

TO: Casco Bay Lines Board of Directors

FROM: Ben Dinsmore, GM

DATE: March 26, 2026

RE: March Update

With daylight stretching a little further each evening and the first hints of spring beginning to show, the pace at Casco Bay Lines is picking up accordingly. The transition into peak season brings a lot of moving parts: new policies taking effect, a new vessel to plan, the hiring and onboarding of seasonal staff, and the steady build toward our busiest months. I want to take a moment to recognize the team for the focus and professionalism they bring to all of it. The work happening right now, largely behind the scenes, is what makes a smooth season possible, and I'm grateful for everyone's effort as we navigate this period of change together.

Maquoit Drydock

The Maquoit is back from a successful drydock session and has been placed back in service.

Training

We've had three new deck hands complete our designated senior deckhand training program this month. Work also continues on our training plan for the Battery Steele.

Residential Boarding Pass Program (Peaks)

We presented data to the Operations Committee regarding the effectiveness of the Peaks Island Residential Boarding Pass Program. The analysis shows capacity levels on the Peaks Island route and which trips and days benefit most from the program. The analysis can be found on the Casco Bay Website here:

<https://www.cascobaylines.com/uploads/Residential-Board-Pass-Data-March-2026.pdf>

Proposed Passenger Rate Adjustments:

We've had two Finance Committee workshops this month where we discussed proposed rate adjustments to passenger tickets and passes. In addition to a table with the proposed

changes, I also presented a slide deck and a memo explaining the new proposals. The proposed new rates and support documentation can be found on the Casco Bay Website here: <https://www.cascobaylines.com/uploads/Proposed-Rates-Workshop-2-March-18-2026.pdf>

Large Vehicle Implementation

The roll-out of the new large vehicle rate structure has been very successful. I want to extend a huge shout-out to the staff for the exceptional job they've been doing helping customers navigate through the new process. For more information on the changes and rules regarding vehicles of various lengths, please refer to the following poster that has been conspicuously displayed in the terminal waiting area:

<https://www.cascobaylines.com/uploads/Large-Vehicle-Poster-v1.0.pdf>

Off-Peak/Peak Ticket Policy

This is a friendly reminder that effective April 18th, blue tickets will no longer be accepted to board Casco Bay Ferries as we transition to peak season rates. Even if the blue tickets have not expired. Unused blue tickets can be refunded (if not expired) or traded in towards the purchase of peak season (yellow) tickets. This is a major policy change that was voted on by the board last year and staff has been extremely proactive in communicating this change. In addition to posters and signage that have been placed throughout the terminal, we will be sending text and E-News alerts the week prior to remind people of the policy change. For more information on the new policy and exchange options we have prepared the following poster which is also available on the Casco Bay Website:

<https://www.cascobaylines.com/uploads/CBL-Peak-Season-Ticket-Policy.pdf>

Reinstating the 0800 Down Bay Weekend Boat

The following agenda item has been noticed for the upcoming March 31, 2026 board meeting (rescheduled from March 26, 2026):

Consideration and action to amend the August 25, 2025 adoption of the 2025/2026 winter sailing schedule to reinstate the 8am Down Bay weekend ferry run, effective no later than April 18, 2026.

In December 2025, staff were asked to prepare a list of pros and cons if the 0800 boat was reinstated. I have included the original pros and cons below that was presented then. I have also attached a ridership analysis of equivalent weekends in 2025 for comparison:

Pros:

- Definitively solves the mail delivery and post office timing issue
- Restores full morning service window for Chebeague and Cliff residents (appointments, errands, family events)

- No disruption or delays to Long, Diamond, or other island services
- No cascading effects or shifting problems between islands
- Operationally straightforward - just return to previous schedule
- Addresses resident complaints directly

Cons:

- Eliminates ~\$20,800 in cost savings that motivated the original service cut (overtime will cost more than had the board done nothing)
- Undermines the board decision made through the proper public process
- Sets precedent that decisions can be reversed via after-the-fact complaints rather than participation during deliberations
- Crew schedules have already been established through ranked selection based on seniority and spring plans have already been set
- Low ridership on this run was the original justification for elimination
- Signals to other islands that they don't need to advocate during public meetings
- Doesn't address why Chebeague and Cliff didn't fully raise these concerns during the public process
- Undermines our longstanding public process of deliberation and decision-making at appropriately noticed meetings. Note the schedule proposal was initially presented in May, affording significant time and opportunity for comment in advance of committee recommendation and Board consideration. This process is important as we fulfill obligations to regulatory bodies (e.g., the PUC), and also to provide transparency to islanders.

Terminal

Security remains a top priority at the terminal. We've added enhanced signage, increased security rounds, and have been rotating our security details. We're also pleased to see continued police presence through Portland's constable program, which brings uniformed officers on roving patrols. I did see one negative comment on Facebook regarding the condition of the public bathrooms at Casco Bay Lines, but most of the feedback I've received has still been positive. I met personally with both the director of operations and account manager of our janitorial service provider GDI. I discussed my expectations around the cleaning levels as well as the limitations of not having around the clock coverage. As I'm sure you all know, a lot can happen in a public bathroom over a span of an hour, let alone 6 or 8 hours.

Battery Steele

Senesco Marine is making good progress toward launch, with pre-commissioning work well underway. The propulsion system provider is on site testing all equipment and connections and will remain through the coming weeks, continuing their work after the vessel is in the water. Batteries have been successfully installed; two modules were found below proper state of charge and have already been replaced by Corvus, the battery

manufacturer. Interior work continues, with Senesco completing finishes and beginning installation of ceilings and seating as spaces are cleared.

The Coast Guard has been actively involved in pre-commissioning testing and has signed off on systems that have passed initial review, with additional approvals to follow during dock and sea trials. Our inspection team is maintaining a punch list to track items requiring adjustment or fine-tuning to meet specification and regulatory requirements. Most commissioning plans have been submitted and revised in response to comments from the design team and CBL staff, with a small number still being finalized. All systems will be tested against these procedures prior to vessel acceptance, with Coast Guard approval required at each stage.

Christening Ceremony (Save the Date):

Staff are currently working with Senesco on a small christening ceremony for the Battery Steele tentatively scheduled for April 3rd just prior to it being floated off the dry-dock. Due to capacity issues, guests will be limited to board members, staff, press, and our federal, state and local partners.

Down Bay Vessel

Bristol Harbor Group (BHGI) has submitted a final cost proposal for the vessel's final design phase. Staff reviewed the proposal against an independently developed estimate and found it acceptable as submitted, leaving \$77,741 remaining in budget. That surplus may be applied toward engaging a propulsion system integrator during the final design process.

Staff believes an integrator would be valuable in helping CBL define its propulsion system requirements, and would streamline the bidding process by giving shipyards a clear and consistent scope — potentially saving both time and money. The cost of integrator services varies depending on the provider and the scope of their involvement. On the Battery Steele project, the integrator performed design-phase work at no cost contingent on the construction contract being awarded to a yard using their propulsion system, though the final system price was negotiated in advance so all bidding yards carried the same number. A similar arrangement may or may not be available for this vessel.

MaineDOT Piers

MaineDOT submitted a final PDR and preliminary plans for the Cliff Island pier project. Staff reviewed the plans and provided comments back to the DOT. Currently, they are planning on doing the project with a phased approach where they will demolish about half

of the existing pier while CBL uses the other half and then flip once half of the new pier is constructed.

