

Town of North Haven
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June 5, 2019

Jim Billings
Chief Counsel
Maine DOT, Legal Division
16 State House Station
Augusta, ME 04330

Re: **Proposed Increase in Maine State Ferry Service Ticket Prices**

Dear Mr. Billings:

North Haven recognizes the mutually dependent relationship we have with the Ferry Service: the Ferry Service exists to serve the six islands and we islanders cannot maintain our way of life without the Ferry Service. Thus we greatly appreciate the opportunities we have had to exchange ideas with you, Commissioner Van Note, and the other senior officials in the DOT and Ferry Service.

While each of the unbridged islands the Ferry Service supports is unique, we all share in the need for reliable, predictable, and affordable boat transportation to and from our islands. The State provides this service for all of us — those of us who reside on the islands and the many people who visit them. North Haven's residents share the same concerns as the other five islands. We travel to the mainland for business, recreation, supplies, healthcare, and to visit with friends and family. Thousands of people come to the islands for short and long-term vacations throughout the summer. We worry that a significant increase in ferry ticket prices will both reduce our quality of life and curtail travel by the summer visitors who help fuel our economy.

As noted at both the Belfast hearing and Commissioner Van Note's in-person discussion with North Haven's residents, the greater the cost of ticket prices, the more people will do to limit their Ferry Service travels. Ridership decreases as ticket prices increase until equilibrium is reached. We understand the need to operate the Ferry Service within an approved budget. The challenge is to create a ticket pricing structure that supports that budget while allowing islanders to live affordable lives.

As the Ferry Service strives to meet this challenge, we urge Commissioner Van Note to consider the following:

- North Haven has a year-round population of about 350 people, many of whom live on modest, fixed incomes; these residents cannot pass along the costs of higher ticket prices to someone else

- While commercial truck fares could conceivably be passed on to customers, year-round island residents are often the customers; as noted above, many live on modest, fixed incomes and could not easily absorb the impacts of increased freight prices. Additionally, North Haven has one small grocery store that is entirely dependent on trucking freight to the island; increasing truck fares significantly would further reduce the store's thin operating margins
- With three ferry trips per day, the time North Haven residents devote to traveling to the mainland usually amounts to most of a working day; this means our residents are taking time off work — income-producing time — to attend to their needs on the mainland. Thus increased ticket prices would just exacerbate the money they lose while away from their jobs
- North Haven's Medical Clinic provides basic care; residents and visitors alike must travel to the mainland for x-rays, MRIs, laboratory work, and other forms of diagnostic tests, surgery, dental, vision, and other forms of specialized health care
- Residents and visitors overwhelmingly use the State's ferries to reach the island; air travel and passenger boat travel is substantially more expensive and limited
- Ticket prices should not be based on distance traveled; many factors go into the Ferry Service's operations and maintenance costs — predicating prices on distance would unfairly disadvantage those islands that are farther from the mainland
- Traveling to the mainland for North Haven's residents is a necessity, not a convenience; people spend considerable time and energy planning their days off-island
- Seasonal ticket prices should not be so starkly different from regular fares as to penalize year-round residents who rely on ferry transportation to meet basic needs; said another way, not everyone can wait until the summer is over to use the ferry
- Reservation, parking, and other fees should be reasonable and recognize that many people must use reservations both ways to ensure they obtain needed medical care, thereby doubling the effect of increased reservation costs
- North Haven would actively work with the Ferry Service to find ways to increase ridership to help drive up fare-box revenues; these might include —
 - Adding a fourth scheduled run during summer months
 - Finding a way to pick up foot-passengers on the north side of Vinalhaven before leaving the Thorofare
 - Working with the other islands and the Maine Office of Tourism to highlight the history, natural beauty, and tourist activities that can be so easily experienced via the State's ferries

We look forward to receiving Commissioner Van Note's detailed rate proposal later this month. Our Select Board, town administrator, and Ferry Service Advisory Board members stand ready to provide feedback on that proposal and to work with the Ferry Service to arrive at an effective and reasonable pricing structure.

Yours truly,

//s//
Jonathan Demmons
Chair, North Haven Select Board

//s//
Jon Emerson
Member, MSFS Advisory Board

//s//
Rick Lattimer
Town Administrator