

Ad Hoc Subsidizing Peak Season Ferry Tickets Committee (FTC)

Public Information Meeting

April 14, 2026 06:00 PM

Town Office & Zoom

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Meeting ID: 870 1820 8331

Passcode: 735377

Agenda regarding Ad Hoc Ferry Committee Proposal

1. Background
2. Discussion of current tariffs
3. Description of Proposal as Pilot Project
4. Discussion of Initial Limitations
5. Description of Proposed Agreement for Participants
6. Budget and Cost Considerations including limitations
7. Proposed Warrant
8. Questions and Answers

Off Peak Ferry Ticket Proposal General Overview

Background

The Select Board formed an Ad Hoc Ferry Ticket Committee in response to a proposal intended to minimize the impact of the current Peak Season rates, which are in effect from June 1 until the end of September upon island residents. The Peak Season rates, as most people are aware, are significantly higher than the Off Season rates which are in effect during the other eight months of the year.

The proposal comes about as the result of the perception by many that the Peak Season rates (Vehicle \$42.50, adult walk on \$17.00, and minor (age 6 – 17) walk on \$12.00) are high and are having an adverse impact upon the continued vitality of the Islesboro community. Currently, the cost for a couple to go to the mainland during Peak Season is \$59.50. The cost for family of four (with two minor children) is \$83.50.

Also driving the proposal is the fact that the most recent MSFS budget projections from DOT for the 2026 fiscal year included an expected expense increase of 15.8%, which is significantly greater than the current inflation rate. If that trend continues, another tariff increase is probably inevitable. The consequences of that could have a very adverse impact upon the town and its residents. By attempting to keep ticket prices at a somewhat reasonable level it is hoped, among other things, that the town will remain attractive to younger families with children with an accompanying eventual positive impact upon the ICS student population and the community as a whole. This proposal should not be considered a panacea, but could be one small, but important, step in the right direction.

There is also a recognition that despite the fact that most people who live here are here because they want to be here, trips to the mainland are basically inevitable. Thankfully, we have Durkee's, the Island Market, the Health Center, a robust Public Safety organization, a vibrant Preschool program, Boardman Cottage, and a number of nonprofit organizations that we can lean on for support. Given our numbers, however, there are quite a few things we do not have, such medical specialists, vets, a drug store, a hardware store, restaurants, etc.

Islesboro representatives on the Advisory Board of the Maine State Ferry Service have consistently asked Maine DOT and the MSFS to consider an island resident rate, a senior citizen discount, and a commuter program that is consumer friendly. Those efforts, unfortunately, to date, have not met with success. When presented with this proposal the Select Board initially authorized a survey of town residents which, as a preliminary matter, appeared to show strong support for the concept.

Overview.

At the outset, it is important to note that this proposal, as currently conceived, is a preliminary proposal and limited to being a PILOT program. Depending upon the response this proposal could be modified, expanded, or discontinued. Time will tell.

The proposal, if approved, would begin on or about July 1, 2026, when the authorized funds become available. Given the logistics, it might take a week or two before the plan goes into effect. The plan would have the town purchase, from its general fund, Peak Season tickets limited to vehicles, adult walk ons, and minor walk ons (ages 6 – 17)

from the MSFS at the Peak Season cost, and sell those tickets (only) to island residents at the Town Office at Off Season rates.

During the first year, given the fact that this is conceived as a pilot program, the committee has agreed to recommend to the Select Board, that initially the following limitations should apply:

Sales will be limited to ISLAND RESIDENTS. Residency is often, but not always, easy to determine. The guidelines will follow state and federal (including IRS) guidelines. As a general proposition a Maine driver's license with Islesboro listed as the legal residence or being listed as a registered voter in the town is sufficient. In the absence of a license or voter registration some proof of residency in Islesboro for more than six months will be accepted on a case by case basis. New arrivals to the island can be evaluated on a case by case basis as well. **NB: status as a taxpayer is a neutral factor and does not automatically confer residency status.**

Each household would designate a "Head of Household" to sign an agreement relating to the proposal which would include:

The right to purchase **up to 10 vehicle tickets** by the Head of Household;

Designate all other household members eligible to obtain tickets;

Allow the Head of Household to purchase **up to 10 walk on tickets for each other household member (both adults and minors)** to be used as the household deems fit;
An agreement to purchase tickets at the town office during regular business hours well ahead of day of use to avoid chaos at the town office. NB, this means it is imperative to purchase tickets well in advance. There are no sales during weekends, holidays, or when the office is closed for lunch.