On the Peaks Transfer Bridge Tower Painting Project, DOT has agreed to cover the cost of alternate vehicle service while the bridge is closed for up to 30 days; though their budget would only support roughly four to five barge round trips per day. We've requested additional funding, but DOT has not changed its position. The bridge closure window runs from mid-October through mid-May, with DOT imposing damages for overruns and offering incentives for an earlier completion. Staff continue to coordinate plan reviews for both this project and the Cliff Island Pier Replacement.

As always, I welcome any questions or feedback from the Board. Thank you for your continued support.

Respectfully submitted,

Ben Dinsmore

General Manager

0800 BOAT WEEKEND RIDERSHIP Long Island · Chebeague Island · Cliff Island · Six Weekends

LONG ISLAND								
SATURDAY				SUNDAY				TOTAL BOTH DAYS
Date	To	From	Combined	Date	To	From	Combined	Passengers
Apr 19	0	14	14	Apr 20	6	16	22	36
Apr 26	0	7	7	Apr 27	4	15	19	26
May 3	4	26	30	May 4	1	4	5	35
May 10	0	12	12	May 11	0	32	32	44
May 17	5	17	22	May 18	2	10	12	34
May 24	7	11	18	May 25	5	29	34	52
Total	16	87	103	Total	18	106	124	227
<i>Average</i>	<i>2.7</i>	<i>14.5</i>	<i>17.2</i>	<i>Average</i>	<i>3.0</i>	<i>17.7</i>	<i>20.7</i>	<i>37.8</i>

CHEBEAGUE ISLAND								
SATURDAY				SUNDAY				TOTAL BOTH DAYS
Date	To	From	Combined	Date	To	From	Combined	Passengers
Apr 19	2	0	2	Apr 20	1	0	1	3
Apr 26	0	6	6	Apr 27	0	0	0	6
May 3	0	0	0	May 4	0	0	0	0
May 10	0	2	2	May 11	8	2	10	12
May 17	1	0	1	May 18	2	2	4	5
May 24	3	12	15	May 25	8	9	17	32
Total	6	20	26	Total	19	13	32	58
<i>Average</i>	<i>1.0</i>	<i>3.3</i>	<i>4.3</i>	<i>Average</i>	<i>3.2</i>	<i>2.2</i>	<i>5.3</i>	<i>9.7</i>

CLIFF ISLAND								
SATURDAY				SUNDAY				TOTAL BOTH DAYS
Date	To	From	Combined	Date	To	From	Combined	Passengers
Apr 19	2	3	5	Apr 20	0	4	4	9
Apr 26	3	2	5	Apr 27	1	0	1	6
May 3	1	7	8	May 4	0	1	1	9
May 10	4	0	4	May 11	3	10	13	17
May 17	7	5	12	May 18	1	5	6	18
May 24	3	2	5	May 25	0	2	2	7
Total	20	19	39	Total	5	22	27	66
<i>Average</i>	<i>3.3</i>	<i>3.2</i>	<i>6.5</i>	<i>Average</i>	<i>0.8</i>	<i>3.7</i>	<i>4.5</i>	<i>11.0</i>

COMBINED SUMMARY — ALL THREE ISLANDS			
	Saturday Passengers	Sunday Passengers	Total Combined
Long Island	103	124	227

Chebeague Island	26	32	58
Cliff Island	39	27	66
Grand Total	168	183	351
<i>Average per sailing</i>	<i>28.0</i>	<i>30.5</i>	<i>58.5</i>

To = passengers boarding in Portland (outbound). **From** = passengers boarding at island stop (inbound). Data: CBITD trip totals log, summer 2025.

PEAKS ISLAND

Residential Boarding Pass Program

Analysis of Summer 2025

↑ OUTBOUND Portland → Peaks Island — Average Load by Departure Time & Day Type

All summer months combined | Passenger counts capped at 399 | Low = <40% capacity | Mod = 40–59% | High = ≥60%

Departure	Weekday Average			Weekend Average		
	Avg Pax	% Cap	Status	Avg Pax	% Cap	Status
09:15	152	38%	Low	166	42%	Mod
10:15	221	55%	Mod	291	73%	High
11:15	241	60%	High	323	81%	High
12:15	231	58%	Mod	336	84%	High
14:15	232	58%	Mod	354	89%	High
15:15	151	38%	Low	254	64%	High
16:30	153	38%	Low	171	43%	Mod
17:35	149	37%	Low	134	34%	Low
19:15	97	24%	Low	82	21%	Low

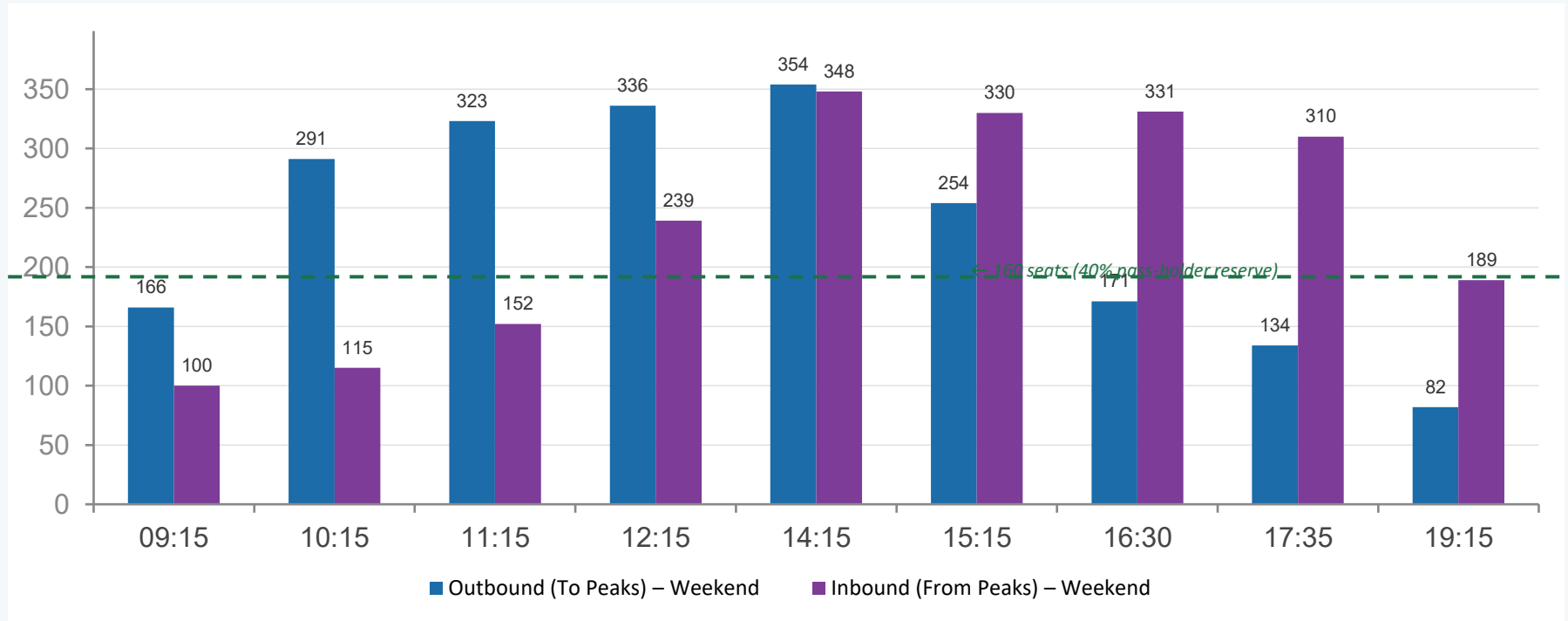
↓ INBOUND Peaks Island → Portland — Average Load by Departure Time & Day Type

All summer months combined | Passenger counts capped at 399 | Inbound peak hours are later in the day than outbound | Low = <40% | Mod = 40–59% | High = ≥60%

Departure	Weekday Average			Weekend Average		
	Avg Pax	% Cap	Status	Avg Pax	% Cap	Status
09:15	98	25%	Low	100	25%	Low
10:15	86	22%	Low	115	29%	Low
11:15	111	28%	Low	152	38%	Low
12:15	194	49%	Mod	239	60%	High
14:15	326	82%	High	348	87%	High
15:15	249	62%	High	330	83%	High
16:30	213	53%	Mod	331	83%	High
17:35	139	35%	Low	310	78%	High
19:15	122	31%	Low	189	47%	Mod

Outbound vs. Inbound — The Pass Matters at Different Times of Day

Outbound pressure peaks mid-morning (10:15–14:15). Inbound pressure peaks in the afternoon and evening (14:15–17:35 on weekends). The pass is useful, but at different hours.



