

Casco Bay Island Transit District – Finance Committee

Vehicle Rate Workshop #3 April 2, 2025

Continuing Discussion from October 1, 2024 and March 19, 2024 Finance Workshops

Workshop Agenda 4/2/25

- Background
 - Ongoing attention to CBL financial health
 - Where are we with proposal to increase vehicle rates?
 - Listening: changes to address feedback
 - Not now: vehicle reservations outside of Finance scope and on hold
- Goals, updated
- Grants, update
- Proposal, with changes based on feedback
 - Peak season rates, with change from last workshop
 - Off-peak season rates, with change from last workshop
 - Discount Vehicle Pass: who is eligible and how it works
 - Large vehicles
- Process: next steps and further opportunities for public input

Background

CBL Finance Committee Focus 2022-2025

- Deficit reduction
 - Attention to increasing revenues: priority set last year => passenger fares first (new passenger fares with passes implemented 6/1/24)
 - 2nd priority: attention to vehicle fares
 - Attention to reducing expenses after record deficit in 2023 budget
 - Progress in 2024 included contributions from “drive slow” effort & passenger fare change
 - Operations Committee has begun work to reduce number of runs
 - 2025 Finance Comm recommendation: \$400,000 in annualized expense reductions
- Auditor change to BerryDunn
 - 2023 audit completed, significant findings addressed
 - 2024 audit proceeding on schedule
 - Significant and good effort by management with new audit firm

Attention to deficit, CBL financial health ongoing, monthly effort: vehicle fare change planned

CBL Finance Committee: monthly meetings

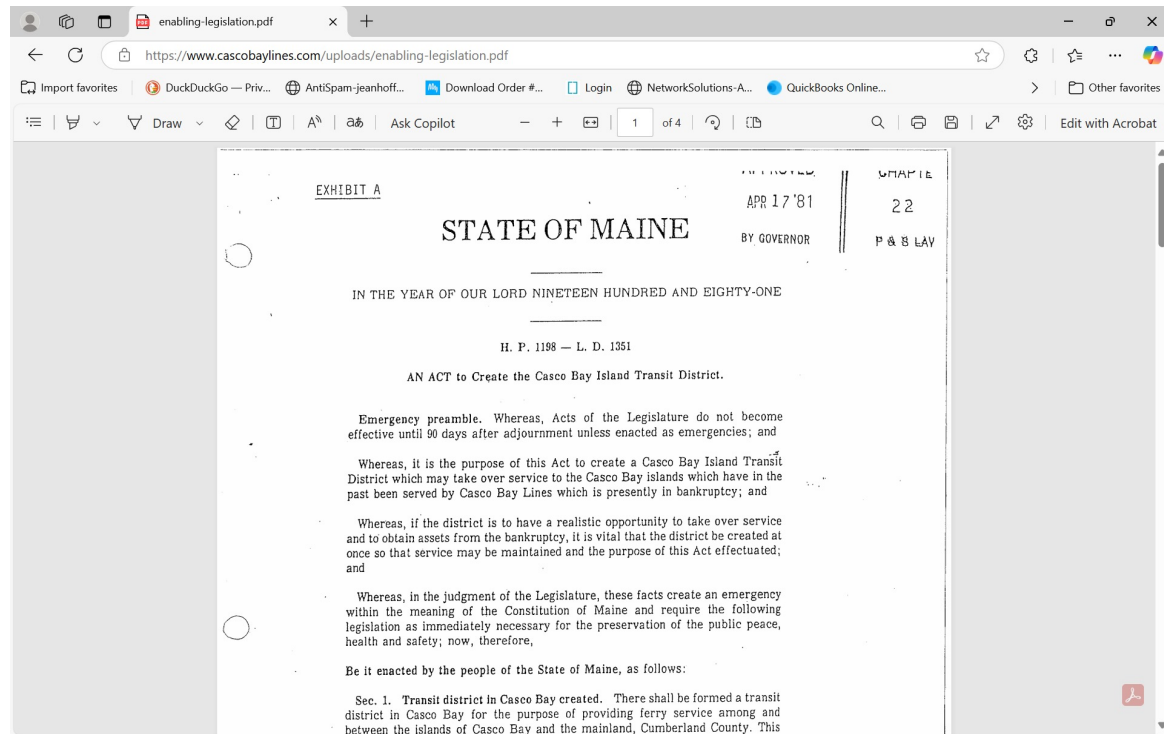
- 2nd Wed 07:45 in terminal & online
 - Meetings open, public is welcome
 - Online option: you can join without coming on the 7:15
 - Materials can be reviewed, questions on the boat, etc. are welcome!
- Priorities and themes since 2022
 - Explain CBL finances & flag issues to board and the public
 - Flat revenues, no revenue increase in 10+ years
 - Expense growth at 2x inflation
 - Deficit growth, increasing dependence on Federal grants, operating expense growth underpinned by ease of obtaining Federal grants

