



Casco Bay Island Transit District
Board of Directors Meeting Minutes Draft
Thursday, May 28, 2026 at 7:45 AM

This meeting will be an **in-person** meeting with remote participation option available
 The public is invited to participate: Video Conference Link and Call-in number are available at:
<https://www.cascobaylines.com/about-us/board/>

	Webex	<u>Attendance</u> In Person	Phone	Absent
<i>Directors:</i>				
Jen Lavanture		X		
Joe Donovan	X			
Max Pizey		X		
Jean Hoffman	X			
James Luedke		X		
Bud Higgins		X		
Nate Cooper	X (8:05am)			
Paul Belesca				X
Erik Winchester		X		
Dave Crowley		X		
Heather Moretti		X		
Bill Geary				X

<i>Staff:</i>				
C. Gildart		X (8:20am)		
Pottle				X
Dinsmore		X		
Bryand				X
Charette		X		
Bowie		X		

<i>Public:</i>				
Katy Balukas, BerryDunn		X		
Jason Badeau, BerryDunn		X		
Barring Coughlin	X			
Ross Sneyd		X		
Margaret Kelsey	X (8:00am)			
Lynn Heinnmann	X			
Call In User 1			X	
Call In User 2			X	



1. Call to Order
 - a. Lavanture calls meeting to order at 7:46 a.m.
 - b. Charette conducts roll call.
2. Approval of meeting minutes from April 23, 2026 and May 13, 2026.
 - a. Lavanture mentions that a couple of comments were received and edits that were approved prior to minutes sent out with final Board packet. Higgins moves to accept minutes, Crowley seconds. Roll call vote to accept. Unanimous of all present.
3. Old Business
4. New Business
 - a. Discussion and acknowledgement of receipt of the FY2025 Annual Independent Draft Financial Audit Report for year ended 09/30/25
 - i. Lavanture introduces Katy Balukas and Jason Badeau from BerryDunn, District's independent audit agency that has been working with staff since last fall. Review of draft audit took place at April Finance Committee. Plan for current meeting is summary presentation, followed by period for questions. Lavanture notes there have been significant improvements to outcome of financial statements, such as clean audit report and no material findings for this year. All corrective actions from 2023 and 2024 audit have been addressed. Also commends timeliness from staff and auditors.
 - ii. Balukas introduces herself and Badeau. Notes that slide deck is slightly higher level detail than what was presented at Finance Committee and summarizes key information pertaining financial statements and required communications letter.
 - iii. Begins with independent auditors report. First slide details management's responsibility: preparation and presentation of financial statements, internal control over financial reporting, selection and use of appropriate accounting policies, and determining any conditions that raise concerns about the District's ability to continue.
 - iv. Slide on auditor responsibility. Required to express an opinion on the financial statements in accordance with several auditing standards, such as Government Auditing Standards due to receiving federal funds and being a governmental entity, the Uniform Guidance because of those funds, and the Maine Uniform Accounting and Auditing Practices for Community Agencies, which is compliance audit due to state funding. Obtain reasonable assurance that the financial statements are free from material misstatement; not 100% assurance as 100% of the transactions are not being evaluated. Risk based audit procedure and take into account the internal controls of the District when developing the level of testing that will be performed. Evaluate accounting policies used by management, any significant estimates in financial statements, and make independent analysis of any substantial doubt of the District's ability to continue, of which there are none at current time. Points out that last line mentioning an unmodified or clean opinion on the financial statements will be provided by BerryDunn, which is the highest opinion that can be provided.
 - v. Slide on Required Auditor Communication letter, which is provided as part of audit. Looked at accounting policies used by management. This year there were two new standards that were required to be used. GASB101, which is for compensated absences, such as resignations and retirements and also how annual usage happens. GASB102 was certain risks and disclosures that were primarily footnotes. Neither standard had significant impact to financial statements; vacation and sick accruals were already recorded. 101 had footnote language to note compliance whereas 102 had a new footnote that was required to be there. 102 will continue to be evaluated year by year with Bowie as to any risks that need to be disclosed, but as of now, there are none. No other new accounting policies that were adopted or changed throughout the year. Balukas notes this is important to note, so that when looking at numbers from 2024 and 2025, activity may fluctuate but they can be



compared accurately as accounting is consistent year over year. Results may change, but methodology behind has been staying the same.

