



**TO: PORT LIBERTÉ BOARD OF DIRECTORS  
PORT LIBERTÉ RESIDENTS  
JOSEPH BARRY, DAVID BARRY AND MICHAEL BARRY  
(Ironstate Development, LLC)**

**JOSH WUESTNECK (Port Liberté Project Manager)**

**FROM: ARTHUR E. IMPERATORE, Founder & President**

**DATE: MAY 11, 2017**

**SUBJECT: SERVICE CHANGES and FARE ADJUSTMENTS**

---

After we purchased BillyBey Ferry Company (BBFC) the first of this year, we did an analysis of the financial results and reviewed many aspects of the service and the cost of providing it. To our dismay, we found that we were operating at a sizable deficit, for several reasons. Upon our review, we concluded that we offered somewhat excessive hours of service given the ridership density. Also, it has been six years since the fares were adjusted, not only on this route, but all our routes, and were it not for the stability achieved in the last year or so in our fuel oil pricing, our fares would have had to rise even higher. All of our expenses have been escalating through the roof, be it labor, insurance, healthcare, repair parts – practically every service we require for our operation.

We have, therefore, made changes to reduce some redundant midday hours to cut our costs. We have also arranged with New York City to change to terminate our Manhattan service at Slip 5, which is immediately adjacent to the Staten Island Ferry, just steps to the subway system and, hence, closer to west side locations which are being accessed by many Port Liberté clients. Considering that we can operate with a 35-minute headway into Slip 5 and avoid the congestion which has built and continues to build based on Citywide Ferry operations which have brought increased boat traffic from Pier 11, we believe this change should be quite advantageous to some. Slip 5 is a covered facility at which we had operated in the early years after our ferry startup very satisfactorily.

In reviewing our new pricing, you will find that we still retained a sizable discount for residents. The adjustment in our fare structure is an absolute necessity for us to continue the service after experiencing our first quarter losses, which we expect would only continue, if not intensify. Considering that ferry service has brought sizable accretions to property values all along the Hudson River waterfront on which we operate many ferry terminals, it seems only fair these adjustments be made so that our operations will be profitable in the future. We hope you understand that we run a first-class service and although we operated the boats for BBFC, there were many aspects of their service over which we had no control. If the quality experienced some slippage, it may have been for reasons not attributable to our operating control and skills. Indeed, I would like to inform you

that we will be refurbishing the otter-class boat in the fall with enhanced improvements in seating and the general interior appearance and atmosphere. We hope you will continue riding with us and enjoying the reliability that we have always brought in the past with the further enhancements which we have described.

We hope you will understand and cooperate with these long-needed changes. Meanwhile, we thank you for your past patronage and look forward to the continued privilege of serving you in the future.

**Port Liberté Fare Changes: EFFECTIVE JUNE 1, 2017**

	PRESENT	NEW
One Way	\$ 10.00	\$ 13.00
Child	5.00	8.75
10-Trip	100.00	120.00
Monthly	334.50	415.50
<b><i>Resident Monthly</i></b>	<b>300.00</b>	<b>350.00</b>
Student Monthly	250.00	332.25
Bike	1.00	1.25
Bike/Ferry Monthly	369.50	448.50

**Port Liberté Service Changes: EFFECTIVE JUNE 5, 2017**

The current service is at a 40-minute frequency and will be changed to a 35-minute frequency. We currently operate out of "Pier 11". We will be now sailing and utilizing "Slip 5". We currently offer 16 departures and now will be offering 14 departures. The schedule will only affect the off-peak runs and not during the peak.

The schedule will be as follows:

Depart	Depart	Depart	Depart
Port Lib	Slip 5	Port Lib	Slip 5
6:00 AM	6:15 AM	3:40 PM	4:00 PM
6:35 AM	6:50 AM	4:15 PM	4:35 PM
7:10 AM	7:25 AM	4:50 PM	5:10 PM
7:45 AM	8:00 AM	5:25 PM	5:45 PM
8:20 AM	8:35 AM	6:00 PM	6:20 PM
8:55 AM	9:10 AM	6:35 PM	6:55 PM
9:30 AM	9:45 AM	7:10 PM	7:30 PM

**NO TICKETS WILL BE SOLD AT SLIP 5. TICKETS MUST BE PURCHASED AT PORT LIBERTE OR VIA THE NY WATERWAY MOBILE TICKET APP.**