Goal: Prudently reduce deficit while maintaining compliance with and access to grant funding to help offset operating expenses

Background: CBL Enabling Legislation

Sec 1. Transit District in Casco Bay created. ...do all things necessary to furnish waterborne transportation... including incidental tour and charter service, for public purposes in the interest of ... the inhabitants of the islands comprising the district.

Sec 8. Directors may establish such routes and shall fix such rates of fare to be charged for such public transportation service as shall to the extent possible reasonably assure sufficient income to meet the cost of the service.



Vehicle Fare Proposal: Where Are We?

- Today is public workshop 3
- Draft proposal widely shared, ratechange web page live with extensive information and background
- Much feedback received:
 - Sensible, like passenger passes, get why we need increase, like discount
 - Doesn't make sense, lots of questions, misunderstandings
 - General acknowledgement of need to raise vehicle fares
 - Lots of ideas, solve it differently
 - Affordability concern: impact on islanders with low/fixed incomes, especially seniors, infrequent riders who did not buy passes
 - Impact of commercial rate increase on islanders and island businesses
 - Fairness: cross subsidization, large commercial trucks

Listening to Feedback

- Passenger pass success: 782 passes, ~86% of population of 907 (2020 Census)
- ~ 100 people or 6% of islanders not on passes
 - Assumes: some non islanders/workers have passes, ~25 kids below 5
- Non-pass holders: infrequent passenger travelers include vehicle users whom we are concerned about, some infrequent users have medical needs
- Cost of a pass+discountpass a financial burden for infrequent users
- New proposal reduces prices to \$46 off peak and Sun-Wed during peak
- Hope that PIC/organization can fund passes for islanders who need them and can then afford to buy discount tickets

Listening to Feedback: Commercial

- Defer change from weight based rate calculation to size based
- Commercial vehicles used by island businesses, many large trucks deliver for island businesses
- Islanders home repair needs are served by commercial trucks
- Need more data and understanding to implement discount plan
- Propose increase of 23% across the board, half inflation rate since 2010
- Reclassify 21' truck <6000lbs with commercial plate to non-commercial vehicle, 21' trucks with or without comm plates eligible for pass discount

Listening to Feedback: Clarification on Stuffing

- April advance ticket buying will be allowed in 2025
- **Peak Season Rates: April 19, 2025 – October 13, 2025**
- Vehicle tickets purchased at current off peak rates up until **4/18/25** will be valid for 60 days even after new rates are implemented
- For 2026 new rates are planned to be in effect and vehicle tickets will need to be valid at the price on the day of travel
- 2025 is last year of stuffing

Listening to Feedback: Families & Friends Example

- Adult kid grew up on Peaks, live off island, have a family
- Prefer to drive when they visit parents who live on Peaks
- Don't visit often enough to have passes
- Parent has annual pass, buys DiscountPass
- Parent can buy discount vehicle ticket and drive car over with family
- DiscountPass ticket not tied to car, passholder needs to be in car
- Can be used to bring car over for visiting friends, grandma, visitors with babies, car full of holiday gifts

Pass proposal an adjustment: islanders will figure it out in order to benefit.
We want to support families

