



WSDOT Ferries Division Public Meeting  
Anacortes, Wash.  
Fidalgo Center  
Wednesday, Oct. 15, 2008: 6 – 8:30 p.m.

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*Note: This meeting summary represents notes from the 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 and the ground rules.

David thanked everyone for coming. He said that the request for the Anacortes Terminal improvements has been submitted to the governor for consideration in the 2009-2011 Transportation Budget.

### **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, Ferries 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 Ferries 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 Ferries is only raising 70 percent because of fuel costs.

### **Public Comments and Questions**

1. After spending all this money, you still don't have back up boats when one goes down. *We have funding for up to five boats. Two are for the Port Townsend / Keystone route and there are up to three 144-car vessels*



*(one of which would be for the San Juan Island route). There are seven other boats that would need to be retired within the 22-year plan and this funding accounts for that.*

**Presentation: Washington State Transportation Commission (WSTC)**

*Dan O'Neal, Commission Chairman*

*Bob Distler, Commissioner*

Dan explained that the commission is made up of seven commissioners that recommend policy to the legislature. He said they also set fares on the ferries. He said that the WSTC has been tasked with conducting a survey of ferry users and conducting the funding study. He pointed out that the numbers they are using are the same as the Joint Transportation Committee (JTC) and the Ferries Division. He said that their study assumes fare increases and ridership increases. WSTC will have recommendations for the legislature in the next few weeks.

Bob presented details from the survey. He explained that the survey included focus groups as well as the survey. He said that one option for funding is the three-legged stool concept. Typically funding comes from the first two legs of the stool: state funding and fares. Bob said that the WSTC is considering the possibility of a local tax (a local ferry district) and a MVET-type tax for the state tax. He said that a regional tax could not go exclusively to ferries because local roads and transit agencies are all going through similar funding issues. Bob emphasized that the gap in funding is big and real. He said that no one has discovered the magic bullet.

**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 Ferries 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 Ferries 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.

#### **Anacortes / San Juan Islands / Sidney Package**

*Ray Deardorf, Planning Director*

Ray said that there is a projected vehicle traffic growth of 30 percent on the San Juan Islands route and 25 percent on the Sidney route so there needs to be a combination of strategies to accommodate that growth. Ferries would add reservations and transit enhancements first and if that doesn't shift demand enough, they would add pricing strategies. If that's not enough to accommodate the growth, Ferries would start to add service. In Level I the service hours that were trimmed off in 2000 would be added back to effectively use the system with the reservations system. It also adds a sixth boat to the summer schedule and more direct service to the individual islands. Level II bumps up spring and fall to the level that summer is now. He reminded attendees that there are costs associated with the baseline and as you move to the right on this chart, costs go up.



## 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. All of these strategies are great but you need boats. Where are we getting the money to buy new boats? *We have five boats funded. In the next 22 years, we need to build seven new boats to replace those that will be retiring. This is part of the \$3.9 million funding gap.*
2. What about federal highway funds? *A small percentage of the capital budget is from the Federal Highway Administration but the highway fund is nearly depleted as well. Everyone is hurting.*
3. We used to look at fare box return and know what our targets were. We [City of Anacortes] spent \$100,000 a year to market the Sidney run. It looks like there is local funding on the three-legged stool but service is going down. We're wondering if it's worth our marketing dollars. Local funding is not available. We're in as dire straights as anyone else. *We think that a ferry district will have to be comprised of the west side of the ferry system as a whole but we haven't come to any conclusions.*
4. Could some boat parts be funded federally if they're built somewhere else or do we have to continue with this "Washington-built boats" law? *That's a legislative decision.*
5. The boat to Victoria was discontinued but a lot of Canadians were using the boat because it saves time at the border. You should continue the boat because of that service.
6. What about implementing preferential service for a fee? They do that in Canada.
7. When fares go up, there is a decrease in ridership. Is that factored in? *Yes, we've used recent data and the WSTC survey.*
8. Is there a downside to a reservations system? *There are perceived downsides. One is the loss of flexibility. The major downside is change. It's a different way of doing business and interacting with the ferry system. We will implement it on the routes where there is public support for it. We'll start with more congested sailings so that it is clear that there are advantages to predictability.*
9. In the summer, a lot of tourists will clog up the reservations system.
10. Cancellations should be penalized.
11. At what point does a raise in fares impact the number of riders? *Our experience is that for every percent increase, we get a 0.5 percent drop in*



- ridership. We have hypothesized that there is a top of the curve where we will lose revenue but we haven't seen that yet.*
12. Maybe it would be wise to get to that point and solve your demand problem. *This is a public system and there is an obligation to move people to where they want to go.*
  13. Have you made comparisons with increases on the BC Ferries? It seems like people complain initially and then they understand and it doesn't affect the overall ridership. *BC Ferries hasn't had the increases that we have had overall. They have added fuel surcharges recently and have had a drop in traffic. We have seen decreases as well since people are traveling less as gas prices rise.*
  14. It's a case of what we've become accustomed to. The fares are actually lower than they were in 1960 in real terms. The WSTC also sets the tolls on the Tacoma Narrows Bridge and in 1941 the toll was \$17 (in today's dollars).
  15. Fares are too low. You can't make money with them that low.
  16. Economist say that the price should go up, politicians think that the price should come down.
  17. You can't run on fares alone. You have to be subsidized. WSF has a high fare box recovery. It's really good compared to other transit.
  18. I'm concerned with the law that says that the boats have to be built in Washington. BC Ferries had boats built in Germany and they were on time and on budget. We need to change the law. Is there an effort to make this happen? *That is a legislative decision but we know that the legislature will see the big bill for all the boats in the 22-year plan.*
  19. The Walla Walla was supposed to be on this route but it's not.
  20. Thanks for putting this together and for coming out to Anacortes tonight. Things seem to be coming together.

Diane encouraged people to take the information with them and send in their comments.

David thanked everyone for coming. He said that the draft long-range plan will be done by Nov. 14, 2008 and that the Ferries Division will be back for public hearings in December. The Ferries Division will then incorporate the revisions and send a proposed plan to the legislature by the time they convene in mid-January. He said that he's meeting with the JTC and the WSTC constantly and that the three groups will be in unison in front of the legislature.

Approximately 15 attendees. The public sign-in included:

Lynn Schiveley

Cory Himer

Mitch Everton

Duane Clark

Joan & Bob Ostrom

H. Dean Maxwell



Bob Evans  
Elaine Oliphant  
Larry Brewster

Joan Pringle  
Jean & Alex Taylor  
Bill Short

WSDOT Ferries Division Staff:  
David Moseley, Assistant Secretary  
Ray Deardorf, Planning Director  
Marta Coursey, Director of Communications  
Dan Ferguson, Operations  
Diane Adams, Consultant  
Kristina Walker, Consultant  
Blair Scanlan, Cedar River Group

Washington State Transportation Commission:  
Dan O'Neal, Commission Chairman  
Bob Distler, Commissioner

No comments were submitted at the meeting.

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

*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. Tking 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 pas, 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]