- vi. Financial statements contain estimates, with most significant being depreciation and amortization expense. Look at how those are calculated and derived every year. All reasonable at year end.
- vii. Corrected and uncorrected misstatements. No significant audit adjustments recorded as result of audit and no unrecorded audit adjustments. Important to mention as year prior there was a significant journal entry as result of audit and in FY23 there were 4 journal entries, so a testament to staff for correcting course.
- viii. Internal controls looked at, but opinion not expressed, which is standard for the industry. all deficiencies cannot be evaluated, but of ones looked at, no materials weaknesses. Last year there was one identified, and year prior as well, resolved for 2025 which is another testament to the CBL team.
- ix. Badeau comments on financial footnotes slide. Footnotes are intended to highlight most significant impacts within financial statements and help understand the financials as a whole. Footnote 10, commitments and contingencies, 4 highlights within: Outstanding contract amounts as a current commitment, current status of union agreement/collective bargaining agreement, contingencies related to vessel purchase as it's primarily funded by FTA funds, and contingent liabilities and how they are handled. All things that can affect the future of the district.
- x. Slide on yellow book report. Badeau notes that BerryDunn does audits both Federal and State funding. CBL being a quasi-governmental entity, is subject to Yellow Book report. Yellow Book requirements set rules for government related audits, including guidance on internal controls and compliance. As a result, issue a separate report that follows financial statements. Report includes evaluation of internal controls, but are not specifically audited. As part of review, did not find any control matters that were considered to be material weaknesses. Reminds that they performed reasonable assurance, not absolute assurance, so there would still be material weaknesses or significant deficiencies, but no material weaknesses found.
- xi. Badeau reiterates that because of Federal and State funding, CBL is subject to audits under the uniform guidance standards for federal, and MAAP testing for state of Maine funds. Spending over 1m in federal funds makes CBL subject to uniform guidance and 500k in state funding makes CBL subject to the MAAP audit.
- xii. Regarding federal compliance audit, reviews are similar to years past, and primarily made up of the Federal Transit Cluster. Badeau notes comments that part of evaluation is working with Bowie to get selections done and make sure that costs that were expended to the program were allowable under the contract and within the terms of the agreement with the federal government. Reviewing and evaluating many different aspects and still not seeing any material weaknesses is a testament to work done by Finance department.
- xiii. Regarding state funding, MAAP rules are outdated and have not been updated since 2014. Current rules say if a program is over 100k and has not been tested in the last 2 years, has to be tested. This year three programs met requirement for 100k over to qualify review. No material weaknesses found in three programs. Will be again releasing an unmodified opinion as it relates to both federal and state testing of agreements as well as overarching schedule of expenditures. Unmodified is the highest degree of assurance that BerryDunn can provide.



xiv. Lavanture opens floor to director comment.