Handicapped, Medical, Seniors, Infrequent

- Handicapped tickets proposed at lowest price: \$46 any time (requires plates)
- Loyetta Voyer at lowest price: \$46 any time (believe they allow any medical reason, no questions asked)
- Senior annual pass \$216
- If PIC/island organization helps senior/other islanders with a pass, the islander can buy \$46 discount tickets Sun-Wed in summer and any day off peak
 - Organizations like PITEA, Loyetta Voyer, Food Pantry support community

Goals of Vehicle Rate Change

4 Goals for Vehicle Rate Change, modified

1. Increase revenue to CBL, prudently monitoring risk to Federal grants to plug operating deficits
 - Present proposal refined to address concerns
 - Implement summer 2025 as a pilot, monitor financials monthly and assess after peak season
2. Support island affordability and access, year-round, including residents and frequent riders, people who use vehicles for work on Peaks
 - Model of successful passenger fare change implemented 6/1/24
 - Concern for islanders who need vehicle access infrequently, proposal reduces lowest rates
3. Reduce congestion on Peaks and Portland, expanding discount travel times over “wacky Wed”
 - Vehicle capacity on Machigonne (and Battery Steele in future) very limited compared to passengers
 - Currently cheaper to bring a car to Peaks than to park in Portland for 1 day
- X Charge fairly for large commercial vehicles, and trailers/racks that take extra space
 - Backing down from this now: complexity and potential negative impact on island businesses and islanders
 - For now, propose straight line increase of 23% with review in future

Federal Grant Update

- CBL is dependent on Federal grants to plug operating deficits and for capital expenses, e.g. new boats, terminal
- Opex grant dependence grew pre, during & post covid, due to growing deficits
- Board prioritized reducing deficits, significant progress made in 2024
- Currently have not been notified of issue nor have grant monies not been paid
- CBL staff working with Public Ferries Coalition, includes most public ferries in the country
- In touch with staff of Senators Collins and King, Rep. Pingree
- Continued, prudent attention to compliance with Federal requirements and access to grants as well as deficit reduction

Proposal, revised

Current Rate Structure – Round-Trip Peaks Vehicle Rates

Summarized

CURRENT

	Off-Peak Season	Peak Season
Auto or Light Truck (<6,000 lbs.) Mon & Tues	\$36.65	\$62.65
Auto or Light Truck (<6,000 lbs.) Thurs-Sun	\$36.65	\$82.65
Auto or Light Truck (<6,000 lbs.) Wed Only	\$36.65	\$36.65

Proposed Structure

PROPOSED STRUCTURE		
REGULAR RATE	Off-Peak Season	Peak Season
Auto / Light Truck SUN-WED	\$82.65	\$190.00
Auto / Light Truck THURS-SAT	\$120.00	\$190.00
DISCOUNT PASS RATE	Off-Peak Season	Peak Season
Auto / Light SUN-WED	\$46.00	\$46.00
Auto / Light Truck THURS-SAT	\$46.00	\$82.65

Note: Auto/Light Truck defined as passenger vehicle with commercial or passenger plates, <6000lbs

DiscountPass: Who is eligible and how can it work?

- Annual and 90-day passenger pass holders may purchase a Vehicle Discount Pass supplement to their passenger pass
- Cost: \$100 per Discount Pass (Annual or 90-day)
 - In addition to the applicable the passenger pass rate
 - Vehicle Discount Pass expires on the same date as the passenger pass/must be purchased at same time as the passenger pass (see note below).
- Program Details:
 - Vehicle DiscountPass holders can purchase vehicle tickets at the Discount Pass price
 - Pass with Vehicle DiscountPass supplement must be presented to purchase discount ticket
 - Vehicle DiscountPass holder must be in present in vehicle to board the vessel
 - Note: Passenger passes with Vehicle DiscountPass are not tied to the vehicle but to the person (photo)
- Note: Operational details for pilot implementation need to be evaluated and defined.
- Passenger passes are not tied to residency, the Vehicle DiscountPass will not be tied to residency

We recognize DiscountPass is new and a bit complicated. Propose to implement ***pilot*** for summer 2025.

