I think it's an honor for him to be here today, thank you very much for coming. I also want to thank you very much for everything you've done for the Maine State Ferry Service. Every time I go out to Swan's Island, they speak very highly of you. I want to thank you for the time you have spent with me, talking about your role in this position, and we are really glad to have you here today.

Al Dinsmore- Well, Thank you, but the honor is more mine than it is yours. When I came here 45 years ago, I never expected a boat to be named after me, because I wasn't a governor. (Background Laughs). But things changed, and I really appreciate it (*Hard to hear- the last bit*). But thank you.

Bill Geary- Thank you.

Jon Emerson- with that it brings us to the introduction of visitors, some of them I might have introduced already. But we have...

Alex Zipparo- I'll start, I am with the Island Institute, and I cover transport for the Island Institute. Pleasure to be here always.

Peter Drury- Visitor and I am also Ferry Service retired as Al Dinsmore is.

Jon Emerson- Thank you Peter. Is there anyone else? George Tarkleson, can you remind me what your role is?

George Tarkleson- No I am an Alternate for Matinicus.

Jon Emerson- Oh I am sorry not to have remembered that. You're not a visitor, you're a part of the team. Well, we're all a part of the team. Any other visitors that we know of?

Bill Geary- There's a couple people on Swan's Island. There's two, I see Bill Banks and I can't tell there is one other person. They seem to be still muted.

Billy Banks/ SI, Gary Farley/ SI.

Jon Emerson- Ok, did I miss anybody? Then let's move to the approval of the minutes.

3. Approval of the Minutes

Jon Emerson- Do we have a motion on that?

Al Barker- I'll motion.

John King- I'll Second that.

Jon Emerson- There was one minor correction, and I believe Bill took care of it already. It was in the very beginning. It was one word, something I had said. Minor exchanges and means the same thing. Something about having the meetings be a little shorter. 'I didn't want the meetings to become more onerous.' Which got translated to, 'order less'. Which I don't want the meetings to become that either, but that's not what I said. That's the correction.

Is there anything else that people see in the minutes, that might need to be corrected?

Bill Banks- Can you hear us now, on Swan's Island?

Jon Emerson- Yes, I can. Who all do you have there?

Bill Banks- Kathy Clark- Advisory board member, Gary Farley- visitor, and myself Bill Banks.

Jon Emerson- Lets call for a vote, approval of minutes, all those in Favor. (Most raised Hands). Any opposed? I don't hear or see any opposed, so that's good. We'll go ahead and say that's accepted unanimously.

4. **Communications**

a) To or by the Board

Jon Emerson-Bill did you have anything? I didn't have anything to or by the Board.

b) To or by the MSFS/MDOT

Bill Geary- Yes, I do have a few.

So, the first one, Swan's Island, and Frenchboro on the last Advisory Board Meeting it was discussed about their summer schedule. Henry and I went out to Swan's Island on February 21, and met with, Jan Keifer, Duncan Bond, and Sonny Sprague, the Advisory Board Members to discuss the schedule between the two Island and come up with some kind of compromise of schedule on the two islands for the summer schedule. Met for an hour, however we couldn't come up with any resolution. I did propose a temporary solution that the islands could take back to their select boards, that may work for all. I did get an official communication back from both islands, and an agreement could not be made, between the islands. Therefore, I did come up with a new summer schedule, and have proposed to both the islands, that is being implemented. The new schedule is going to stay pretty much like last year, with a difference in Thursday and Sunday afternoon, for Frenchboro, and keeping the 1st and 3rd Wednesday for Frenchboro, as well. So, that is what's happening regarding the summer schedule for those runs. I do appreciate Jan and Duncan coming to Swan's Island to try and work out some options. We are still looking into other options, whether it be the new boat coming or other potential options. Second communication is, that it was brought to our attention this week, that there were some clerical issues on page 4 and 5 on the Maine State Ferry Service Advisory Board Rate Analysis, that was presented to the board in July of 2023. These were illustrations of operating costs analysis and some of the government contributions. These have since been corrected, and I'll be sending out those corrected slides to the advisory board members today. I think it's important to note that those did not impact the model and of the tolls needed over the next four years.

Bill Pulver- I can provide a little bit more, since I was the one that made the clerical error.

At the July Board meeting, I gave a presentation of the current revenue and expenditure situation. It had been four years since we changed the rates, and it was time to look at them again. The 4 slides were sent out to the Board following the meeting.