1. Higgins commends Bowie and team. Asks BerryDunn how common it is to find no issues. Balukas responds that it is typically 50/50, and that resolving of these issues typically takes 2 years but some clients will still be receiving comments 5 years later. Improvement comes down to management owning it and working through it, as well as Boards and Finance Committees continuing to follow up on it throughout the year. Shows a well-rounded organization when those issues can be resolved.
2. Lavanture asks BerryDunn to speak on depreciation once Battery Steele arrives as it relates to how operating loss is presented. Operating performance before depreciation and then after depreciation.
 - a. Balukas mentions that while vessel is still in construction through year end, there will be low depreciation for 2025, but the following year will show a significant increase in expenses related to depreciation. Will show a very significant operating loss as a result. Will be important to look at financial statements as a whole and not just income statement. Looking at statement of cash flows will back out the non-cash activity, essentially taking the bottom line and adding back depreciation so it won't be shown as offsetting. When working on financial statements and highlights in coming years and presenting statements and changes at Finance Committees, can include some schedules that show what net income or loss would look like without depreciation. Will be a better metric than just financial statements because numbers will vary greatly between FY25 and FY26. Statement of cash flows an important aspect to review and will plan to be part of presentations in coming year.
 - b. Bowie notes that in the upcoming year, once Machigonne is retired, can expect significantly reduced preventative maintenance costs as there will not be a dry dock. Dry dock currently sitting in "Operating" and is a cash expense, so it will feel like a benefit to not have large bills going out to shipyards for those expenses.
3. Lavanture mentions as it pertains to 2026 planning, there have been meaningful discussions at Finance Committee regarding moving to calendar year from a financial statements perspective. Previously were on a March fiscal year, then in 2017 moved to October 1st. Rationale was alignment with federal government budget cycle. Practically challenging to be coming out of the busy season and preparing draft financial statements. Can also be confusing to talk to constituents about financial performance of the District without a calendar year as well. Switching to a calendar year would mean having a Stub Period for 3 months, October 1 to January 1, then could start on a Fiscal Year 2027 cycle. Not on the current agenda for approval, but has been a general consensus from Finance Committee that it makes sense to do. Would like to bring that to future consideration and can then pass along to BerryDunn and Bowie with more guidance on the direction the Board would like to go.
 - a. Katy notes it is not uncommon to have a calendar year that is different from the grant funding. Typically, when audits are done, looking at 3-5 years, not looking at just one grant agreement. Usually looking at 8-10 grant agreements so no change from a procedural standpoint how anything is done at year end, as it pertains to grants.
4. Lavanture moves that Board acknowledge and accept receipt of the FY2025 annual independent audit report for the fiscal year ending 30 September, 2025 and further



authorize submission of that prior to June 30 Federal filing deadline. Higgins seconds.

- a. Lavanture asks for public comment on motion. No public comment.
- b. Director discussion. No director comment.
- c. Roll call vote to accept. Unanimous of all present. Motion passes.
- b. Adoption of Federal Transit Administration's (FTA) FY2026 Certifications and Assurance.
 - i. Lavanture reminds of annual process to update or adopt these certifications and assurances, Notes that drafts of these were not provided with materials so recommends postponement to June meeting.

5. Workshops

- a. GM discussion on strategic priorities.
 - i. Lavanture comments that as GM goals were set for Dinsmore, two key strategic priorities were deemed most significant, based on committee and Board discussion: electronic ticketing and schedule analysis. Dinsmore has materials for presentation at current meeting. No decisions expected today, but a discussion to both make sure Board is aligned on baseline assumptions as to what it will look like to undertake these projects, and also to provide Dinsmore preliminary feedback, direction, and next steps on initiatives. Suggests Dinsmore provide E-ticketing presentation, period of public comment, then presentation on schedule analysis, public comment on that topic following that.
 - ii. Dinsmore begins presentation. Recalls 10 years of looking at E-ticketing solutions, including meeting with three companies in the fall, and none have led to viable, low-risk solutions for CBL. There was one specific model that appeared in line with what was desired for CBL, and worked for other ferry operators, but that organization lost its largest public ferry contract in March due to issues with implementation and integration.
 - iii. Intent is aligning Board members with what is expected from E-ticketing as various members have mentioned different things when it comes to what E-ticketing means to them. Case studies will also be provided to show what other similar ferry companies have learned from their respective processes, often while losing millions of dollars, to strategize a responsible path forward on issue.
 - iv. Goals include defining what specifically is being asked for before asking anyone to build it, understanding why process is hard, and agreeing on a framework.
 - v. E-ticketing is not one thing. 4 tiers of ticketing models, with Tier 1 being simplest, essentially buying a ticket online that is then thrown away. As tiers go up, they become more expensive, programming can be needed, engineers map out systems. Gives examples of features that can be gained by upscaling to other Tiers, such as personalized accounts, ability for automatic pass renewals, dispute charges within user accounts, fare capping mechanism that converts a certain number of single tickets to a pass.
 - vi. Tier 1 is most basic. Tier 2 is account based model which likely accomplishes what has been most mentioned and requested. Tier 1 allows for online purchasing and QR code that can be presented at the gate, but certain nuances at CBL, such as annual passes, ticketing being good for 60 days, or being valid for multiple departure times make it different from traditional ticketing. Tier 2 is an account based model with account information and pass information linked to an account; could even get a reminder on your phone that your pass is up for renewal. A very important feature of higher tiered systems is integration with finance and reporting systems and automatic integration into accounting programs. Gives example of RocketRes incident where for 9 months there was no interaction between RocketRes and accounting software, which made up hundreds of thousands of transactions in summertime alone. Attempting to reconcile those hundreds of thousands of transactions is not practical. Important that a system integrates with accounting, but can be



