

CASCO BAY ISLAND TRANSIT DISTRICT MINUTES OF THE SPECIAL MEETING OF MARCH 5, 2009

Directors Present: Phipps, Peretti, Rockett, Doane (via phone), Moreau (via phone), Hoppin, Flynn, Overlock, Donoghue (arrived at 8 a.m.), Johnston, Crowley

Directors Absent: none

Others Present: Mac McKone

Staff Present: Debo, Mavodones, Horr, Williams, Gildart

1. Call to Order: The meeting was called to order by President Rockett at 7:45 a.m.

President Rockett gave a brief overview of prior committee meetings, Public Hearing and workshops that were held. She announced that several options, including rate increases in passenger, freight and vehicles, the fuel surcharge, service cuts and expense cuts are being presented to balance the FY 2010 proposed budget. There were no public comments.

The Board began a discussion regarding the agenda items being presented. The items discussed were:

- * drop the fuel surcharge on August 31, 2009.
- * Option C that raises rates, cuts service and cuts expenses
- * when will the Board get information back to the public on questions that were raised?
- * comments from islanders include the understanding that rates will go up
- * where will our finances be at the end of this fiscal year
- * the fuel surcharge and the cash reserve fund still need to be addressed.
- * the Board should be telling the General Manager what the Board wants to do to modify the budget.
- * the downside to island residents when cutting service
- * simplify the debate
- * establish a budget
- * do not micro manage
- * some Board members would like to see impact prior to any vote on the budget or rate changes

Hoffner moved to establish three scenarios to show cuts and associated pain with changes and Flynn seconded the following:

#1 - Continue fuel surcharge through August, with no fare increase.

2 - Continue fuel surcharge through August with a fare increase of 2.5% on all services throughout the year.

3 - Reduce the budget by \$75,000, continue the fuel surcharge through August, and apply a rate increase as needed to balance the budget.

Peretti moved to amend the motion to show a 5.2% reduction in expenses, Flynn seconded and after discussion, the motion and second were withdrawn.

After further discussion, the question was called and the vote was unanimous and the motion passed.

Overlock moved that the Board of Directors confirm the Board's desire to include a \$200,000 cash reserve fund in the FY 2010 budget. Hoppin seconded and after discussion, the vote was 7 for, 4 against (Doane, Flynn, and Peretti, Crowley) and the motion passed.

Donoghue moved to confirm the Board's desire to keep the fuel surcharge through August 2009. Flynn seconded and after discussion, the vote was 8 for, 2 against (Doane, Peretti) and the motion passed.

It was announced that the Finance Committee will meet on Wednesday, March 11th at 7:45 a.m. and the Rate Structure Committee will meet on Thursday, March 12th at 8:15 a.m. after the Executive Committee meeting.

Adjournment: The meeting was adjourned at 8:45 a.m.

Respectfully submitted by: Patrick Flynn, Clerk