↑ OUTBOUND Summary Grid — Portland → Peaks (All Months & Day Types)

Departure	June Weekday	June Weekend	July Weekday	July Weekend	Aug Weekday	Aug Weekend
09:15	115 <i>Low</i>	102 <i>Low</i>	172 <i>Mod</i>	188 <i>Mod</i>	168 <i>Mod</i>	207 <i>Mod</i>
10:15	161 <i>Mod</i>	202 <i>Mod</i>	239 <i>High</i>	306 <i>High</i>	261 <i>High</i>	358 <i>High</i>
11:15	169 <i>Mod</i>	223 <i>Mod</i>	263 <i>High</i>	323 <i>High</i>	287 <i>High</i>	394 <i>High</i>
12:15	156 <i>Low</i>	237 <i>Mod</i>	256 <i>High</i>	374 <i>High</i>	278 <i>High</i>	396 <i>High</i>
14:15	179 <i>Mod</i>	313 <i>High</i>	255 <i>High</i>	354 <i>High</i>	258 <i>High</i>	390 <i>High</i>
15:15	121 <i>Low</i>	167 <i>Mod</i>	171 <i>Mod</i>	259 <i>High</i>	158 <i>Mod</i>	254 <i>High</i>
16:30	126 <i>Low</i>	141 <i>Low</i>	169 <i>Mod</i>	171 <i>Mod</i>	164 <i>Mod</i>	171 <i>Mod</i>
17:35	127 <i>Low</i>	102 <i>Low</i>	166 <i>Mod</i>	134 <i>Low</i>	151 <i>Low</i>	134 <i>Low</i>
19:15	87 <i>Low</i>	66 <i>Low</i>	100 <i>Low</i>	82 <i>Low</i>	102 <i>Low</i>	82 <i>Low</i>

Low = avg < 40% capacity | Mod = 40–59% | High = ≥ 60% (counts capped at 399)

↓ INBOUND Summary Grid — Peaks → Portland (All Months & Day Types)

Departure	June Weekday	June Weekend	July Weekday	July Weekend	Aug Weekday	Aug Weekend
09:15	85 <i>Low</i>	75 <i>Low</i>	101 <i>Low</i>	125 <i>Low</i>	109 <i>Low</i>	104 <i>Low</i>
10:15	68 <i>Low</i>	90 <i>Low</i>	92 <i>Low</i>	140 <i>Low</i>	99 <i>Low</i>	118 <i>Low</i>
11:15	85 <i>Low</i>	131 <i>Low</i>	115 <i>Low</i>	142 <i>Low</i>	133 <i>Low</i>	180 <i>Mod</i>
12:15	136 <i>Low</i>	143 <i>Low</i>	210 <i>Mod</i>	272 <i>High</i>	234 <i>Mod</i>	299 <i>High</i>
14:15	250 <i>High</i>	267 <i>High</i>	352 <i>High</i>	390 <i>High</i>	372 <i>High</i>	383 <i>High</i>
15:15	178 <i>Mod</i>	269 <i>High</i>	274 <i>High</i>	348 <i>High</i>	293 <i>High</i>	382 <i>High</i>
16:30	154 <i>Low</i>	252 <i>High</i>	229 <i>Mod</i>	357 <i>High</i>	254 <i>High</i>	381 <i>High</i>
17:35	94 <i>Low</i>	211 <i>Mod</i>	159 <i>Mod</i>	318 <i>High</i>	162 <i>Mod</i>	394 <i>High</i>
19:15	94 <i>Low</i>	102 <i>Low</i>	140 <i>Low</i>	209 <i>Mod</i>	132 <i>Low</i>	257 <i>High</i>

Low = avg < 40% capacity | Mod = 40–59% | High = ≥ 60% (counts capped at 399)

Time Cost

Assumption: priority boarding adds 2.5 minutes per boarding event | Applied to every Low and Moderate trip in both directions | High demand trips retain priority boarding

46.7 hours

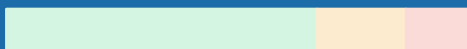
 spent across Summer 2025 (2,803 minutes)

