WARRANT FOR THE SPECIAL MEETING OF
THE BOARD OF ISLAND TRUSTEES (BIT)
July 26, 2008

Greetings:

In accordance with the Charter of the Town of Frye Island, all members of the Board of Island Trustees are hereby notified to meet at the Frye Island Community Center on Saturday, July 26, 2008 at 9:00 a.m. to act upon the following articles:

Discussion: Considering the cost of fuel necessary to operate the ferries has increased from the $2.75 per gallon that was planned in the Ferry budget to $4.40 or greater which creates a projected budget deficit of approximately $15,000, and; considering a reduction in the sale of ferry tickets has resulted in a decrease in planned revenue projected to be approximately $25,000; all totaling $40,000; a public hearing was held on July 19, 2008 to discuss short term solutions. As a result of that meeting the following articles are presented for consideration:

Vote for one

Article 1: To see if the Board of Island Trustees will vote to apply a three ($3.00) fuel surcharge to the cost of each $12.00 ferry ticket and a six dollar ($6.00) fuel surcharge to the cost of each $24.00 ferry ticket. This surcharge will be collected on each ticket used for the remainder of the season; and will be applied to the ferry operating revenue account. Pre-purchased tickets are not exempt from this surcharge. The six dollar surcharge to heavy equipment will be charged per unit. (i.e. A dump truck equals 1 unit, a dump truck and trailer equals 2 units, Dump truck cost $96.00 + $6.00 = $102.00; dump truck and trailer costs $96.00 + $6.00 + $6.00 = $108.00).

It is estimated that implementation of Article One would raise an additional $47,000 assuming projected ticket sales are accurate.

Article 2: To see if the Board of Island Trustees will vote to suspend the transfer of the $3.00 contribution from the sale of a discounted ferry ticket and $4.00 contribution from the sale of a full price ferry ticket to the Ferry Capital Reserve. These respective amounts would be added directly to the ferry operating revenue account. This is considered a short term solution and will end at the end of the 2008 season or sooner as determined by the Executive Committee should revenues and expenses become more favorable.

It is estimated that implementation of Article Two would transfer an additional $52,240 to the ferry operating account assuming projected ticket sales are accurate.

The Executive Committee would prefer Article One to avoid spending Capital Funds on operating expenses.
The Executive Committee of the Board of Island Trustees

Deborah Anthony
Phil Perry
Bruce Nisula
John Nun
Mark Thomas
Joseph Potts
Bob Miner