programming heavy, which costs more money. Tier 2 would also allow for purchase history and ridership data can then be evaluated as well.

- vii. Dinsmore shows slide on potential spectrum of expenses by tier. Tier 1 50k-500k. Tier 2, because of mentioned integration into accounting systems, account management, and other features, is likely 500k all the way up to 5m. Comments that system that had been previously considered was likely in the 500k range, but did not completely align with what CBL needs and any customization would require additional funds. Showing Tier 3 and Tier 4 price ranges for reference, even though they are expensive. Notes comments received have mentioned Boston train system and tapping a card, but that specific system costs the City of Boston 100 million per year, so not realistic for CBL.
- viii. Shows slide on current performance standard with current paper tickets. New system must at least match that. 300-400 passengers boarded in a typical peak boarding turnaround, 8 minutes boarding time window, 1,000 annual passholders plus 30-day and 90-day passes, and 20+ daily trips. Notes advantages of paper tickets include no device, battery, or network dependency, instant visual validation - all helps crew board a full vessel in narrow window as friction per passenger is essentially zero. With 400 passengers and 2 crew members, that means they need to process one ticket per every 2.4 seconds.
- ix. Gives differences between a Sea Dogs game ticketing format and what would be required at CBL. One date, one ticket, one time, and a 60 minute boarding window with more ticket agents.
- x. When comparing CBL to other ferry agencies, is important to note that there is no staging area at the CBL terminal, or space for such a facility. Gives example of a subway where tickets are pre-scanned and then guests queue in a staging area for train to arrive for whichever route they are going on. CBL does not have the space for that. Could be as many as 400+ people that would need staging once new boat arrives. Slides shows example of Niagara Falls and large staging area.
 - 1. Moretti mentions current city discussions on the future of the Maine State Pier and possibility of more space could be brought up as part of that discussion.
- xi. Case study of Washington State Ferry. Budget was 22m but contract was terminated in March 2026 after 3 years and spending 3m. Most closely aligned with CBL, but ultimately failed and an independent review cited several factors, including an unrealistic schedule driven by wishful thinking. Dinsmore cautions against getting stuck on the general, idealistic vision of an E-ticketing system that will solve all problems, before identifying exactly what those problems are.
- xii. Steamship Authority case study. Spent two years designing public-facing website while not attending to back-end reservation system. While reservations not a current priority, still important to consider back-end connection with CBL systems such as financial and stored data. MA Inspector General found several issues, including, that Board “exercised no meaningful oversight”. Important for CBITD Board unification on what is to be accomplished for moving forward with same goals in mind.
- xiii. Final slide is a checklist of features that matter to CBL, including categories, Buying and Boarding, Personal Accounts, Information and Alerts, and Other Features, with several options under each category. Leaving it to the Board on how they want to handle it.
- xiv. Lavanture asks if there are any clarifying questions on the material before going to public comment. No clarifying questions.
- xv. Lavanture asks for any public comment. No public comment.
- xvi. Lavanture asks for director discussion. General input welcome or if any directors have thoughts on specific checkboxes that were presented, can use that as rubric as well.
 - 1. Cooper asks about specific feature: if any vendors offer a mobile ticket activation. Ticket is loaded on phone and can be activated as you walk on boat, with