JUNE

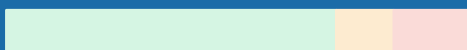
1128 min

18.8 hours

↑ Out



229 of 264 trips eliminated
↓ In



222 of 264 trips eliminated

Bar shows share of trips by demand level

Low

JULY

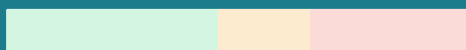
890 min

14.8 hours

↑ Out



178 of 270 trips eliminated
↓ In



178 of 270 trips eliminated

Moderate

AUGUST

785 min

13.1 hours

↑ Out



154 of 272 trips eliminated
↓ In

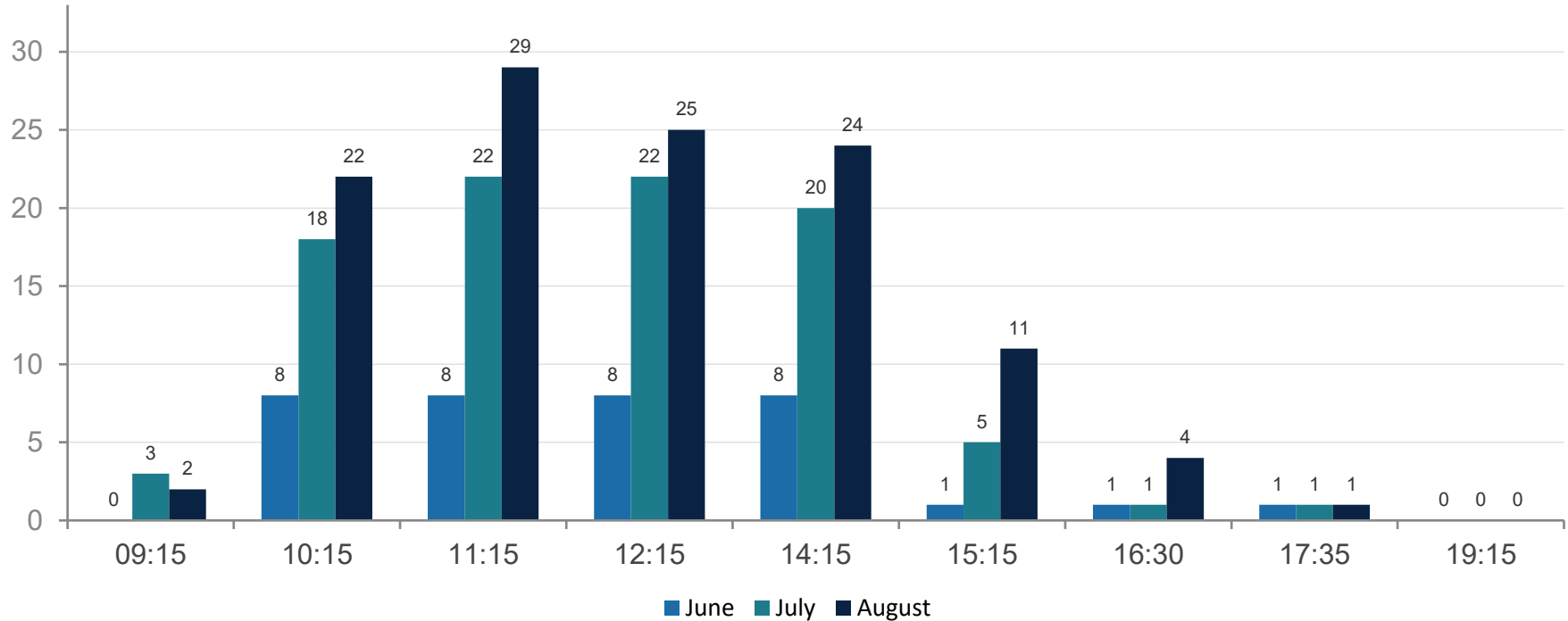


160 of 272 trips eliminated

High (retained)

↑ OUTBOUND — Trips Exceeding 60% Capacity (>239 passengers) by Departure Time

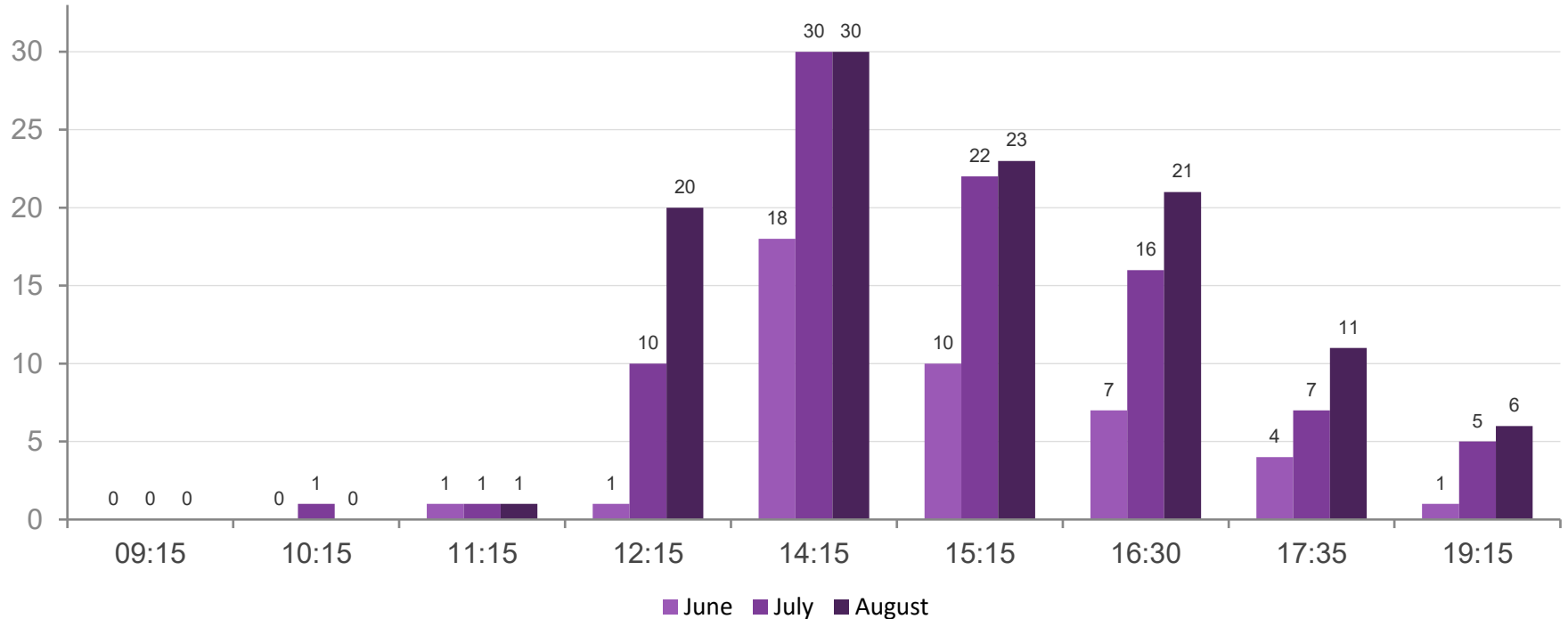
Count of individual scheduled Machigonne trips where outbound passengers exceeded 60% of vessel capacity (239+ pax) | Weekday and weekend combined | Counts capped at 399



Max possible trips per slot: ~30–33 (varies by month due to schedule). August 11:15 had 29 of 31 trips above threshold — nearly every day.

↓ INBOUND — Trips Exceeding 60% Capacity (>239 passengers) by Departure Time

Count of individual scheduled Machigonne trips where inbound passengers exceeded 60% of vessel capacity (239+ pax) | Weekday and weekend combined | Counts capped at 399



Unlike outbound, inbound high-demand trips extend through the late afternoon and evening — July 14:15 had 30 of 31 trips above threshold. The 19:15 slot also shows meaningful pressure in July and August.

Key Takeaways

Morning inbound — consistently low demand all season

09:15 and 10:15 departures from Peaks Island average only 86–115 passengers. Residents heading to Portland in the morning face little boarding competition regardless of the pass.

Outbound peak: 10:15–14:15, Jul/Aug weekends

These departures regularly reach full capacity outbound. The pass delivers its clearest benefit for residents heading to the island during high-demand summer windows.

Inbound peak: 14:15–17:35, Jul/Aug weekends (and weekdays)

The return crush is severe and extends into the evening — later than outbound pressure. Aug weekend 17:35 averages 394 inbound passengers, effectively full capacity.

46.7 hours spent when program not needed

Removing priority boarding from Low and Moderate demand trips — 1,121 of 1,612 total boarding events (69.5%) — would save approximately 2,803 minutes across June, July, and August.

2026 Proposed Passenger Rate Adjustments

Finance Committee Workshop #2 · March 18, 2026

+0.7%

Annual pass increase

+\$559K

Additional Revenue

12

Friends and Family Tickets

WHY WE ARE PROPOSING RATE ADJUSTMENTS

Commitment

When the Finance Committee recommended the June 2024 fare restructuring to the Board, it made a commitment to the community: establish regular fare review cycles with measured, incremental adjustments — rather than extended gaps that force larger corrections.

Reduce Operating Deficit

The proposed passenger rate adjustments reduce the operating deficit by roughly 20%. These proposed adjustments, along with continued cost reduction efforts (schedule optimization, fuel reduction initiatives, etc.), also help against rising operating costs.

Statutory Obligation

35-A M.R.S. §5101-A requires the Board to balance affordability for year-round island residents with the financial viability of the District — to minimize the potential need for governmental operating subsidies.