The first slide showed an analysis of what we were currently bringing in for revenue vs current expenditures and then the expenditure objections over the next four years. That was the slide that showed how we got to the 18.4% increase. The second slide provided much more details into the annual expenditure projections, which were developed through our budgeting process and other analysis. The last two slides included tables to show historically how we have done with the 50-50 expectation of state contribution vs customer ticket and parking revenue over the last 9 years. The information on those slides had nothing to do with the current rate analysis. The clerical errors were in the far-right column that showed the difference between the subsidy and the customer revenue for each year. I determined the cause was in transferring data from a new report, which included 10-15 more years of data, to the slide. I updated other columns, but it appears I failed to update the far-right column. It may have been an excel spreadsheet version issue, but bottom line, they were input errors, not mathematical errors, and didn't materially change the percentages shown on the slide. The subsidy that was provided by the government for ferry operations was 54% over the last 5 years primarily because of the ridership drop related to the COVID pandemic.

The last slide showed the total government contribution to provide Ferry Service, including capital costs of constructing ferries, of fixing ferry pens, and all work associated with that. There was some suggestion that the math was wrong on that slide, but it was not. The percentages shown were simple calculations of taking the total revenues (government plus customer) and dividing it by how much the government subsidy was. There were two similar clerical errors on the last slide but all the calculated percentages were correct that showed over the last 5 years, the government has paid 73% of the overall cost of the ferry service. So that's what happened there, we'll get those revised pages out to the board following the meeting.

Jon Emerson- Ok, thank you Bill.

Bill Pulver- You're welcome.

Bill Geary- Just one more official communication received last night. From the Select Board of North Haven to myself and the Commissioner, on a letter, requesting use of the Shay, to supplement runs to North Haven, and to consider that as the Shay comes online. And so that communication has been received, and that is all that I have.

Jon Emerson- Ok, thank you. Eva.

Eva Murray- I don't have a letter, or email I can send in, but if you can accept this as an informal communication to the DOT, from a number of community members, if this is appropriate. On the most recent Matinicus ferry, which the timing of which had to work around the substitution of the Vinalhaven trips. We had a number of vehicles that hit pretty hard, getting off the ferry on Matinicus. I actually cleaned of the exhaust clean off the trash UHaul. I know that we're all aware the Matinicus wharf cannot be reached if the tide is too low. But there are also issues if the tide is too high, because our transfer bridge actually does not meet it. You actually have to kinda hop a gap. I have made that freight truck trip at least 250 times in the last 20 years, so it doesn't pass the straight face test to say I didn't know what I was doing. And I also inspect the truck before I drive it off the agents lot, so it doesn't/ can't be said there was already something broken. Which is

obviously not the states problem, but other vehicles also had troubles. No low cars,,it was all pick ups, all knowing of the risks, knowing better. So my concern with passing this along to the Ferry, is that we have people planning on coming out this spring, that have a camper, because their home was destroyed in the January storms. A roofer that is bringing out a utility trailer, that's long and low. Things that have been, successfully delivered over a transfer bridge in the past. People are now worried about the tide being right, etc. Especially with how the Libby is being used as a substitute for the Vinalhaven trips, and the timing of our trips is other than it might ideally be. We just ask that anybody in any authority to check the tide chart and double check the actual tides, because sometimes with the weather they might be a little different than forecasted. And make sure that we can in fact safely unload vehicles at Matinicus, not talking about low vehicles, but vehicles that in the past have never been of concern, because these are now having trouble. Just asking that the timing is confirmed, especially with the schedule is changed, around another boat.

Sorry that it's not a more formal letter. But thank you.

Jon Emerson- I am guessing you've been heard.

Bill Geary- Yes.

Jon Emerson- Good. Any other communications to or from the DOT or Ferry Service?

Jan Keiper- Just a quick one. I want to Thank Bill for the effort that was made, to get Swan's Island and Frenchboro together. It was really appreciated. Informal comments, but everyone on our islands appreciated it too.

Jon Emerson- The rest of us can only imagine what it's like for two islands to share one boat. And I've admired how its worked for the most part. And I hope the compromise will work and continue to work to something better.

c) **Legislative Review**

Jon Emerson- I assume this will be a short one, Bill will that be you?

Bill Pulver- No new news to report.

5. **Reports of the Board**

Jon Emerson- Nothing new. It'll be for something later in the meeting.

6. **Reports of the Ferry Service**

a) **Ridership**

Joel Perry- Sure I'll just do a little blurb on the ferry service. The numbers for February 2024 were higher than the numbers for February 2024. The total ridership was up over 8.5%. All island except for North Haven and Frenchboro, saw increases in Vehicle, Truck and Passenger traffic. Bass Harbor and Swan's Island saw nearly a double jump, in their Truck traffic and so did Lincolnville/ Islesboro, which was nearly 16%. Again, if anyone has any further questions, please ask.

