

CASCO BAY ISLAND TRANSIT DISTRICT
MINUTES OF THE BOARD OF DIRECTORS MEETING OF
July 27, 2023
 In Person/Video Conference/Phone

Attendance

Webex In Person Phone Absent

Directors:

Crowley (Pres)		X		
Wentworth (1 st VP)				X
Donovan (2 nd VP)		X		
Hoffman (Treasurer)		X		
Luedke (Clerk)		X		
Cohen (Ast. Clk)		X		
Anderson				X
Lavanture		X		
Murray				X
Pizey		X		
Radis		X		

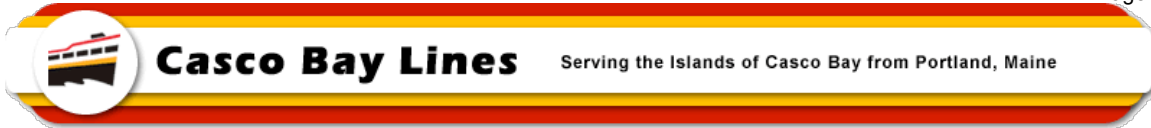
Staff:

Berg		X		
C. Gildart				
Mavodones				
Pottle				
Bowie				
Mills				

Public:

Call in user 1	X			
Call in user 2	X			

Guests:



1. Call to Order:

- a. *The Board meeting was called to order at 7:45 AM by President Crowley*
- b. *It was noted that the meeting was being recorded (audio was muted for the first couple of minutes)*
- c. *President Crowley asked Berg to do a roll call of who was attending the meeting, which he did.*

2. Approval of the June 22, 2023 meeting minutes

- a. *Hoffman and Cohen had suggested changes to the minutes and will send them to Berg. It was agreed that the vote on the minutes would be postponed to the next regularly scheduled Board meeting.*

3. Business

a. Executive Session

i. Discussion of General Manager's evaluation goals, for the period January through December 2023, pursuant to 1 M.R.S.A. Section 405(6) (A)

1. *There was a discussion on whether an executive session was necessary.*
2. *Hoffman didn't feel an executive session was necessary. She reviewed the process to date which included developing the goals; hearing feedback on the goals from Berg and assigning Lavanture and Donovan to review the goals and make adjustments they deemed necessary and provide a final set of goals.*

b. Consideration and action regarding 2023 goals for CBITD's General Manager

- i. *The final set had not been distributed prior to the meeting. Various versions were shared with the Board members attending the meeting.*
- ii. *President Crowley opened the floor to the public.*
 1. *Lavanture shared her screen so the public could see the proposed goals*
 2. *There were no public comments*
- iii. *President Crowley opened the floor to the Board.*
 1. *Hoffman commented that the goals were very late in being distributed and it needed to be wrapped up.*
 2. *Lavanture agreed with Hoffman.*
 3. *President Crowley asked if there was a motion.*
 4. *Hoffman moved to accept the version of goals that says at the top "Recommendations from the CBL Personnel committee 6/21/23 to the Board" with the green redline as Lavanture and Donovan proposed; Radis seconded;*
 5. *President Crowley asked if there was discussion.*
 6. *Luedke asked about the dates that had already gone by and was concerned about the very aggressive dates for very large changes. Hoffman said that was discussed and some goals had been set earlier in the year.*
- iv. *President Crowley asked Berg to take a roll call vote, which he did.*
 1. *The motion passed unanimously (7-1; Luedke voted against)*
- v. *Berg shared his disappointment in the goal setting process; goals that have unrealistic dates, the lack of collaboration, many of his questions were never answered and that this was the first time he saw the revised proposed goals.*
- vi. *President Crowley committed for the Board to do a better job next year.*

4. Workshops – No workshops

5. General Information Reports

A. Financial Report

- a) *Included in the Board Packet.*

B. Committee Reports

- a) *Finance Committee*
 - i) *Hoffman gave a brief financial report sharing that the financials were delivered on time for the month.*
 - ii) *Financials shared with the Board were very detailed and were for the month of May so they do not include contributions from the busy season. She reviewed some of the key points for May. The*



Casco Bay Lines

Serving the Islands of Casco Bay from Portland, Maine

Finance committee will review financials quarterly and will focus on seasonality and the two different services CBL provides (Bown Bay and Peaks)

iii) Hoffman extended an invitation to everyone to attend the finance committee meetings.

iv) Hoffman reported Finance Committee is focused on the budget.