2026 PROPOSED RATE CHANGES

Fare / Pass Type	Current	New	Change	% Change
ANNUAL PASSES				
Adult	\$432.00	\$435.00	+\$3.00	+0.7%
Half-Fare	\$216.00	\$217.50	+\$1.50	+0.7%
30-DAY PASSES				
Adult Peak	\$48.00	\$51.00	+\$3.00	+6.3%
Adult Off-Peak	\$32.00	\$33.50	+\$1.50	+4.7%
90-DAY PASSES (Down Bay / Peaks Island)				
Adult Peak (Down Bay)	\$144.00	\$153.00	+\$9.00	+6.3%
Adult Peak (Peaks Island)	\$194.00	\$203.00	+\$9.00	+4.6%
SINGLE TICKETS (Round Trip)				
Adult Peak	\$14.00	\$17.00	+\$3.00	+21.4%
Adult Off-Peak	\$7.20	\$8.00	+\$0.80	+11.1%

PROTECTING YEAR-ROUND AFFORDABILITY

Flexibility allows users to choose the best option for their needs.

Annual Pass · +0.7%

+\$3.00 / year

\$435 total

~\$2.09 / day (avg)

The smallest increase of any fare category. Annual passholders — the ferry's most dependent daily riders — see less than one cent per day in added cost.

30-Day Pass · +4.7% to +6.3%

3–4 trips to break even

\$51.00 peak / \$33.50 off-peak

vs. \$17.00 single ticket

The breakeven point for a 30-day pass is just 3 to 4 round trips — meaning any resident who rides more than a few times in a month is better off with a pass.

90-Day Pass · +3.1% to +6.3%

Simplified: Down Bay & Peaks Island

\$153 peak / \$100.50 off-peak +\$50 for Peaks Island

Now easier to choose the right pass

Two clear pass categories replace the previous confusing structure. Riders can easily identify which pass fits their island and travel pattern. Peaks Island 90 pass includes access to reduced vehicle rates.

Single Tickets · +11% to +21%

\$17.00 peak round-trip

\$8.00 off-peak round-trip

Primarily used by visitors

Single tickets are used predominantly by visitors and occasional travelers.

HOW CBL RATES COMPARE TO REGIONAL FERRY SYSTEMS

CBL's proposed 2026 rates are comparable to — or lower than — other Maine and regional ferry operators.

Operator / Route	Dist.	Peak RT	Off-Peak RT	Notes
CBL — All Islands (proposed 2026)	2.5–10 mi	\$17.00	\$8.00	Annual pass: \$435 — ~\$2.09/trip (4 trips/week)
ME State Ferry — Lincolnville–Islesboro	3 mi	\$17.00	\$10.25	Commuter pass: \$68 peak / \$41 off-peak (5 trips, 14-day expiry) — \$13.60 or \$8.20/RT
ME State Ferry — Rockland–Vinalhaven / N. Haven, Bass Harbor — Swans Island	6-12 mi	\$23.00	\$15.75	Commuter pass: \$92 peak / \$63 off-peak (5 trips, 14-day expiry) — \$18.40 or \$12.60/RT
Chebeague Transportation Co. (CTC) — Cousins Is.	1.5 mi	\$21.00	\$19.00	“10-Ride Pass”: \$67 or \$13.40 round trip.

Note on ME State Ferry Commuter Pass: MSFS offers a commuter pass of 5 trips for the price of 4 (\$92 peak / \$63 off-peak), yielding **\$18.40/RT peak and \$12.60/RT off-peak**. Passes are non-transferable, limited to one round trip per day, and expire 14 days after purchase — significantly less flexible than CBL's annual pass at \$2.09/RT with no expiry or quick breakeven point on 30-day and 90-day passes.

Note on CTC's “10-Ride Pass”: CTC sells a \$67 punch card sometimes cited as more affordable than CBL. However, each card covers 10 one-way trips — providing only **5 round trips at \$13.40/RT**. CBL's off-peak single ticket (\$8.00 RT) is less expensive per trip, and the annual pass brings the per-trip cost to ~\$2.09 (4 trips/week) — all on routes up to 10x longer than CTC's 1.5-mile crossing.

Source: Publicly available fare information as of early 2026 confirmed via phone call 3/17/2026 with agent at MSFS Swans Island Terminal and agent at CTC. Rates subject to change.

NEW BENEFIT: FRIENDS & FAMILY DISCOUNT

☆ How It Works

- Annual passholders may purchase up to 12 peak-season passenger tickets per year at off-peak rates
- Off-peak rate of \$8.00 vs. peak rate of \$17.00 — approximately 50% savings per ticket
- Tickets can be used by family members or friends visiting the island
- All 12 tickets must be purchased in a single transaction
- Tickets cannot be resold (reimbursement from friends and family is ok)

Community-Driven

Islanders frequently told us the pass system left a gap for family and friends who visit regularly but not often enough to justify their own pass.

Maximum Annual Value

Up to 12 tickets × \$9.00 savings =

\$108 in annual savings

Added Value of Annual Pass

Annual pass now offers up to \$108 in additional savings for friends and family.

ANNUAL PASS VALUE ANALYSIS · APPENDIX A

Dollar savings (+) or additional cost (–) of purchasing an Annual Pass vs. paying single-ticket rates · Pass: \$435 · Peak RT: \$17.00 · Off-Peak RT: \$8.00

Pk↓ / Op →	0	2	4	6	8	10	12	14	16	18	20	22	24	26	28	30
0	-\$435	-\$419	-\$403	-\$387	-\$371	-\$355	-\$339	-\$323	-\$307	-\$291	-\$275	-\$259	-\$243	-\$227	-\$211	-\$195
2	-\$401	-\$385	-\$369	-\$353	-\$337	-\$321	-\$305	-\$289	-\$273	-\$257	-\$241	-\$225	-\$209	-\$193	-\$177	-\$161
4	-\$367	-\$351	-\$335	-\$319	-\$303	-\$287	-\$271	-\$255	-\$239	-\$223	-\$207	-\$191	-\$175	-\$159	-\$143	-\$127
6	-\$333	-\$317	-\$301	-\$285	-\$269	-\$253	-\$237	-\$221	-\$205	-\$189	-\$173	-\$157	-\$141	-\$125	-\$109	-\$93
8	-\$299	-\$283	-\$267	-\$251	-\$235	-\$219	-\$203	-\$187	-\$171	-\$155	-\$139	-\$123	-\$107	-\$91	-\$75	-\$59
10	-\$265	-\$249	-\$233	-\$217	-\$201	-\$185	-\$169	-\$153	-\$137	-\$121	-\$105	-\$89	-\$73	-\$57	-\$41	-\$25
12	-\$231	-\$215	-\$199	-\$183	-\$167	-\$151	-\$135	-\$119	-\$103	-\$87	-\$71	-\$55	-\$39	-\$23	-\$7	+\$9
14	-\$197	-\$181	-\$165	-\$149	-\$133	-\$117	-\$101	-\$85	-\$69	-\$53	-\$37	-\$21	-\$5	+\$11	+\$27	+\$43
16	-\$163	-\$147	-\$131	-\$115	-\$99	-\$83	-\$67	-\$51	-\$35	-\$19	-\$3	+\$13	+\$29	+\$45	+\$61	+\$77
18	-\$129	-\$113	-\$97	-\$81	-\$65	-\$49	-\$33	-\$17	-\$1	+\$15	+\$31	+\$47	+\$63	+\$79	+\$95	+\$111
20	-\$95	-\$79	-\$63	-\$47	-\$31	-\$15	+\$1	+\$17	+\$33	+\$49	+\$65	+\$81	+\$97	+\$113	+\$129	+\$145
22	-\$61	-\$45	-\$29	-\$13	+\$3	+\$19	+\$35	+\$51	+\$67	+\$83	+\$99	+\$115	+\$131	+\$147	+\$163	+\$179
24	-\$27	-\$11	+\$5	+\$21	+\$37	+\$53	+\$69	+\$85	+\$101	+\$117	+\$133	+\$149	+\$165	+\$181	+\$197	+\$213
26	+\$7	+\$23	+\$39	+\$55	+\$71	+\$87	+\$103	+\$119	+\$135	+\$151	+\$167	+\$183	+\$199	+\$215	+\$231	+\$247
28	+\$41	+\$57	+\$73	+\$89	+\$105	+\$121	+\$137	+\$153	+\$169	+\$185	+\$201	+\$217	+\$233	+\$249	+\$265	+\$281
30	+\$75	+\$91	+\$107	+\$123	+\$139	+\$155	+\$171	+\$187	+\$203	+\$219	+\$235	+\$251	+\$267	+\$283	+\$299	+\$315

