



WSDOT Ferries Division Public Meeting
Coupeville, Wash.
Fort Casey State Park, Auditorium B
Tuesday, Oct. 7, 2008: 5 – 7:30 p.m.

Note: This meeting summary represents notes from the Washington State Department of Transportation (WSDOT) Ferries Division public meeting, and is not a formal transcript or minutes. It is provided as a record for the staff and public in attendance and other interested parties.

Open House

Meeting attendees were given an opportunity to review the boards set up throughout the room. Ferries Division staff were available to answer questions.

Introduction

*David Moseley, Assistant Secretary, WSDOT Ferries Division
Diane Adams, Meeting Facilitator*

Diane welcomed everyone and reviewed the agenda. David welcomed everyone and thanked them for coming.

David highlighted a few local concerns:

1. *New boats.* David said that the Ferries Division needs to build new boats. He said that we have the biggest ferry system in the United States and we do not have any back-up boats. He emphasized that this is not a sustainable way to operate. He said that the Ferries Division is working on building these boats. The Ferries Division has a contract with Todd Shipyards and is on track to begin construction by the end of 2009 for the 144-car boats. The bids are due to the Ferries Division on Nov. 6, 2008 for (at least) two 64-car vessels and David hopes to contract before Thanksgiving.
2. *Hood Canal Bridge closure.* David said that he was asked if the Ferries Division could add a commercial run from Edmonds to Port Townsend in the evening during the closure. He said that he had identified a vessel that could make the run and he said he would be meeting with the commercial interest in Port Townsend next Wednesday.
3. *Steilacoom II.* There is a Coast Guard requirement for dry docking before end of December which means the Port Townsend / Keystone route will be out of service for a few weeks. Pierce County has been great to loan the Ferries Division the boat but Ferries does not have control over its maintenance schedule. David said he is hoping to avoid Thanksgiving and Christmas and pull it at the very end of December and keep it out for a



couple of weeks in January. David said that he will keep people informed as information becomes available.

Presentation: System Challenges and Funding Problem

David Moseley, Assistant Secretary, WSDOT Ferries Division

David explained that since the motor vehicle excise tax (MVET) went away, the Ferries Division lost 25 percent of the operating budget and 40 percent of the capital budget. What has happened since then is that the legislature has brought discretionary funds from other places to keep the ferry system going. This has been necessary even though the Ferries Division has reduced services and raised fares. David emphasized that this is why the system is not sustainable.

David described the \$3.9 billion gap in funding the existing baseline. He explained that on the capital side it's because the Ferries Division has an aging fleet and on the operations side it's because of the high costs fuel. Ferries was raising 78 percent of the operating budget from the fare box. Now the Ferries Division is only raising 70 percent because of fuel costs.

1. During 22 years, what's the overall transportation budget? *The legislature works in 16-year budgets. I don't know what it is but we can get you that number.*
2. The ferry system is part of the highway system but it's not treated that way. Why? *Funding fluctuates greatly depending on capital programs but our operating costs are much higher than the rest of the highway system.*
3. I understand the MVET and I dislike Tim Eyman, but to treat the ferry system as a separate system is faulty. We need to think about it holistically. Don't they need to prioritize and get more funding to ferries? Why do ferries always bring up the rear? *The legislature will definitely be looking at this policy question in the 2009 session.*
4. It seems like we're doing patchwork here that's not really solving the problem. *You're exactly right.*
5. When does this come before the legislature? *This legislative session, which starts Jan. 12, 2009.*

Presentation: Washington State Transportation Commission (WSTC)

Bob Distler, Commissioner

Philip Parker, Commissioner

Bob gave a brief overview of the WSTC information. He explained that the survey results reflect input from focus groups as well as the survey itself. Bob said that the results have shown that people have some elasticity to change to walk on or switch from riding at peak times.



The WSTC is also working on an analysis of the Ferries Division's long-term funding strategies. Bob said that the WSTC is looking at several sources of funding including local and state taxes. This may include a local ferry district but it may include something else entirely. Bob emphasized that the gap in funding is big and real. He said that WSTC has not discovered the magic bullet for closing the funding gap.