(1) The committee received a top-level baseline budget showing an operating deficit of \$4M for the current year.

(2) Two alternative scenarios were presented with percentage of expense reductions. She is hoping for the details. There was also a scenario with fare increases.

(3) There will also be further discussions about electronic ticketing and different ways to adjust fares

(4) Asked for people to share any ideas that may be out there

(5) Luedke asked how much fares would need to be increased to match \$4M operating deficit. Hoffman suggested he look at the Finance Committee material. She would be against doing that and suggested that the goal be met with a balance of fare increases and expense reductions. Crowley reported this was being done to be better prepared should the federal funds be reduced. Hoffman reminded everyone the auditor commented on the need to increase fares.

(6) Berg reported the information staff shared at the Finance committee was what was requested a top-level look at three scenarios reducing the operating deficit by \$1M-\$2M from an increase in fares, an reduction of expenses and a combination. It was noted an across-the-board fare increase of 16% reduced the deficit by \$1M. Berg reminded everyone the fares have not been increased in over 14 years. The auditor has been very consistent over the past several years that the Board should start implementing small annual fare increases. The baseline budget that was presented along with the three models included no changes to service and no fare increases. The grant funding identified in the 2024 budget to balance it has been secured and is not speculative. While he agrees that it makes sense to start looking at expense reductions and fare increases it is not reasonable to do a proper public process and have it ready for the 2024 budget. The process will take many months to work through. In order to accomplish what is being asked there has to be some combination of service reduction and fare increase. Berg believes there would be huge unintended consequences if it is expediated and forced into 2024 budget. People are worried already. These are people's lives that will be impacted. Fares can be implemented quicker. A discussion followed about discounts. Berg will look into whether the existing ticketing system can provide discounts based on ticket purchasing behavior.

C. Staff Reports

a) Included in Board Packet

b) Cohen shared her concern about the number of heads on the new vessel.

c) Lavanture asked what DBE stood for. Berg explained that it stood for Disadvantaged Business Enterprise program and explained what that was.

d) Donovan requested staff members be present at Board meetings and thanked Berg for staying on top of the CARES and ARPA funds. He asked about staffing for the last part of the summer as seasonal help returns back to school. He asked about dry dock plans which Berg explained. He asked that safety be included in the monthly written staff reports. He asked Paul include the time frame for the completion of the pier extension. He asked that Paul work with him on composition of the vessel advisory committee for the new Down Bay vessel.

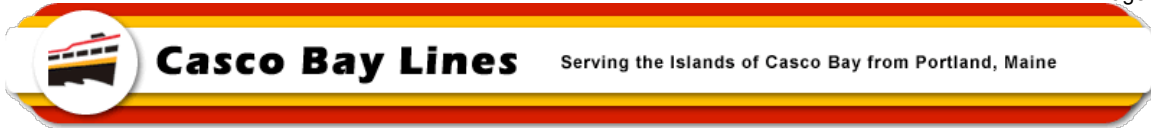
6. General Announcements

A. Establish next meeting dates: (all meetings at 7:45 AM unless indicated otherwise)

a. Executive Committee: Thursday, August 3, 2023

b. Finance Committee: Wednesday, August 16, 2023

c. Board of Directors: TBD



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|------------------------------------|--------------------|
| d. Operations Committee: | No meeting planned |
| e. Personnel Committee: | No meeting planned |
| f. Sales & Marketing Committee: | No meeting planned |
| g. Government Relations Committee: | No meeting planned |
| h. Pension Committee | No meeting planned |

7. Public Comment

A. President Crowley opened the floor for public comments on items not on the agenda

a) *There were no comments.*

8. Directors Comment

A. President Crowley opened the floor for Director comments on items not on the agenda

a) Cohen asked about the eligibility of who can vote for Directors. It was explained that it was defined by State law.

9. Adjournment

A. *Hoffman moved to adjourn the meeting; Pizey seconded.*

B. *Berg did a role call. The motion passed unanimously (8-0)*

Respectfully submitted by: *James M. Luedke*
James M. Luedke (Oct 9, 2023 13:29 EDT)

James Luedke, Clerk