Jon Emerson- Any questions?

Al Barker- Do you know the total numbers going to Vinalhaven from Rockland?

Joel Perry- No, just leaving the island.

Bill Geary- No we are looking into it with Rocket Rez, though.

John King- Can you tell me for Lincolnville/ Islesboro?

Joel Perry- Islesboro was up 4200 to 4300, Just standard. North Haven was 5% down. Frenchboro went from 114 to 77. These numbers are counting the cancelled trips.

Sonny Sprague- Last year?

Joel Perry- I can email them.

b) Vessel Status Report

Derek Dostie- I'll get this section, to start;

Captain Charles Philbrook- Passed the annual COI inspections, and is currently down east, serving between Bass Harbor, Swan's Island and Frenchboro.

Margaret Chase Smith- Dry dock at Rockland Marine still. A section of hull had to be replaced. The COI is dependent on the USCG.

Captain Henry Lee- Passed its COI on 02/07/2024. After returning to Service, a leak was noticed from plate deuteriation. Service to the island has been replaced with a different vessel. Awaiting dry docking in 2-4 weeks, to check the thickness of hull.

Captain Neal Burgess- 02/29/2024, dry dock inspection has been extended. This is a routine inspection.

Everett Libby- Serving as the Mainland boat for Vinalhaven and still doing the scheduled trips to Matinincus.

Captain Richard Spear- Still in service at Lincolnville/Islesboro, shaft breaks have been repaired.

Captain E. Frank Thompson- Operating as Vinalhaven's island boat. No current issues.

Charles Norman Shay- Christening of vessel, Mr. Shay was able to watch. The vessel is currently scheduled to be delivered mid-late May.

Almer Dinsmore- Final Fit-out. Due to unique fit out and the battery system overhaul. Should be end of summer completion.

George Mitchell- full electric capable ferry still in building stages.

Islesboro- There have been washouts and sinkholes. We apologize. Trying to keep the terminal open.

Lincolnville Ramp- Now has some damage, working to get that repaired as well.

Rockland North Ramp- There was some propeller damage noticed, and several big rocks were removed.

North Haven Bridge Lights not operational, as soon as we can, we'll repair it. We are keeping the vessel lights on, when needed.

John King- Question in regards to the Smith and all the hull work?

Derek Dostie- Yes. Existing parts, and trying to find the parts.

John King- Was it just one engine?

Derek Dostie- No, it started with the port engine, now it's the starboard as well. Has approximately two to three weeks remaining.

Jon Emerson- Where do we stand with our COI?

Derek Dostie- Must do it in the water.

John King- What about it.

Derek Dostie- We had to pour concrete into the hole.

Bill Geary- The only thing left to do is to put hot top on it.

John King- What about the sink hole in Lincolnville?

Derek Dostie- Its hard to say until we know what's going on underneath.

John King- Thank you for the videos.

Derek Dostie- Thank you.

Jon Emerson- We ended up with more.

Bill Geary- I wanted to add that we have two ferry's down currently. I think it is important to relay what a contingency plan would be in the worst case scenario that we lose another ferry. If the Libby goes down, Vinalhaven will be left with the island boat. If we lose any other ferry, the Everett Libby will be pulled from Rockland/ Vinalhaven as the mainland boat, and used in North Haven. Whichever ferry is down, the Burgess will replace. Again, this is a contingency plan and it is important to know what we are planning if this happens and be open with the Advisory Board on what-if scenarios.

Jon Emerson- So we could lose our boat?

Bill Geary- You would still have a ferry, but it would be the Libby due to ridership. Again this is a contingency plan and hopefully will not happen but want to make sure you all know just in case.

c) **Staffing Report**

Matt Higgins- The Human Resource Manager here at the Ferry Service. I'll take this part. So currently we have four postings: Assistant Port Engineer, Ferry Captain, Able Bodied Seaman, and a Ferry Human Resource Specialist. Closed postings, Ordinary Seaman, and Deck Hand positions. We also have a Customer Representative Associate for Rockland and North Haven, we're waiting to hear back from the candidates.

Jon Emerson- Asks about North Haven staffing.

Matt Higgins- Waiting to hear back.

d) **Financial Reports/Financial Subcommittee Report**

Missy Goocher- Budget to expenditures are currently on track. Addressing the questions raised by the Finance Subcommittee: The Clothing and Uniform Allowance is a MSFS employee boot allowance – paid in July and January. In-State Travel (4200) is up due to a contractual change in the per diem rate as of Jan 1st. Able Bodied Seaman, Engineers, Captains, and other crew are now getting the full per diem rate rather than a percentage. In the last two months since the change (Jan & Feb), costs were \$21,000 more than the same time period last year. This is a significant change moving forward.