1. David said that the baseline included vessel replacement. Does it include terminal replacement? *It includes maintenance, not replacement or improvements.*
2. I'm concerned about the base case and the 40 percent growth rate. Why don't you gradually increase the size of the boats? *You will see with the strategies that there are other things we can do. We need to work within our budget. We know we'd be in trouble if we don't do anything.*
3. What is the status of the Mukilteo terminal? *There is a capital project freeze until the long-range plan is done.*
4. Did that freeze also stop light rail or bus? *No, that comes from local funding.*

Presentation: Building Blocks for the Long Range Plan

Ray Deardorf, Planning Director

Ray gave an overview of the strategies that the Ferries Division has identified as the most effective for managing demand. These are reservations for vehicles, transit enhancements and pricing.

Reservations:

Ray reviewed the reservations system and reminded attendees that the reservations system has been very successful on the Port Townsend / Keystone route. He said that the Ferries Division will build on that experience and tailor it to each route. Ray said that he knows there were a lot of concerns about reservations in June and the Ferries Division has worked on answering those questions for the public. A few key pieces that would make the system successful are:

- Users would pay something in advance to avoid no-shows
- Space would vary by route and time of day
- Vehicles would need to arrive 10 to 15 minutes ahead of time
- Reservations could be made up to 30 minutes ahead of sailing
- Majority of boat would be reserved (small number of spaces set aside for emergencies)

Transit Enhancements:



Ray talked about the reasons that the Ferries Division is considering transit enhancements as a part of their long-range plan. He said that the survey showed that lack of transit was a frequently cited factor that prevented people from walking on the ferry. Studies have shown that if you want to get people out of their cars, transit needs to be available on both sides of the route.

Pricing:

Research shows that pricing strategies affect demand. Ray said that the Ferries Division has looked at its pricing structure and evaluated tools to find the incentives and disincentives within pricing. These strategies would get phased in over time and would only be used if demand warrants:

- Congestion pricing
- Frequent user policy
- Small car incentive
- Off-peak discount
- Passenger discount

Ray explained that the Ferries Division would most likely mix and match elements of each pricing strategy to develop a package. He said that the Ferries Division wants to maximize the demand shift, achieve revenue neutrality, and minimize the overall cost impact on frequent users.

The last building block is the ferry service changes. If the Ferries Division cannot effectively manage demand, they would need to increase service. Ray suggested that service changes would be implemented if the Ferries Division is not able to change demand with the strategies.

Public Comments and Questions

1. What about passenger-only ferries from ferry port to ferry port throughout the Puget Sound? If we're trying to connect to transit, they could be the solution. *The legislature says that the state should not be in the passenger-only ferry business. If a private company came forward, they could do that.*
2. But you give us passenger-only ferries when we lose other boats.
3. I think these strategies are very responsible from a fare standpoint and transit standpoint but I think you will reach diminishing returns. Fares will be too complicated. If transit is too complicated, people will not take it.

Keystone / Port Townsend Package

Ray Deardorf, Planning Director

Ray said that now that we have the strategies, we have to meld them together into a package that works for this route. The first step is to add reservations and



transit enhancements. There may be more people who want a sailing than there are reservations available. At that point, the Ferries Division would add pricing strategies to help shift people to other routes. Since this route is so seasonal, we could do peak pricing that way. Ray noted that we are not proposing a three-boat system. Ferries would just add more hours to the two-boat system.

David added a thank you for helping the Ferries Division with the reservations experiment on the Port Townsend / Keystone route. He said that he heard a tremendous amount of skepticism about a reservations system in June but that has changed. He said that people are now asking if their route can be next because they have heard that this route has been so successful.

Group Discussion

Diane Adams, Meeting Facilitator

Diane presented the workshop questions and led a group discussion:

- What impact would a package like this have on you and your community?
- Other ideas/concerns?