- multicolor screen so it can be visually inspected. Dinsmore responds affirmatively, but notes challenges such as learning curve associated. Cooper suggests it may be most viable even with learning curve, if communication is done well. Both passes and tickets could be accepted in same time as paper tickets currently take, ideally.
2. Moretti asks about potential public survey of riders for guidance on what they are ideally seeing out of this, as it relates to functionality and ease of use.
 - a. Lavanture supports but suggests best feedback will be achieved once there are some parameters in place. Personally not in favor of spending 100m on ticketing system, considering deficit. A better framework will allow for better feedback, but agrees it is an important factor in the process.
 3. Donovan notes that brief discussion at Operations was for immediate presentation to the Board and suggests that prior to next discussion, Board members utilize checklist and add to it as they see fit, so everyone is prepared for robust discussion at next opportunity.
 4. Luedke asks for cost of current system. Dinsmore responds that roughly 80k per year is estimated.
 5. Higgins notes recent experience with a busy boat with 2 deckhands boarding large number of people and how smoothly it went. Appreciates that any new system will need to at least meet that expectation. Gives example of supermarket checkout and how staff is needed nearby to quickly solve technical problems and also potential fraud. E-ticketing system likely to still require having staff available to help with any technical issues. Lastly, if goal is to increase revenue and decrease expenses, seeing a lot more increases on the expense side from current presentation.
 6. Pizey appreciated ticket kiosk for ease of use and less lines. Feedback from constituents has been occasionally islanders from Little Diamond are not noticed on the boat and will be skipped for a drop-off. Hopeful that E-ticketing could note that a person is getting off at a certain island and potentially solve that issue.
 - a. Dinsmore responds that there are certainly various systems in place, but will come down to cost.
 7. Winchester asks what exactly is to be accomplished and what features will be needed still needs to be answered.
 - a. Lavanture responds that there is no one specific thing and prioritization of what certain problems are to be solved or features are needed is what needs to be agreed upon by Board. Significant staffing costs during summer months with respect to upscaling Ops agents and the ticket window. Also opportunity to get profiles of ridership amongst islands and connecting operations data to financial data. A benefit to Board as it sets policy decisions. Direction has been difficult to ascertain over the years, and while getting better, potential within electronic ticketing for business intelligence and to find focus; gives family and friend discount as possible area for potential solutions.
 8. Luedke asks why kiosks were discontinued. Lavanture mentions it had to do with RocketRes. Gildart responds that kiosks were compatible with RocketRes, but the way those orders are set up, you can reprint tickets so discontinuing had to do with fraud protection, as tickets are not scanned.
 9. Luedke asks if vehicle reservations are being tied to this E-ticketing discussion. Dinsmore confirms it is not.
 10. Luedke notes that data acquired regarding island to island ridership acquired through a ticketing system would be valuable, but only if the District has the capacity to actually make use of that data. Luedke rephrases question: is the



improved data worth the frustration from islanders and whatever expense is required to actually implement such a system. Personally, says it is likely not.

