

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 been 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 who are registered voters. 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, give 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. **NB, MSFS advises that it cannot track these bulk sale tickets. Risk of loss, therefore, rests with the purchaser. Please store tickets in a safe place away from sunlight to avoid ink fading and resulting inability to scan. Those risks rest with buyer as well. If you tend to lose tickets or keep them in the sun so the ink fades and the ticket cannot be scanned this program may not work for you.**

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.)**