Public Comments and Questions

1. Does the route specific chart include amenities like food? *We have not gotten to that level of detail.*
2. Bring back a string player.
3. Where did you get the “40 percent usage increase” number? *Various studies were done. Port Townsend will actually have an increase of 60 percent.*
4. None of the solutions are system-wide. *It’s route by route.*
5. This route has some uniquenesses. If there is an increase in traffic by 60 percent, the Island Home boats won’t last long. *That’s what the last column is, we would add more runs to spread out demand even further and provide more capacity.*
6. Could you have a schedule that would accommodate three boats? *It’s very unlikely. We would need another spot to tie up a boat. It would have to be scheduled evenly to avoid delays.*
7. Can you make a promise to get us the data from the summer? I’d particularly like to know if the extra evening hours worked. *Yes.*
8. Do you have scenarios for the taxing proposals? *We’re not there yet.*
9. This is the only route with a reservations system. It’s working well. This is a good experience to learn from and influence decisions for the future.
10. I would like to thank you for making the reservations system, it’s a big plus. It’s made a huge difference in getting the traffic off the street and



getting people in town spending money. I would request more of the same.

11. It has been positive but the ridership has backed off the route that otherwise would use it. People don't want to deal with the system.
12. I feel that if you have a car and a computer, it's worked out fine. From what I'm hearing, though, it often says that the reservations are full but the boats are sailing half full.
13. I run a visitor's center and we've had some very irate people who have sat on hold for a really long time – mostly for “long vehicle reservations.” Our visitorship is up 69 percent because of the ferry system. It's been a huge burden on us because we are staffed by volunteers.
14. We need to get rid of the “reservations required” signs.
15. There is a reservations system on the international route. They used to have 40 percent no-shows. Once there was a penalty for no-shows it dropped to two percent.
16. With the reservations requirement sign, people drive on by because they don't know that only half the boat is reserved.
17. Can we have a “lesson learned meeting” after this reservations experience so that we can talk collectively about what worked and what didn't?
18. If you want to use the visitor information center for ferry reservations information, we would welcome it but we need some funding.
19. It is my perception that there are fewer commuters on this route but there is commerce and tourism. The fare structures need to be tailored to the route. I'm retired and I'd be willing to pay more. Give the commuters a break and the commercial vehicles a break.
20. Charge the tourists.
21. Whenever you raise the fares six percent, the sales tax revenues flatten in our cities (on Whidbey). People just aren't coming and spending as much.
22. It's key that you tailor the reservations system to the local people: the businesses and the Navy. The Navy has approached us (Whidbey-Seatac Shuttle) for charters because we get preferential loading treatment. They can't make it from the base here to Bangor without knowing if they will get on the boat. *David met with Captain David and made some commitments to the Navy (cars on either side, reservation on each boat) and he never heard back from them.*
23. Make sure that you know the businesses that need the service. The tourists should pay more.
24. What about a resident versus non-resident fare structure? *How would you define a Washington State resident?*



25. This WSF route is a key link between naval bases. It is hard to define residents with the Navy because many people are living on base but have a driver's license from somewhere else. *We would need to pursue that a little more.*
26. What is your strategy to get the legislature to treat the ferry system as part of the highway?
27. There is a perception that only rich people live on islands and that they can pay for the ferry system. If we have that mentality here, imagine what the legislature hears from those people in Eastern Washington.
28. You have to push back and get people to understand that it's not rich people on the islands.
29. This is how we move people. If there were no ferries, eight million people would be back on the freeway to congest the system. There are no other connections that work like this.
30. Your boss has to have a strategy. *That's a large part of this work. We are getting information that we all understand and that the legislative staff can work with. The 2009 legislative session is going to be a tough session.*
31. I would like to see scenarios for the tax issue. There is a lot of fear in that area and seeing the numbers will influence people.
32. Before you write the plan, let's look at the data and the trends from the reservations system this year. For example, was the later service a good idea?
33. We do not want to focus on the immediate past because it was an emergency situation.
34. Long ferry lines are not acceptable just like congestion on highways is not acceptable. The legislation has to take that seriously. *The current level of service (LOS) standard is based on an average day. In the past, once we reached that LOS number, we added capacity. Now we're doing things differently and looking at other solutions.*
35. Thursday is the biggest night of the week. The new weekend is Thursday through Sunday and the summer season is late April through October. It doesn't seem like people understand that. *That's the nature of transportation. There are peak times and you can't move people to a 3 a.m. sailing to avoid all lines. Congestion is going to happen. You have to find a medium. You can only spend so much money.*
36. Transit enhancements are a nice idea but you don't have control over it. *We will make it part of the long-range plan and ask for funding. The legislature doesn't necessarily have to give us the money but we recognize that it needs to happen as part of the system.*
37. Island Transit gets a big fat "F" on the Port Townsend / Keystone route (but does a great job on Mukilteo / Clinton). We need an electric bus /