- a. Lavanture clarifies earlier comment. District does not currently have great visibility on ridership patterns among passholders as break even points for pass rates are considered, for example, not even island to island. When a passholder boards the vessel, as compared to a single ticket rider, there is good information there that District does not currently have.
 - b. Luedke asks if it is even an E-ticketing question or just a general ticketing question, perhaps passholders have a scannable card and others who do not have pass have tickets they hand in.
 - c. Lavanture mentions current discussion as an example of the sorts of different ideas people may have about what E-ticketing could look like: a kiosk, an RFID scanner for passholders.
 - d. Luedke responds that he is suggesting that there could be a mechanism for tracking this data that does not have to do with these extensive systems.
 - e. Crowley supports tracking when passes are being used. Currently know when they're being sold and when they run out, but do not know when they are being used and what has been provided for value and what has not been provided for value.
 - f. Lavanture agrees there is a lot to be gained as Board thinks about future rate structures that could inform if there was more ability to understand the use patterns of passes.
 - g. Moretti comments that even single use tickets in the summer information would be useful if there was an account tied to those to see repeat patterns and understand who the riders are.
 - h. Dinsmore mentions that one suggestion that came out of Operations Committee discussion was that if there was an account for even infrequent riders in the summertime, but contact information was collected, CBL could email them to notify them of changes such as large vehicle policy or swapping to yellow tickets and other customer relations.
 - i. Donovan suggests that data collection can be done for less money than implementing an E-ticketing system, or hiring a company for half a million dollars. Currently collect data on every trip, but need to tie that data into a properly written software program which could be done relatively inexpensively. Also have ways to email people currently. Agrees with Winchester on figuring out what problem is to be solved. If it is a data collection, can be solved, but is that root issue.
 - j. Lavanture agrees there is some Operations data that is being collected, but data patterns of use by passholders, both as groups and individuals are not there, and would be helpful as rate decisions are thought about.
11. Cooper again advocates for mobile ticket activation on phone. Still could be used for single tickets and the calculation Donovan suggested could be done where you have data on single tickets and then can subtract from ridership on what are passholders. A hybrid option of moving to a simple mobile ticketing option and retaining physical passes is going to be best near-term solution. Should also provide the ability to purchase tickets online.
 12. Donovan supports restarting kiosk program as well, Cooper agrees.
 13. Higgins comments that priority remains maintain a system that works for year round islanders, not seasonal visitors.



14. Lavanture suggests moving to next item of business due to time constraints, but as it pertains to electronic ticketing, recognizes that everyone is appropriately focusing on what problems need to be solved and asks Directors to either use Dinsmore's checkbox slide or provide it in another way, to consider what has been presented and provide feedback for next discussion.
- xvii. Dinsmore introduces discussion on schedule analysis, mentions much like E-ticketing discussion is designed to get Board thinking about the schedule and what are we trying to solve.
 1. What last study looked like slide. 302k in cost to consultant, 4 year project overall. Timeline began in 2015 and through the years included data analysis, survey and open house, final report issued in 2019, and KPFF changes implemented in March of 2020, two weeks before Covid began. There was an emergency Covid schedule. June of 2021 KPFF schedule was reintroduced. October 2021, full winter schedule reinstalled.
 2. Slide details goals and guardrails in place at that time. Goals were to improve transportation options, present schedules clearly, improve operational efficiencies, document the process, and avoid an immediate fare increase. Guardrails were respect the CBA, work within existing fleet, work within existing dock and terminal, preserve all major lines of service, and include robust public participation.
 3. Recommendations, each tied to a Board goal. Schedule changes, meaning timing shifts and new sailings; simplification and uniformity of schedule structure which involved some reductions in schedules; crew and vessel reallocation, such as elimination of short and extended crew shift which was tied to collective bargaining agreement that even a 2-hour shift pays for 4 hours. Also suggested reducing Maquoit operating hours as most expensive vessel to operate, and increase Wabanaki while restructuring crew labor, could save up to 80k a year. Replace Machigonne as soon as possible and replace Maquoit in near future.
 4. What KPFF recommended slide. More service with a slightly lower cost. Two extra weekday sailings, one additional weekend sailing, daily freight increased to three and seasonal schedules reduced to three. Dependent on crew and vessel cuts that were previously mentioned. Had projected annual cost savings of 54k per year with an 8% increase in service hours.
 5. What actually happened slide. Service additions went beyond what KPFF study suggested, including extending the 8:30 p.m. trip to Chebeague and Cliff Islands, adding a 5:00 a.m. and 8:00 a.m. to Saturdays, and adding a 5:00 a.m., 7:45 a.m., 8:00 a.m. and noon to Sundays.
 6. Slide shows fluctuation of down bay weekly trips FY19 to FY26.
 7. Expansion happened during two specific steps, both during Covid. FY19 baseline schedule had 53 weekly trips, then 3 trips per week added during winters of 2020-21 and then 14 more weekly trips added winter of 2021-2022. 70 trip schedule held through FY25 before slight reduction in FY26.
 8. Slide showing expansion of trips to each island over the same timeframe, including percentages of increases, with total being 42% overall increase in level of service between FY19 and FY25. Dinsmore notes many comments mention constantly fighting inflation, but District has also increased its level of service by 42%. Even after service cuts from last year, service levels 26% above FY19.
 9. Winter schedule analysis from FY19 to FY26 slide for Diamond Cove, Chebeague and Cliff, Little Diamond, Great Diamond, and Long Island and Peaks. Increases