Goal: Maintain access and affordability for island residents and frequent users, while not discriminating; to raise revenue and reduce congestion. Ideas already proposed for PIC/others to fund passes for infrequent travelers

Vehicle Rate Change: Other

- Four days proposed for the deepest peak season discount, Sun-Wed
 - Options for islanders, should reduce congestion
- Wacky Wed \$36.65 fare will be eliminated, should reduce congestion
- Tickets will need to be valid for the season and day of week of travel
- Large vehicle rates/commercial straight increase for now, may require another increase in a year
- Peaks has a long tradition of supporting community. Some have already proposed a fund for passes for infrequent travelers
- Intention is for passenger pass and DiscountPass to expire on same date, may have transition period. Stickers?

Commercial Vehicle Rates – Round-Trip Current vs. Proposed Summarized¹

PROPOSED: No change to structure; 23% increase vs. current

CURRENT – Commercial Vehicles by Registered GVW (gross vehicle weight)			PROPOSED STRUCTURE – Commercial Vehicles by Registered GVW		
	Off-Peak Season	Peak Season		Off-Peak Season	Peak Season
<6,000 lbs.	\$44.65	\$85.45	<6,000 lbs.	N/A*	N/A*
6,000 – 10,999 lbs.	\$47.65	\$87.90	6,000 – 10,999 lbs.	\$58.61	\$108.12
11,000 – 19,999 lbs.	\$52.65	\$95.15	11,000 – 19,999 lbs.	\$64.76	\$117.03
20,000 – 29,999 lbs.	\$62.65	\$109.65	20,000 – 29,999 lbs.	\$77.06	\$134.87
30,000 – 39,999 lbs.	\$74.65	\$129.40	30,000 – 39,999 lbs.	\$91.82	\$159.16
40,000 – 49,999 lbs.	\$87.65	\$159.65	40,000 – 49,999 lbs.	\$107.81	\$196.37
50,000 – 59,999 lbs.	\$108.65	\$176.65	50,000 – 59,999 lbs.	\$133.64	\$217.28
over 60,000 lbs.	\$134.65	\$196.65	over 60,000 lbs.	\$165.62	\$241.88
Maximum charge per vehicle including freight: \$345.00			Maximum charge per vehicle including freight: \$425.00		
			* Note: Auto/Light Truck defined as passenger vehicle with commercial or passenger plates, <6000lbs		

¹ Rate categories summarized for clarity. Consistent increases (23%) proposed for trailers, commercial freight, and construction equipment.

Commercial/Large Vehicles

- Current fares charge commercial based on weight, without considering size, up to max \$345
 - Inflation adjusted max would be \$508
 - Proposal increases by 23% across the board, half the rate of inflation over last 15 years
 - Will assess after pilot; likely to increase in future
- For future discussion: applicability of a discount to commercial and large vehicles owned by or frequently serving island, and size based pricing for oversize vehicles, trailers
- Large vehicle space will be less congested on Battery Steele
- Reclassify 21' truck <6000lbs with commercial plate to non-commercial vehicle, 21' trucks with or without comm plates eligible for pass discount

Next Steps

- Public input and feedback are critical part of committee and board consideration of proposal
- Information: Dedicated page on CBL website created -- [Finance Committee - Rate Change - Casco Bay Lines](#)
- Next Steps: another public workshop.
 - Date: Wed 4/9, 7:45am in terminal and online
 - Provide further information regarding proposal, any considered revisions, and opportunity for further committee discussion and public input
- Written comments may be submitted to: ratechange@cascobaylines.com, with Finance Committee chair copied jeanh@cascobaylines.com

Key Inputs & Comparables:

From October 1, 2024 Finance Committee Workshop

Current Rate Structure – Round-Trip Peaks Vehicle Rates *summarized*

Last Increase: ~15 years ago

CURRENT – Non-Commercial Vehicle			CURRENT – Commercial Vehicles by Registered GVW (gross vehicle weight)		
	Off-Peak Season	Peak Season		Off-Peak Season	Peak Season
Auto or Light Truck (<6,000 lbs.) Mon & Tues	\$36.65	\$62.65	<6,000 lbs.	\$44.65	\$85.45
Auto or Light Truck (<6,000 lbs.) Thurs-Sun	\$36.65	\$82.65	6,000 – 10,999 lbs.	\$47.65	\$87.90
Auto or Light Truck (<6,000 lbs.) Wed Only	\$36.65	\$36.65	11,000 – 19,999 lbs.	\$52.65	\$95.15
Handicapped Plates Mon & Tues	\$36.65	\$52.65	20,000 – 29,999 lbs.	\$62.65	\$109.65
Handicapped Plates Thurs-Sun	\$36.65	\$72.65	30,000 – 39,999 lbs.	\$74.65	\$129.40
			40,000 – 49,999 lbs.	\$87.65	\$159.65
			50,000 – 59,999 lbs.	\$108.65	\$176.65
			over 60,000 lbs.	\$134.65	\$196.65

Note: Maximum charge per vehicle including freight: \$345.00

Current Tariff Structure vs. Inflation – Round-Trip Peaks Vehicle Rates *Summarized*

CURRENT			CURRENT STRUCTURE – INFLATION ADJUSTED		
	Off-Peak Season	Peak Season		Off-Peak Season	Peak Season
Auto or Light Truck (<6,000 lbs.) Mon & Tues	\$36.65	\$62.65	Auto or Light Truck (<6,000 lbs.) Mon & Tues	\$53.51	\$91.47
Auto or Light Truck (<6,000 lbs.) Thurs-Sun	\$36.65	\$82.65	Auto or Light Truck (<6,000 lbs.) Thurs-Sun	\$53.51	\$120.67
Auto or Light Truck (<6,000 lbs.) Wed Only	\$36.65	\$36.65	Auto or Light Truck (<6,000 lbs.) Wed Only	\$53.51	\$53.51
Handicapped Plates Mon & Tues	\$36.65	\$52.65	Handicapped Plates Mon & Tues	\$53.51	\$76.87
Handicapped Plates Thurs-Sun	\$36.65	\$72.65	Handicapped Plates Thurs-Sun	\$53.51	\$106.07

Current Tariff Structure Commercial vs. Inflation – Round-Trip Peaks Vehicle Rates *Summarized*