PROJECTED REVENUE IMPACT

\$3.65M

Historical Annual
Passenger Revenue
(FY 2025)

+\$638K

Projected Gross
Revenue Increase
(+17.3%)

+\$559K

Projected Net
Revenue Increase
after F&F concession (+15.2%)

Revenue Metric	Amount
Historical Annual Passenger Revenue (2024–2025)	\$3,685,422
Projected Gross Revenue Increase	~\$638,000 (+17.3%)
<i>Friends & Family Revenue Concession (12 tickets, max utilization)*</i>	<i>(~\$78,700)</i>
Projected Net Revenue Increase	~\$559,300 (+15.2%)

**Assumes maximum utilization: 995 annual passholders each using all 12 Friends & Family tickets blended across full price and half-price fares. Actual concession depends on utilization and pass mix.*

PRICE ELASTICITY & REVENUE SENSITIVITY

Even under a conservative elasticity assumption, proposed rates generate substantial net new revenue.

Conservative Elasticity Model

Assumes 0.8% ridership decline per \$1 increase
to single ticket prices

\$456K

Projected net revenue increase (12.4% increase)

Baseline Projection

Assumes flat ridership at current levels
with proposed rate changes applied

\$559K

Projected net revenue increase

Observed Elasticity — June 2024 Rate Change: When the Peaks Island single ticket increased from \$7.70 to \$14.00 (+82%), overall system ridership declined only ~0.1%.

Revenue projections based on 2024–2025 historical passenger revenue baseline of \$4.15M. Conservative elasticity model applied to single ticket categories only; pass revenue assumed flat.

WHAT HAPPENS NEXT

01

Today's Finance Committee Workshop

Today's session — March 18, 2026. Review, discussion, and community input. These proposed rates are not final.

Previous Meetings:

- March 11, 2026 (Workshop #1 Proposed Rates)
- February 11, 2026 (Ridership Data Introduced)

03

Board Deliberation & Vote

Full Board considers the Finance Committee's recommendation and votes on final rate adoption at April Board Meeting.

02

Next Workshop

During April Finance Committee Meeting: Date TBD

04

Implementation

Any approved rate changes take effect on target date of June 19 following public notification process. Rates will be subject to acceptance by the Public Utilities Commission. Complete rate sheets will be published at cascobaylines.com.

CASCO BAY ISLAND TRANSIT DISTRICT

Proposed Passenger Rate Adjustments

March 11, 2026 Finance Committee Workshop

Fare / Pass Type	Current	New	Change	% Change
Annual Passes				
Adult	\$432.00	\$435.00	+\$3.00	+0.7%
Half-Fare	\$216.00	\$217.50	+\$1.50	+0.7%
90-Day Passes – Down Bay				
Adult Peak	\$144.00	\$153.00	+\$9.00	+6.3%
Adult Off-Peak	\$96.00	\$100.50	+\$4.50	+4.7%
Half-Fare Peak	\$72.00	\$76.50	+\$4.50	+6.3%
Half-Fare Off-Peak	\$48.00	\$50.25	+\$2.25	+4.7%
90-Day Passes – Peaks Island (includes vehicle discount access)				
Adult Peak	\$194.00	\$203.00	+\$9.00	+4.6%
Adult Off-Peak	\$146.00	\$150.50	+\$4.50	+3.1%
Half-Fare Peak	\$97.00	\$101.50	+\$4.50	+4.6%
Half-Fare Off-Peak	\$73.00	\$75.25	+\$2.25	+3.1%
30-Day Passes				
Adult Peak	\$48.00	\$51.00	+\$3.00	+6.3%
Adult Off-Peak	\$32.00	\$33.50	+\$1.50	+4.7%
Half-Fare Peak	\$24.00	\$25.50	+\$1.50	+6.3%
Half-Fare Off-Peak	\$16.00	\$16.75	+\$0.75	+4.7%
Single Tickets (Round Trip)				
Adult Peak	\$14.00	\$17.00	+\$3.00	+21.4%
Adult Off-Peak	\$7.20	\$8.00	+\$0.80	+11.1%
Half-Fare Peak	\$7.00	\$8.50	+\$1.50	+21.4%
Half-Fare Off-Peak	\$3.60	\$4.00	+\$0.40	+11.1%

☆ Annual Passholder Friends & Family Discount

Annual passholders may purchase up to 12 peak-season passenger tickets per year at off-peak rates — approximately a 50% discount. Tickets can be used by family and friends and cannot be resold. Passholders may purchase up to 12 tickets but must do so in a single transaction.

Projected Revenue Impact

Revenue Metric	Amount
Historical Annual Passenger Revenue (2024–2025)	\$4,147,164
Projected Gross Revenue Increase	~\$638,000 (+15.4%)
Friends & Family Revenue Concession (12 tickets)*	(~\$78,700)
Projected Net Revenue Increase	~\$559,300 (+13.5%)

*Assumes maximum utilization: 995 annual passholders each using all 12 Friends & Family tickets. Adult discount: \$9.00/ticket (\$17.00 peak – \$8.00 off-peak). Half-fare discount: \$4.50/ticket (\$8.50 – \$4.00). Actual concession will depend on utilization and types of tickets purchased.

Appendix A | Annual Pass Value Analysis

Dollar savings (+) or additional cost (-) of purchasing an Annual Pass vs. paying single-ticket rates, by trip frequency. *Bold border = within \$15 of breakeven. Pass: \$435 · Peak RT: \$17.00 · Off-Peak RT: \$8.00*