in all down bay boat trips from FY 19, some slight reductions from cuts last year. Peaks 98 in FY19, 100 in FY25 and FY26, so largely unchanged.

10. Graph showing operating expenses compared to Down Bay service levels/increases in ferry runs over same timeframe. Fuel usage increased from 273k gallons in 2018 to 323 gallons in 2023, meaning 50k gallons at \$3-4 would be \$150k-200k. Vessel hours also increased. KPFF had projected an increase of 1200 hours whereas what was implemented allowed for 3100 hours or + 19%.
11. Graph shows operating revenue, expenses and operating losses against each other. Operating loss significantly expands from FY22 on.
12. Slide detailing each specific trip for down bay runs and what it costs to operate. Dinsmore credits Bowie for working on this data. Also notes which trips are being run on the Wabanaki and which are being run on the Maquoit.
 - a. Luedke asks clarifying question on how data was collected.
 - b. Bowie responds that it was based on engine hours as how to allocate expense. Is fully burdened so it takes into account overtime and benefit cost of the crew. Cost only, not income, but includes everything that would be allocated as part of cost.
13. Average cost per one-way passenger trip, down bay, weekday. Data is based on 3 year period from fiscal year 2023-2025. Divided operating cost by total number of inbound and outbound passengers on each trip. 8:30pm and 12:00pm show highest cost. Does not account for freight. Shows slide detailing the same, but on weekends and notes 5:00am is now most expensive, still followed by 8:30pm. Specifically 5am and 8:30pm on weekends become most expensive.
 - a. Leudke asks clarifying question on whether both inbound and outbound one-ways were considered. Dinsmore responds that they were and averaged, as noted in slide.
14. Shows average cost per passenger, per trip, weekday and weekend for Peaks island. Most are efficient, though weekday 10:30pm, and especially 11:30pm at \$50 per person, rank highest in cost. Weekend 5:45am and 11:30pm rank highest.
15. Lavanture asks for any further qualifying questions. There are none.
16. Lavanture asks for any public comments. There are none.
17. Director discussion.
 - a. Donovan asks if KPFF recommendations that were referenced in the presentation were strictly for the winter or the overall KPFF study. Dinsmore responds that all the per island trips were specific to the winter schedule.
 - b. Higgins suggests out of E-ticketing and the schedule, that winter schedule be considered first with timing in mind.
 - i. Lavanture agrees it is an important distinction. Scope of what is being considered has nothing to do with winter schedule for 2026-2027. That matter should be referred to Operations Committee so they can make a recommendation to Board. What is being looked at is likely to be a multi-year initiative and distinction needs to be made so clear expectations are being set, so it is not rushed.
 - ii. Donovan agrees with Lavanture. Winter schedule issue is still being discussed at Operations Committee but is a separate issue from in-depth schedule analysis.
 - c. Lavanture notes an opportune moment to being thinking about schedule in a comprehensive way. KPFF study had mentioned both schedule and fleet, and new vessels are starting to become realizing with Battery Steele



coming into service and known timeline and progress on the Maquoit replacement. Personal concern about Battery Steele being able to maintain Peaks Island schedule as it currently exists, but opportune time to consider as part of scheduling discussion. Year-round sustainability discussion should include those who live and work on the island, but also schools as part of level of service. Should take issue on, but with forward thinking mindset. Suggests KPFF did not consider segregation of service between Peaks and Down Bay and should be looked at as part of proposal. Must recognize it will take time, but will be foundation for a path 10-15 years into the future.