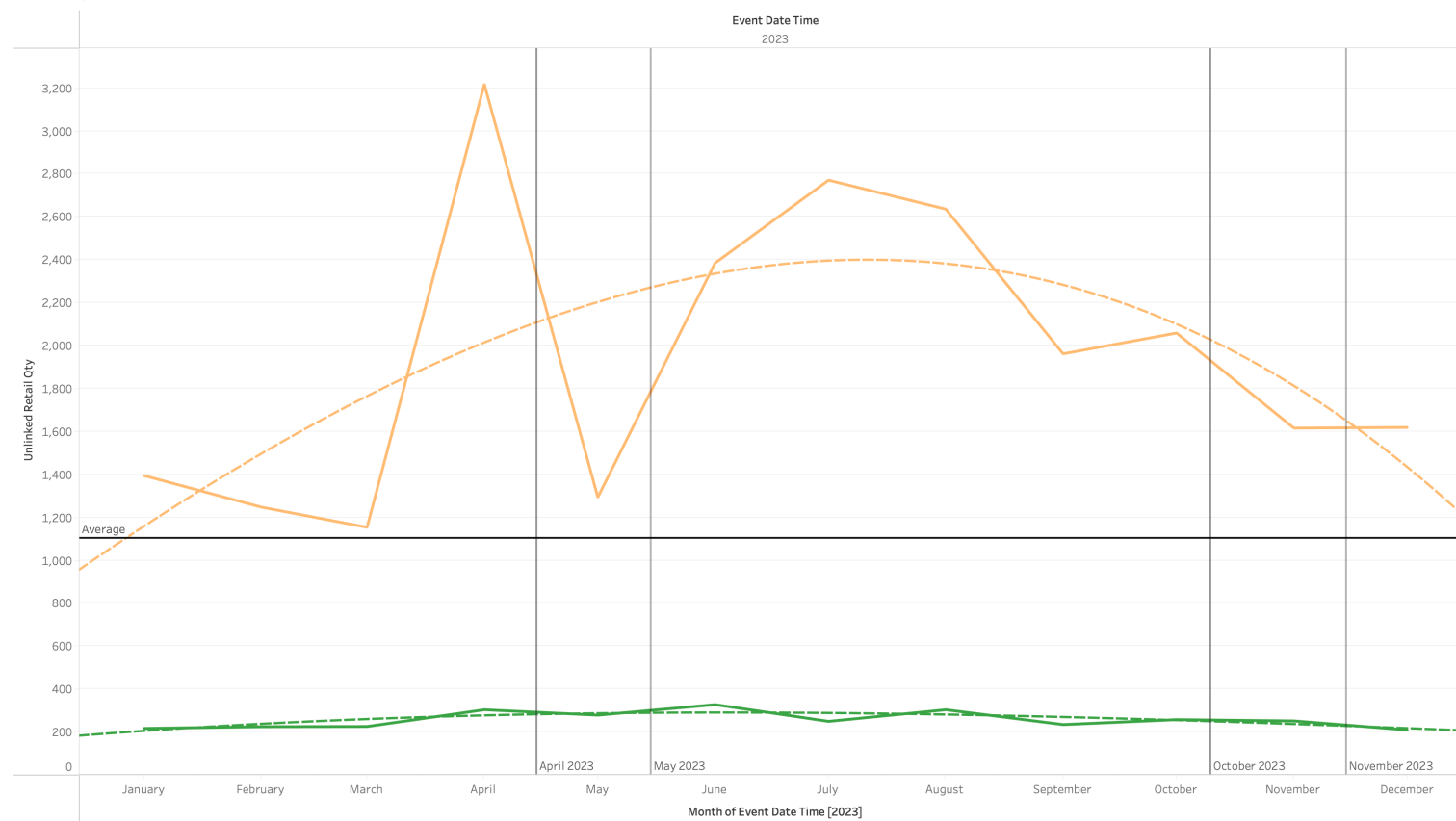
CURRENT – Commercial Vehicles by Registered GVW (gross vehicle weight)			CURRENT STRUCTURE – INFLATION ADJUSTED		
	Off-Peak Season	Peak Season		Off-Peak Season	Peak Season
<6,000 lbs.	\$44.65	\$85.45	<6,000 lbs.	\$65.19	\$124.76
6,000 – 10,999 lbs.	\$47.65	\$87.90	6,000 – 10,999 lbs.	\$69.57	\$128.33
11,000 – 19,999 lbs.	\$52.65	\$95.15	11,000 – 19,999 lbs.	\$76.87	\$138.92
20,000 – 29,999 lbs.	\$62.65	\$109.65	20,000 – 29,999 lbs.	\$91.47	\$160.09
30,000 – 39,999 lbs.	\$74.65	\$129.40	30,000 – 39,999 lbs.	\$108.99	\$188.92
40,000 – 49,999 lbs.	\$87.65	\$159.65	40,000 – 49,999 lbs.	\$127.97	\$233.09
50,000 – 59,999 lbs.	\$108.65	\$176.65	50,000 – 59,999 lbs.	\$158.63	\$257.91
over 60,000 lbs.	\$134.65	\$196.65	over 60,000 lbs.	\$196.59	\$287.11

Maximum charge per vehicle including
 freight: \$345.00

Inflation adjusted maximum \$508

Seasonality – Vehicle Tariff: Note April Spike

Ticket Type over Time



Key Inputs & Comparables:

Comparable Pricing

Market Analysis

- Researched rates for other ferry systems
- Much more variance and complexity in vehicle rate structures for other ferries, relative to passenger rates
- Selected rates for comparables :
 - Chebeague Island ferry
 - \$230 R/T <20'
 - \$410 R/T 20-25'
 - \$580 > 25'
 - >65,000 lbs \$650
 - Maine State Ferry: \$38-108, peak season, based on island, large vehicles by foot
 - Steamship authority: \$170 R/T - \$436 - for up to 20' vehicle, both different off peak months
 - Offers different residential types of discount

