

Assistant Secretary David Moseley's Weekly Update



March 18, 2014

Six years ago when I came to Washington State Ferries it was an agency in crisis. Former Washington State Department of Transportation Secretary Paula Hammond had just made the correct and courageous decision to stop operating the 82-year-old Steel Electric class vessels because they weren't safe. Just a few years previously WSF had lost its main funding subsidy, the Motor Vehicle Excise Tax. That source of funding has never been replaced. The result was to shift more of the operating cost to our customers. Last year 70 percent of WSF's operating cost came from the fares our customers paid. I don't know of any other major transportation system in the nation that has a higher fare-box recovery rate than ours. In addition, our fleet had become the oldest of any major ferry system in the world. The average age of BC Ferries' vessels are 21-years-old, Norway's 28 and ours, in 2008 when I came, was 38-years-old. So, we had old boats, had cut service and raised fares on our customers – no wonder they were mad at us!

When I came I said that we need to focus on four major priorities. First, we had to build new ferry boats. Second, we had to preserve and maintain our ferries better to ensure the safety of our passengers and the reliability of our service. Third, we needed to improve our relationships with ferry communities and customers through more frequent and more personal communication. Finally, we needed a sustainable, dedicated funding source for the capital and operating needs of the system.

I believe we've made real, tangible progress on all of those priorities. Thanks to funding provided by the legislature, we built and have in operation three new, (64-car) KWA DI TABIL class ferries which replaced the previously retired Steel Electrics. We now have an additional three new ferries, the OLYMPIC class, funded and under construction. That will allow us to retire, as scheduled, the 60-year-old Evergreen State class. Remarkably, that's six new ferries built, under construction or funded in just six years. Finally, the average of our ferry fleet is going in the right direction – downward.

We are preserving and maintaining our vessels better. Our talented staff keeps our vessels operating with 99.4 percent service reliability even though much of the regular maintenance has to be completed during the evening and early morning hours when the ferries are not operating - at terminals strung from Tacoma to Anacortes. Most other ferry systems return their vessels to a central maintenance facility at the end of the day for maintenance. We don't have that luxury. We also cleaned the rust from our ferries and improved the appearance of our fleet.

Communications with our customers is better. I have participated in more than 450 meetings in our ferry communities over the last six years. I also send out a report each week on ferry activities that is emailed to more than 5,000 folks and posted online. We've improved the ability of our customers to manage their own travel decisions with new online information such as "Best Time to Travel", "Terminal Conditions," and "Fleet Watch." After successfully implementing a vehicle reservation system on three of our routes, we are now working on Phase 2 that will allow customers traveling to and from the San Juan islands to reserve space on our vessels, providing them with travel predictability and certainty. Customers will not have to show up and wait in line for hours. In the future, on most WSF routes, when a customer makes a reservation, they are on the ferry they reserved. After 12 years of ridership decline, the ferry system added customers in 2013.

That brings us to the fourth priority - financial sustainability. The good news is that the 2014 legislature passed a bill providing a dedicated revenue source for WSF's vessel construction program. While this will not provide full financial sustainability it is a very important step toward a stronger financial foundation. WSF still does not have a dedicated revenue subsidy for operations and terminals capital costs. Until there is a dedicated source in place for those costs, WSDOT will likely need to continue to transfer funds from other depleted transportation accounts to maintain our current level of service. While we made real and significant progress in the 2014 session, financial sustainability has been and remains WSF biggest challenge.

Recognizing that the Ferry system is in a stronger position than when I came six years ago, I have decided to leave as head of the Washington State Ferries. My last day will be April 15. I think it's a good time to hand the future to the next director.

It has been a profound privilege to serve the citizens of the State of Washington and the customers of Washington State Ferries for the last six years. I am deeply grateful for the opportunity to serve in what has been the most satisfying job of my career - and the hardest.

It has been a pleasure to work with the women and men of the ferry system. They are hard-working, dedicated individuals who care deeply about the important service they provide to the citizens of our state and our customers. It has been an honor serving Secretaries Hammond and Peterson and Governors Gregoire and Inslee. I also appreciate the support WSF received from many legislators during the past six years – particularly the House and Senate Transportation Chairs I have had the privilege to work with, Senators Haugen, King and Eide and Rep. Clibborn. All of these people have worked hard for WSF during very difficult times. Finally, I have benefited from the advice and input received from our ferry customers and communities. I believe I needed and learned more from the community meetings than the communities did and I thank them for sharing their time with me.

I'm pleased with the progress we've made. But it is now time for the next person to build on our successes, correct our mistakes and continue to move the system forward. As I leave this work to the next person, I am reminded of a Theodore Roosevelt quote, "More and more it seems to me that about the best thing in life is to have a piece of work worth doing and to do it well." There is absolutely no doubt that leading WSF is "a piece of work worth doing." I am satisfied to leave the judgment of "how well" I did to others. But one thing I know for sure - I did my best.

Now I look forward to the next challenge. I don't know what that will be. I've had a few interesting conversations but really have no concrete plan yet. Instead, I intend on taking a few months to explore new possibilities.

As they say in the maritime world, I wish you all "fair winds and following seas." Take care and best wishes.

David Moseley

David Moseley's weekly updates are available on the WSDOT Ferries Division website at www.wsdot.wa.gov/ferries/weekly.

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