With several vessels under repair, we are expecting large invoices in the next few months. Regarding insurance, a replacement cost review of MSFS assets was conducted and it was determined that these assets were underinsured. With coverage being increased, the corresponding premiums did as well.

John King- We met on 03/18/2024. Revenue seems to be fine. The Service interruptions? Again, the unfunded liability. I don't mean to beat dead horses, but again the other services? Instate travel, is that budgeted or are those anomalies? 50/50 needs to be budgeted, the process is important. Repairs, seems to be right on the money, significantly over budget given the age of the fleet.

Missy Goocher- Clarified inaccurate assertion that the items under the 40** line were "hidden somewhere in the budget". The expenses on that line item were intended to be coded to the budgeted lines in the work program for the specific type of work performed. We will make adjustments to the 40** line item for the next FY.

John King- Professional services is \$600,000, are we playing for jets?

Bill Geary- On 12/23/2023, about 50% of our crews were getting only half per diem. Effective Jan 1st, the whole crew, across the board is getting full per diem. Which has increased everything to \$22,000 total currently.

Missy Goocher- \$21,000 over last year for the same time period (Jan & Feb).

7. **Island Specific Issues**

John King- So we have a lot, but we've talked about them.

Kathy Clark- I wanted to know when we're getting the boat.

Bill Geary- I'm continuing to evaluate the needs of the fleet and will get back to you.

Kathy Clark- Thank you, it was planned way back.

8. **New Business**

a) **MSFS Advisory Board Commissioner Report**

Jon Emerson- The fiscal year somewhat in June.

John King- July

Jon Emerson- John King has offered to oversee, getting these reports in and completed. I'll let you speak more to that John. Plus we'll need the financials.

John King- My thought, get the reports, from the serviced year by June fiscal year. The Finance Sub-Committee, Week 3 or 4 in July. Does Mid-June work for other islands. June 15th. As there is a meeting on June 7th.

Jon Emerson- Ok, we've all been warned. Is this doable for everyone?

John King- Does this work?

Other Advisory Members- No one comments.

Bill Pulver- Yes it does.

b) **Rockland Parking Lot – New agreements**

Bill Geary- Parking lot has new Parking agreements. More importantly, making sure the rules are being followed. Current registration and inspections are on the agreement signed. We are asking that you go back and tell your respected islands to make sure that is in fact the case. We don't want to resort to towing or fines.

Al Barker- By signed agreements, you mean for the yearly passes?

Jon Emerson- I'll pass it along to the select board.

Bill Geary- It's really Vinalhaven, North Haven, and Matinicus that have a few.

Jon Emerson- Might have a few.

Eva Murray- Not aware of anyone that does.

Jan Keiper- Is this true for all.

Bill Geary- I'd have to do more research.

Jon Emerson- Do you have anymore details? Or just haven't noticed.

Bill Geary- I'll get more details.

Jon Emerson- Is there anything else?

Sonny Sprague- The Ramps. There was a temporary fix of them on Swan's Island and Bass Harbor, is there anymore information on this situation?

Jon Emerson- These electrical?

Bill Geary- There is a fully electrical upgrade for 2025, we are currently trying to express the urgency.

Sonny Sprague- What about when the Spear is coming down. It's been moved, multiple times over the last five years. There was multiple meetings that this will be your ferry. This needs to be taken into consideration, there should be a record for all the new people that keep coming into the office.

Jon Emerson- Thank you Sonny. Anyone else have any comments.

Sonny Sprague- Told us it was our boat. Lots of suggestions on the design and input of new boat. There should be better records kept.

John King- Can someone fill me in about the tariff? Just want to let people know.

Bill Pulver- The legal office, still has it. After that, will be the response to comment. Timelines and packets, for Secretary of State and Attorney Generals office for compliance. It's a whole lot of work. I don't have a date.

Eva Murray- Several people have asked me about the specific dimensions of the Shay?

Bill Geary- I can get that to you.

Jon Emerson- What about you Hank, did you have anything.

Hank Berg- I am all set.

Jon Emerson- Unless there's anything additional let's move to adjournment.

9. **Old Business**

10. **Next Meeting/Adjournment**

Jon Emerson- Does May 16th work for everyone?

****No one saying no****

Does Everyone agree? **Next Meeting May 16, 2024, at 10:30 am.**

Eva Murray- Motioned for Adjournment.

Sonny Sprague- Seconded.

Jon Emerson- All in Favor?

****Unanimous Agreement****