An agreement to limit ticket use to household members and not transfer, given away, sell, etc., to anyone outside the immediate household;

An understanding that there may be times that tickets are not available at the Town Office;

An understanding that should the voter approved budget be reached this year, it may be necessary to suspend the program.

An agreement that if there are any changes to residency or household status the head of household will notify the town of same;

An understanding the sales are limited to cash, check, or credit card (subject to a 2.5% handling fee;

An agreement that all sales are final.

Cost.

The proposal anticipates the cost of the program would come out of the general fund.

Since this has never been done before it is somewhat difficult to project the demand and, therefore, the cost of this program. However, based upon the latest census and some (rather) arbitrary projections regarding use by households of two vs. households of four, and the like, the projected cost were each household entitled to purchase ten vehicle tickets (for one household member) and ten walk on tickets for its nondriving members is anticipated to be in the vicinity of \$55,000.00. Mil rates can change all the time but **using the current mil rate the projected cost of this program would add approximately \$8.00 per \$100,000.00 of property tax valuation . (Ex. A property valued at \$400,000 would be expected to see an increased**

tax bill of approximately \$32.00. A property valued at \$500,000 would be expected to see an increased tax bill of approximately \$40.00, and so on.)

Agreement by Resident of Town of Islesboro regarding eligibility for purchase of “Peak Season” ferry tickets at “Off Season” rate June 1 – September 30

I, _____, [hereinafter “Resident”] in consideration of participating in the program further described herein hereby warrant, attest, and agree as follows:

- I am a resident of the Town of Islesboro and reside at _____, Islesboro, Maine. My email address is _____.
- My residency in the Town of Islesboro, Maine, is my sole primary residence and I do not claim residency anywhere else. I am the head of the household. Other members of Resident’s family in Resident’s immediate household who are residents of the town of Islesboro are the following individuals.
 - _____ adult/minor(ages 6-17)
 - _____ adult/minor(ages 6-17)
 - _____ adult/minor(ages 6-17)
 - _____ adult/minor(ages 6-17)
- **Beginning upon initiation of the program in July, 2026, during Peak Season (June 1 – September 30) Resident may purchase up to 10 Maine State Ferry Service “Peak Season” vehicle tickets and, in addition, up to 10 “Peak Season” walk on tickets for the other members of resident’s household, as listed above, at the “Off Season” Rate.**
- **Purchase of tickets must be made at the Town Office during regular business hours prior to the day of use to avoid interruption of regular town business.** The parties acknowledge that depending upon demand there may be occasions when tickets are not available at the Town Office. **Purchase well in advance of use is strongly encouraged**
- **Sales are subject to town budget limitations and it is possible that should the budget for the program approved by voters be reached the program may be suspended.**
- **Sales are limited to cash, check and/or credit cards** (which will include a 2.5% handling fee.
- All sales are final.
- Resident agrees not to give, transfer, or cause any ferry tickets purchased by Resident at the resident rate, to be used by any person other than members of Resident’s immediate household;
- Resident agrees that if there is any material change of circumstance regarding Resident’s residence, members of Resident’s immediate household, or any other circumstance that could affect members of Resident’s household residency status, Resident will immediately inform the Town of Islesboro of same.
- Resident agrees that continued ability to purchase tickets is contingent upon compliance with this Agreement.
- Resident agrees that all claims and disputes arising under or relating to this Agreement are to be settled by binding arbitration in the state of Maine. The arbitration shall be conducted on a confidential basis pursuant to the Commercial Arbitration Rules of the American Arbitration Association.

Seen, agreed, and attested to:

Dated: Resident: _____ for Town: _____

Residency Guidelines for Ferry Ticket Sales

Residency can be both easy and difficult to determine depending upon individual circumstances. For the purposes of town ferry ticket sales these are suggested guidelines:

Generally, an Islesboro resident is an individual who has lived on Islesboro with the intent to remain indefinitely, or someone who has maintained a permanent place of abode on Islesboro and has spent more than 183 days here.

- **Indicia of residency:**
 - **Maine Driver's License with Islesboro listed as home address**
 - **Registered to vote in Islesboro**
 - **More than 183 days/year spent on Islesboro during the last year**
- **Indicia of non-residency:**
 - **Drivers license with residence other than Islesboro listed**
 - **Registered to vote in town, city, or state other than Islesboro, Maine**
 - **Maintenance of a permanent place of abode other than Islesboro and spend more than 183 days per year there in the past year**

For recent arrivals, generally the key to residency is the intent to reside in the Town of Islesboro on a permanent basis.

Payment of property taxes is a neutral factor and does not weigh in favor or against a determination of residency.