- shuttle that goes directly to Coupeville and back. It needs to meet every boat, every day.
38. Island Transit has to serve Mukilteo / Clinton because that is where the traffic is. The Port Townsend / Keystone boat comes at unreliable times. We would like to offer Sunday service but we don't have the funding. We can't increase service until we have bigger maintenance facilities.
 39. We need the will of the legislature to talk taxes for these things.
 40. I'd like to see how the chart would grow across time. Could you add dates to each column?
 41. I'd like to put a plug in for the private sector. It is often more efficient for the legislature to fund things via grants or assistance to the private sector to do what you want to do. We could make these things happen in a week. Public transit doesn't have to serve the island, we can serve the island. We are private and we're providing what the county wants. We're [Whidbey-Seatac Shuttle] part of the solution here, we bring more people here.
 42. If WSF cut fares for your shuttle through funding, where would the money come from?

David thanked everyone for coming and said that he was very pleased with the conversation. He said that the Ferries Division will be drafting the long-range plan. The package will provide information so that the legislature can make policy decisions in our favor.

Hadley Greene, Ferries Division Communications Manager, invited everyone to the Port Townsend / Keystone Partnership meeting. She said that the Partnership has been meeting for two years about route specific issues. The next meeting is Tuesday, Oct. 21, 2008 in Port Townsend.

Approximately nine attendees. The public sign-in included:

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|----------------|---------------|
| Bill Viertel | John Solin |
| Jennifer Meyer | Phyllis Brett |
| Gina Bull | Wynda Eccles |
| Sharon Hart | GA Matz |
| Sarah Richards | |

WSDOT Ferries Division Staff:
David Moseley, Assistant Secretary
Ray Deardorf, Planning Director
Hadley Greene, Communications
Diane Adams, Consultant
Kristina Walker, Consultant



Blair Scanlan, Cedar River Group

Washington State Transportation Commission:
Phillip Parker, Commissioner
Bob Distler, Commissioner
Paul Parker, Senior Policy Analyst

No comments were submitted at the meeting.

The following comments were received following the meeting. Names have been omitted.

Received via e-mail, Oct. 8, 2008

1. Survey results:

I have reviewed all of the available survey documents, and my conclusion is that it is impossible to predict how changes in fares (+/- nn percent, et al) will be received because the 2008 surveys were not tailored to measure the unique characteristics of the Port Townsend-Keystone route -- this happened despite repeated reminders from the FACs that EHSB 2358 requires that FACs be directly involved in the design of the surveys.

EHSB 2358 Section 4 (2): "The commission shall develop the survey after providing an opportunity for ferry advisory committees to offer input." Note: "committees" - plural. It is clear from Section 5 that the legislature recognizes "that each travel shed [route] is unique".

WSF chose to interpret the legislature's instructions in a very different way, forcing the FACs to send a only single "representative" to the table. There is no legislative authority for any one person to represent all FACs. The survey results are flawed, and they should not be relied upon to forecast either growth or consumer's reactions to proposed strategies on the Port Townsend-Keystone route.

2. The LRP "route package" document:

The whole area of Level of Service needs to be re-described in terms of "how full is the boat", not in wait times. We've talked about this several times, but the LRP wording hasn't changed to reflect the reality that, on the Port Townsend-Keystone route, there is no way to measure "wait times" when a reservation system is in effect.



All references to "wait times" on the "route package" document for the Port Townsend-Keystone route should be removed from the document to eliminate possible confusion; the existence of a reservation system on this route is a certainty for the purposes of presenting the LRP to the legislators, and the documents should reflect that.

As for the other routes in the system, a new policy and procedure for measuring how many vehicles of each kind are actually on each sailing is needed; the sooner, the better, regardless of whether or not a reservation system will actually be deployed on any given route. Additionally, the length of the current waiting queues must be systematically and accurately measured. Modeling and forecasting can only produce results as good as the data upon which they are based.