- d. Recommendation is Dinsmore continue to look at what the project might look like and Board can revisit timing and specifics of next steps.
 - i. Luedke asks for clarification on recommendation from Lavanture.
 - ii. Lavanture asks that Dinsmore take first steps on a potential scope and objectives, not to RFP level, but parameters of what undertaking project will look like so it can be considered by Board.

6. General Information Reports

a. Committee Reports

- i. Lavanture fills in for Hoffman, no May Finance Committee.
- ii. Donovan notes there was a May Operations meeting, but points have been discussed today. Will be June Operations meeting. GM notes give brief update on VAC, and hope to meet with Bristol Harbor Group sometime in late June. Will continue to work on winter schedule with Dinsmore.

b. Staff Reports

- i. Dinsmore notes biggest issue that has come up recently is 4-wheel wagon policy that was put in place 17 years ago. Dramatic increase in use of wagons and they have been getting larger and due to busier season have been fewer instances where staff has been able to grant exemptions. This is leading to disagreements and comments from public on what is acceptable why it is being enforced now. Making Board aware. Policy has not changed, has been in place for 17 years and crew has always had discretion in the name of safety. Making Board aware in case it wants to revisit policy, but it has not changed.
 - 1. Pizey asks for clarification on what policy is. Dinsmore responds with general synopsis of current policy, anything longer than 25" has to be checked on as freight. Challenges include members of the public asking why staff has to bring it on, and it is because staff is safety train and under command of the captain who has overall control.
 - 2. Cooper asks if exemptions apply for stroller wagons. Dinsmore confirms it does if there is a child in it, but some comments have mentioned customers intending to use those for groceries. Some examples of comments of loading large strollers with items.
 - 3. Cooper mentions he has received calls on whether this is a new policy and has responded that it is an existing policy, but asks for better communication and signage. 3 signs in terminal and only 1 on the Machigonne. Asks how freight process works if someone brings a loaded wagon to freight. Is it unloaded or do deckhands take control of wagon as-is. Gildart confirms that wagon is handled by freight staff and loaded the way that it is. Cooper asks for that also to be communicated to riders so that they know their available options.
 - 4. Dinsmore relays he was at Peaks the night prior and had discussions around issue. Gives difficulty of hypothetically postponing policy until June 15th which would



open up the gate for everyone to bring a wagon until that date, which was not intention of the policy. Purpose of discretion to crew was to allow when it was possible, but there is safety versus convenience. Cooper supports but advocates for communication.

5. Higgins notes potential friction issue with crew. Supports communication with islanders.
 - ii. Aucocisco III will be out of service for a week or so due to generator issue.
7. General Announcements
 - a. Establish next meeting dates (all meetings at 7:45 AM unless indicated otherwise):
 - b. Lavanture notes there is some discussion about June Finance and Operations moving back a week but will be confirmed by June Executive Committee so they can be noticed.
 - i. Executive Committee: Thursday, June 4, 2026
 - ii. Finance Committee: Wednesday, June 10, 2026
 - iii. Operations Committee: Thursday, June 11, 2026
 - iv. Board of Directors: Thursday, June 25, 2026
 - v. Personnel Committee: TBD
 - vi. Government Relations Committee: TBD
 - vii. Pension Committee: TBD
8. Public comment on any items not on the agenda – no public comments.
9. Directors comment on any items not on the agenda – no director comment.
10. Adjournment
 - a. Lavanture asks for motion to adjourn. Lavanture moves to adjourn, Moretti seconds. Meeting adjourned at 9:45 a.m.

Respectfully submitted by: _____

James Luedke, Clerk