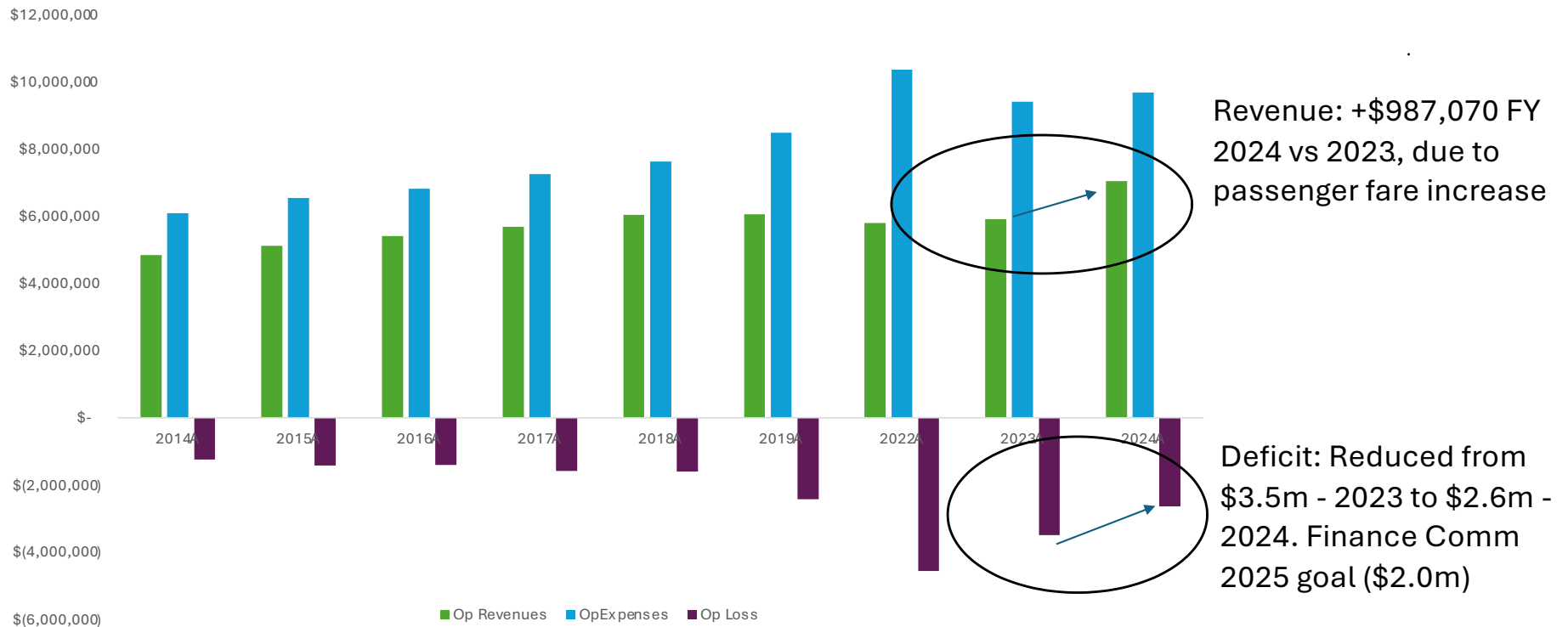
Portland Parking Costs

CBL Garage (daily rate): \$25 in 2009;
 \$50 in 2024

Other lot / garage rates: \$20-55

Garage	Hourly Rate	Max Daily Rate	Monthly Rate
Casco Bay Garage	\$5.00	\$50.00	\$200
Cumberland Co Courthouse Garage	\$4.00		\$160
Custom House Square	\$5.00	\$50.00	\$195
Elm Street Garage	\$3.00	\$28.00	\$160
Fore Street Garage	\$7.00		\$210
Ocean Gateway Garage	\$8.00		\$200
One City Center Garage	\$5.00		\$180
Spring Street Garage	\$4.00	\$28.00	\$160
Temple Street Garage	\$5.00	\$50.00	\$195
110 Thames St	\$7.50	\$40.00	\$180
WEX /Roux Garage 100 Fore St	\$5.00		

Background: CBL Expense Loss Trend 2014-2024



Finance Comm priority 2024: passenger rates 1st, vehicle rates 2nd, freight 3rd

Expenses must also be reduced, grew \$265k or 3% in 2024

Finance Comm management challenge to reduce expenses \$400k in 2025