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**From:** Hat Island [hicmail@hatisland.com]  
**Sent:** Monday, January 21, 2008 9:47 AM  
**To:** Undisclosed-Recipient:;  
**Subject:** New Ferry Update  
**Follow Up Flag:** Follow up  
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All;

Andy and I spent Monday thru Friday on Ohau going over Expeditions 3 with a fine tooth comb and spent a full day with the Professional Marine Surveyor.

We also spent a day and a half with the shipping companies.

Here's the results - She is more boat than we could have ever dreamed of owning. Aside from the difference in capacity, Holiday holds 87 Expeditions 3 - 99, she is 10 feet longer and has three full decks. The engine compartment and ships stores take up the first deck. Seating for 80 and a HUGE indoor luggage compartment make up the second deck and the third deck is seating for an additional 80 both indoors and outdoors. There is outdoor seating on the bow for 20.

The most common questions that we're getting are:

Why has she not sold? She was first put on the market nearly three years ago at over \$600,000. But she is a ferry and unless you want her as a ferry she is of no interest at \$600K in Hawaii. Through three years of price reductions they got more and more interest, but still unless you want her for a ferry in Hawaii she is of little use. She was built to do 25 knts, but never made more than 21 knts. she was replaced by a 30 knt twin hull. Now that she is available for \$150K there is tons of interest because people can afford to refit her into a different use or afford to ship her as we will do.

How much gas will it consume and will that raise our costs?

Holiday burns 11 gallons per trip and is actually very miserly on gas. The new boat will burn anywhere from 3 to 10 times as much depending on how we operate her and how much success we have in "De-tuning" the engines to a lower horsepower rating and fuel consumption level. Experience will tell. But my guess is that next year we will need to either adjust the ferry rates or apply more community subsidy towards its operation which will logically result in a higher annual assessment. But as we were considering building a new boat for well over \$1M, this will still be a lot cheaper.

By the end of the day or tomorrow at latest there should be additional photos available on the web site for you to look at. She is dirty, banged up and needs a complete paint job and a lot of TLC. But now that we have a firmer handle on shipping costs we're confident that we can buy her, get her here, refitted to our use, painted, and in service for \$250,000 or less.

Ballots were mailed on Saturday, Jan 12th and are due back Jan 25th. If you do not receive your ballot in time to get it back to us by the 25th call us and we will work out a way for you to vote.

Chuck