WSF does not know how long the lines are along the highways at terminals like Kingston, Bainbridge, etc. Only limited information is currently available; i.e., the fact that there is a queue, that a tally system is active, and/or that the WSP is being paid to monitor and control the waiting traffic. Once a methodology is in place to allow accurate counting of all sailings and queue lengths, WSF will be able to measure actual demand and devise more suitable plans for growth.

3. Commissioner Distler's comments about imposition of fees to reduce "no shows":

The Commission and WSF should not forget the experience of 2007 when the users of the Port Townsend-Keystone route, and other communities, roundly rejected the notion of a "surcharge" for reservations. The Anacortes-Sidney route uses a deposit, not an add-on fee. The higher (\$43 to \$53 for car+driver) fares on the international route make such a deposit feasible; however, the cost of administering such a scheme on the Port Townsend-Keystone route, where similar fares are only \$9 to \$11, might well outweigh the perceived costs of no-shows.

An in-depth analysis of the lessons learned from the first season of using reservations on a low-fare route must be conducted. Until that is done, using deposits to correct what is at the moment an anecdotal no-show "problem" is only one of several possible theories.

Received via e-mail, Oct. 17, 2008

1. Three wheeled vehicles are the only ones which must pay peak season surcharge even if they buy a 20-ride pass. It is ludicrous that a trike or



sidecar rig is treated as an oversized vehicle and subjected to peak season surcharges IN ADDITION TO the oversize vehicle surcharge they already have to pay.

2. Three wheeled vehicles do not have the re-value card option available to them.
3. Southworth needs a 7:15 A.M. boat from Southworth to Fauntleroy. It's ridiculous that there is an hour and fifteen minute gap in service during the peak of commuter traffic.
4. Good-to-go & Wave-to-go need to be combined.
5. Ferry passages purchased should never expire. The money they were purchased with does not expire. When a service has been paid for, it should be delivered, even if it is a year or two after purchase. Taking money and refusing to deliver is theft, plain and simple. Many commuters use more than one mode, and have to retain multiple passes. It is very difficult to use all of them when I have to keep a car pass, trike/sidecar pass, motorcycle pass and walk on pass.
6. Bicycles should not be charged more than pedestrians. Washington state needs to encourage alternative transportation methods, and a bicycle is one of the most environmentally friendly modes of transportation.

Received via e-mail, Oct. 14, 2008

Power the Washington State Ferries Utilizing Grid Electricity. The Washington State Ferry System can save money, stabilize the cost of energy, and eliminate most if not all carbon emissions.

Current Facts:

1. The propeller shafts on the Washington State Ferries are powered via electrical motors.
2. Energy is stored aboard the Ferries in liquid form as diesel fuel. A diesel generator converts the energy in the diesel fuel to the electrical power required to run the motors delivering power to the propellers.
3. Diesel fuel must be transferred to the storage tanks on the ferries via hose connections giving rise to the potential for fuel spills.
4. Diesel fuel is currently being delivered via fuel trucks. The trucks burn diesel and add to carbon emissions.



5. The current system is inefficient, harmful to the environment, and unnecessary.

Technical Feasibility:

1. Lithium Ion Batteries are currently available such that a bank of them can store enough energy to operate a ferry for an entire day.
2. The durability of Lithium Ion batteries has been proven.
3. A seagoing vessel can be designed to carry the weight of the batteries.
4. Adaptation to existing ferry design would be cost effective. Essentially the on board diesel generator and diesel storage tanks would be replaced with battery storage capacity.
5. The diesel fuel lines used to fill the on board diesel storage tanks would be replaced with a high capacity shore-power electrical connection.
6. The ferry is a perfect application for electrical power because of the defined time under power and the time spent "pushing the dock" that can be used for recharging the batteries.

Benefits:

1. Cost savings of \$1,443,064 annually for a boat like the WSF MV Tillikum. This is based upon \$4 per gallon diesel and an electricity rate of \$.10 per kwh.
2. Alternate funding is available for "green projects." An example of available funds is 10 million in grant money from Google for ideas that improve the world.
3. Electricity is generated locally while diesel is imported.
4. The diesel fuel delivery costs, along with the risk of (and actual) environmental pollution is eliminated.
5. No longer will the diesel generators have to be maintained with oil changes, daily service, and engine overhauls.
6. No future carbon tax.

[report accompanied comment – available upon request]