PEAK TRIPS ↓ Trips / Year	← OFF-PEAK ROUND TRIPS PER YEAR →															
	0	2	4	6	8	10	12	14	16	18	20	22	24	26	28	30
0	-\$435	-\$419	-\$403	-\$387	-\$371	-\$355	-\$339	-\$323	-\$307	-\$291	-\$275	-\$259	-\$243	-\$227	-\$211	-\$195
2	-\$401	-\$385	-\$369	-\$353	-\$337	-\$321	-\$305	-\$289	-\$273	-\$257	-\$241	-\$225	-\$209	-\$193	-\$177	-\$161
4	-\$367	-\$351	-\$335	-\$319	-\$303	-\$287	-\$271	-\$255	-\$239	-\$223	-\$207	-\$191	-\$175	-\$159	-\$143	-\$127
6	-\$333	-\$317	-\$301	-\$285	-\$269	-\$253	-\$237	-\$221	-\$205	-\$189	-\$173	-\$157	-\$141	-\$125	-\$109	-\$93
8	-\$299	-\$283	-\$267	-\$251	-\$235	-\$219	-\$203	-\$187	-\$171	-\$155	-\$139	-\$123	-\$107	-\$91	-\$75	-\$59
10	-\$265	-\$249	-\$233	-\$217	-\$201	-\$185	-\$169	-\$153	-\$137	-\$121	-\$105	-\$89	-\$73	-\$57	-\$41	-\$25
12	-\$231	-\$215	-\$199	-\$183	-\$167	-\$151	-\$135	-\$119	-\$103	-\$87	-\$71	-\$55	-\$39	-\$23	-\$7	+\$9
14	-\$197	-\$181	-\$165	-\$149	-\$133	-\$117	-\$101	-\$85	-\$69	-\$53	-\$37	-\$21	-\$5	+\$11	+\$27	+\$43
16	-\$163	-\$147	-\$131	-\$115	-\$99	-\$83	-\$67	-\$51	-\$35	-\$19	-\$3	+\$13	+\$29	+\$45	+\$61	+\$77
18	-\$129	-\$113	-\$97	-\$81	-\$65	-\$49	-\$33	-\$17	-\$1	+\$15	+\$31	+\$47	+\$63	+\$79	+\$95	+\$111
20	-\$95	-\$79	-\$63	-\$47	-\$31	-\$15	+\$1	+\$17	+\$33	+\$49	+\$65	+\$81	+\$97	+\$113	+\$129	+\$145
22	-\$61	-\$45	-\$29	-\$13	+\$3	+\$19	+\$35	+\$51	+\$67	+\$83	+\$99	+\$115	+\$131	+\$147	+\$163	+\$179
24	-\$27	-\$11	+\$5	+\$21	+\$37	+\$53	+\$69	+\$85	+\$101	+\$117	+\$133	+\$149	+\$165	+\$181	+\$197	+\$213
26	+\$7	+\$23	+\$39	+\$55	+\$71	+\$87	+\$103	+\$119	+\$135	+\$151	+\$167	+\$183	+\$199	+\$215	+\$231	+\$247
28	+\$41	+\$57	+\$73	+\$89	+\$105	+\$121	+\$137	+\$153	+\$169	+\$185	+\$201	+\$217	+\$233	+\$249	+\$265	+\$281
30	+\$75	+\$91	+\$107	+\$123	+\$139	+\$155	+\$171	+\$187	+\$203	+\$219	+\$235	+\$251	+\$267	+\$283	+\$299	+\$315

LEGEND

- Pass saves \$150+
- Pass saves \$16–\$150
- Pass saves \$1–\$15
- Near breakeven (±\$15)
- Single tickets save \$1–\$15
- Single tickets save \$16–\$150
- Single tickets save \$150+

Source: CBITD 2026 Proposed Passenger Rate Adjustments — Finance Committee, March 11, 2026 · Pass breakeven: approximately 26 peak-only round trips or 55 off-peak-only round trips per year.

CASCO BAY ISLAND TRANSIT DISTRICT

2026 Proposed Passenger Rate Adjustments

A Message to Our Island Communities

March 2026

Dear Casco Bay Lines Community,

I am writing to share proposed passenger rate adjustments for 2026 and to explain the thinking behind them. A detailed rate sheet showing every passenger fare category, current prices, and proposed prices is available as a separate companion document. I encourage everyone to review it alongside this letter. Attached to the rate sheet, you'll also find a table (Appendix A) showing the breakeven point of an annual pass at various peak/off-peak trip levels compared to single ticket prices.

First, the big picture: In addition to exploring new cost reduction initiatives, these proposed rate adjustments are designed to reduce the District's operating deficit while protecting affordability for islanders, the people who depend on CBL the most. If you are a year-round island resident, particularly an annual passholder, including seniors, the proposed changes are small. If you ride the ferry frequently, or even periodically, you will continue to have access to the most affordable fares in the system. That is by design.

Why We Are Proposing Rate Adjustments

When the Board approved the June 2024 fare restructuring, it made a commitment to the community: the Finance Committee would establish regular fare review cycles and make measured, incremental adjustments to keep pace with rising costs, rather than allowing extended gaps between reviews that require larger adjustments. This proposal aligns with the Board's commitment. The pricing of passes (annual, 90-day and monthly) that fit with island travel patterns, and the widespread adoption of such passes, allows for different levels of price increases to passes and to single tickets.

Operating costs continue to rise. Fuel, labor, vessel maintenance, insurance, and regulatory compliance all cost more today than they did two years ago. The District's enabling legislation, 35-A M.R.S. §5101-A, requires the Board to balance two obligations that exist side by side: preserving **affordability for year-round island residents** and maintaining the **financial viability of the District** to minimize the potential need for governmental operating subsidies. These are not competing goals. They are complementary, and the proposed rate structure reflects both.

What the Law Asks Us to Do

The Maine Legislature created Casco Bay Lines with a specific set of priorities. The enabling statute calls for:

From the Enabling Legislation

35-A M.R.S. §5103: *“All ferries shall maintain reasonable and adequate service, rates and schedules to the islands of Casco Bay.” When establishing schedules, the commission shall take into consideration “the daily year-round service needs of the inhabitants of the islands.”*

35-A M.R.S. §5101-A: *“The Legislature finds that the provision of affordable year-round passenger, freight and vehicle transportation to the islands served by the Casco Bay Island Transit District is critical to the continued existence of these island communities. It is the intent of the Legislature that the regulation of rates for the district allow for reasonable cross-subsidization of rates in order to preserve the affordability of passenger, freight and vehicle transportation for the year-round residents of the affected islands, the financial viability of the district and the viability of the island communities served by the district.”*

The statute further provides that in allowing cross-subsidization, the commission shall “attempt to minimize the potential need for governmental operating subsidies for the operations maintained by the district.”

These provisions work together. The Legislature made a clear finding: affordable year-round transportation is **critical to the continued existence of island communities**. It then directed that rate regulation allows for cross-subsidization to preserve that affordability for year-round residents while keeping the District financially viable. The proposed rate structure does exactly that. Users who depend on the ferry year-round for work, school, medical care, and other necessities of life pay the least per trip through the pass system. Users who ride occasionally or seasonally usually pay more per trip, but their total annual cost remains lower due to the infrequency of travel. That is not an accident. It is what the statute envisions.

How the Proposed Rates Protect Year-Round Affordability

The proposed rate structure follows a clear principle: supporting affordability of the ferry travel component of island life via passholder rates while being fiscally responsible for the long-term health of the District and its ability to maintain year-round, daily ferry service. The two-tier rate structure built around passes allows cross-subsidization of passes open to anyone but mostly purchased by islanders, including half price passes for seniors and children and disabled passes and rates, while charging visitors and occasional travelers higher rates for single tickets. Because the breakeven point for passes is so low, most islanders and those who visit regularly, benefit from passes. With the two-tier rates we can increase the prices on passes less, providing more affordability and stability for islanders and reverse commuters, and support those lower rates through higher fares, aligning with market rates, for visitors.

Annual passholders, a majority of whom are year-round islanders who represent the community’s most frequent riders, see a proposed increase of just 0.7%. That is \$3 per year for an adult pass, or less than a penny a day. At \$435, the annual pass works out to about \$2.09 a day for a common travel pattern of 4 days a week. The annual pass carries extra benefits: including the ability to purchase discounted vehicle tickets and may offer other benefits designed to help islanders in the future.

90-day passholders see proposed increases in the range of 3.1% to 6.3%, depending on the pass type and season. The 90-day pass is now offered in two clear categories: the **Down Bay Pass**, serving the islands without regularly scheduled vehicle service, and the **Peaks Island Pass**, which now automatically includes the ability to purchase vehicle discount tickets. This simplifies a structure that many riders found confusing and makes it easier to understand which pass fits your travel needs.

30-day passholders see proposed increases in a similar range. These passes serve residents who prefer shorter commitment periods or who have occasional months of heavy use. The

breakeven point for 30-day passes is a modest 3 to 4 trips. Even with these adjustments, all passholders continue to pay dramatically less per trip than single-ticket riders.

Single tickets are used predominantly by visitors and occasional travelers who face the lowest total annual transportation costs and who contribute the least to the year-round operation of the District. An adult round-trip would move from \$14.00 to \$17.00 during peak season and from \$7.20 to \$8.00 during off-peak months. Islanders who travel less than 3 times a month have low costs due to the infrequency of travel and may further limit travel in the peak season when ticket prices, and crowding, are at their highest.

Notably, these new rates are still below comparable ferry services, including those operated by the Maine State Ferry Service and the Chebeague Transportation Company. A detailed rate comparison is available on the Casco Bay Lines website [here](#).

A New Benefit: Friends & Family Tickets

During community feedback on the 2024 fare restructuring, numerous islanders told us that while the pass system options (annual, 90-day, and 30-day) allow flexibility and work well for frequent users and families whose travel is more than 3+ times per month, the increase in single ticket prices made it expensive for family and friends who do not live on the islands and visit regularly but not often enough to justify their own pass. A particular concern was raised for young adult children of islanders, with families, who often visit in summer. This proposal addresses that feedback.

☆ New: Friends & Family Discount

Under the proposed rate structure, annual passholders would be able to purchase up to **12 peak-season passenger tickets per year at off-peak rates**, approximately a 50% discount. These tickets can be used by: your adult children visiting from the mainland, a friend coming out for the weekend, a family dinner. Passholders may purchase up to 12 tickets but must do so in a single transaction and tickets cannot be resold.

Understanding How We Think About Affordability

Naturally, people have concerns about how fare changes affect different types of riders, particularly those who travel infrequently and may pay general single-ticket or vehicle rates. These are fair questions, and they deserve a thoughtful answer.

This approach to rate design starts with a basic question: **what is the total annual cost of ferry transportation for a given rider, and how can we keep it affordable for islanders?** This is different from asking what a single trip costs on a single day. Both questions matter, but they tell very different stories, and the Legislature made its intent clear when it directed that rate regulation preserve the affordability of transportation for the year-round residents of the islands.

Consider two riders. One is a year-round resident who commutes an average of 4 times per week with an annual pass at \$435. Their total annual ferry cost is \$435, which works out to about \$2.09 per trip. The second rider is a year-round island resident who uses the ferry regularly but not for daily commuting. This is someone who takes the boat to the mainland for medical appointments, shopping, or family visits roughly every couple of weeks. At 30 round trips a year, split between peak and off-peak travel, that rider's total annual ferry cost under the proposed rates would be approximately \$420 for passenger tickets. That figure represents one of the largest proportional annual cost increase of any passenger type in this proposal, at about \$68 more per year than they pay today. And yet their total annual burden is still slightly lower than the proposed \$435 an annual passholder would pay.

There is something else worth noting about that \$420 figure: it sits just \$15 below the annual pass threshold. At just one additional peak-season trip, the annual pass becomes the less expensive option, and that rider's total annual ferry cost is effectively capped at \$435 under the newly proposed annual pass rate, regardless of how many more times they ride. And they have the benefit of freedom of travel, no ticket lines, and discounted vehicle tickets. The pass system means that as any rider's use of the ferry grows, their per-trip cost falls, and their total annual burden stops growing entirely once they cross that threshold and purchase the pass that fits with their travel needs. Periodic adjustments like this proposal keep the system financially sound, but the pass structure ensures that the ceiling on any resident's annual transportation cost remains stable and predictable. And while we are most concerned with the annual cost burden on island residents, passes are available for purchase by anyone whose travel needs fit with the pass options, there is no residency requirement, in compliance with the law.

And finally, switching to an annual pass activates the proposed new Friends and Family program that unlocks up to \$108 in additional savings for family members and friends visiting during the peak season. The program also helps households where one partner may have an annual pass, but the other's frequency of travel doesn't justify one. That partner still has access to significantly reduced single ticket rates in peak season.

Designing rates around total annual burden rather than individual transaction cost is exactly what the enabling legislation envisions and what we have done to support affordability. The pass system, the off-peak pricing structure, and the new Friends & Family discount all work together to implement the Legislature's cross-subsidization mandate: tying the deepest discounts to the daily patterns of year-round use, structuring different rate/pass options to maintain affordability with various, typical islander travel patterns, which is the pattern of travel the Legislature identified as the District's core obligation to serve. In compliance with the law, passes are available to anyone with no residential requirement, though the majority of annual pass buyers are year-round residents. It is worth noting that pass sales data shows that seniors have been particularly willing to buy passes to take advantage of the low cost, affordable rates offered by senior annual passes. Enthusiasm for adoption of the annual passes with half price option for kids 13-18 has also come from families, especially those with adults who travel regularly and kids who commute.

Keeping the System Financially Sound

The proposed adjustments are projected to generate approximately \$638,000 in additional gross annual passenger revenue. After accounting for the cost of the Friends & Family discount, the net increase is approximately \$559,000, an increase of about 13.5%. The FY 2026 budget included an increase of 12.5% in revenue from passenger fares. It is important to note that the revenue increase proposed is driven by summer single ticket revenues, with increases in 90 day and monthly pass prices held below the rate of inflation, and annual passes, purchased mostly by island residents, proposed to increase by only \$3 a year or 0.7%.

This revenue increase contributes roughly a 20% reduction in the District's multi-million-dollar operating deficit. Operating expenses reflect the cost of running the ferry system every day: fuel, crew wages, vessel maintenance, terminal operations, insurance, and regulatory compliance. These costs have risen steadily, and fare revenue is the primary tool the District has to keep pace. It is worth noting that efforts to control costs are important and underway including schedule optimization and improved fuel efficiency. Further efforts to increase efficiency to control costs will continue.

The Finance Committee approach is straightforward: regular fare review cycles, measured adjustments that take advantage of the two-tier fare system and pass structure to maintain affordable rates for islanders and frequent users, while concentrating higher increases (in line

with the market prices of comparable ferry systems) on single tickets used mostly by visitors. A core commitment of the Board is to transparent communication with the community about costs and rates. This framework benefits everyone. Riders can anticipate how fares will evolve in a measured way over time, and the District can work toward financial stability without the potential surprise of a larger increase or re-structuring that comes from extended periods without fare review.

What Happens Next

These rates are proposed, not final. The District will follow its established process, including discussion in today's (March 11, 2026) finance committee workshop. We welcome feedback from the community during this process. Another Finance Committee workshop will be held on Wednesday, March 18 at 7:45am, as always in person and virtual participation is welcome. We also encourage written feedback by writing to ratechange@cascobaylines.com or by speaking to your elected board representatives.

A complete rate sheet showing every passenger fare category with current and proposed prices is available separately. I encourage you to review it, and please do not hesitate to reach out with questions.

Casco Bay Lines exists for one reason: to connect the islands to the mainland and to each other, safely, reliably, and affordably. Everything in this proposal is built around that mission. I'm committed to getting this right and am grateful for the community's engagement in helping us do that.

Thank you,

Ben Dinsmore

General Manager

Casco Bay Island Transit District