

Guemes Island Ferry

2011 Operations Status Report



September 2011
Skagit County Public Works



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1. Overview of the Guemes Island Ferry System and Facilities



The Guemes Island Ferry operates seven days a week, 365 days a year between Anacortes and Guemes Island. Skagit County has operated the ferry since the early 1960's when it was purchased from a private operator. The vehicle and passenger ferry, M/V Guemes, is a US Coast Guard inspected vessel and is rated for three crew, 99 passengers, and 22 vehicles. We transport approximately 200,000 vehicles and 400,000 passengers a year. The ferry crossing across the Guemes channel is approximately three quarters of a mile in distance and a round trip takes approximately 20-25 minutes to complete.

The M/V Guemes was built in 1979 by Gladding Hearn shipyard in Somerset, Massachusetts. She was delivered and put into service in 1980. The M/V Guemes has been well maintained with a regular preventative maintenance program that has kept the vessel in good condition. At all times, Skagit County has in storage one spare main engine and one spare propulsion unit, as well as two spare propellers. Each time an engine, propulsion unit, or propeller is replaced, the old one is sent out to be refurbished and then stored at the County Road Shop as a spare for the next replacement.

The current dock facilities were built in 1980 after the M/V Guemes was put into service. The dock structures have had minimal maintenance over the last 30 years and, as a result, were in need of major work. A dock rehabilitation project for the docks took place in the spring of 2011. This project included the replacement of girders on the approach spans on both the Anacortes and Guemes Island ferry docks. The bridge mechanical, electrical, and hydraulic systems have been well maintained over the years keeping the bridges operational.

The Ferry Division has 18 employees to include one full-time Ferry Operations Division Manager/Senior Master, one full-time Mechanic/Deckhand, four regular full-time Purser/Deckhands, five regular part-time Purser/Deckhands, and seven part-time/on-call Purser/Deckhand positions. The United States Coast Guard Certificate of Inspection issued to the Guemes Island Ferry requires that the vessel be manned with three persons while underway. This is to include one Captain and two Purser/Deckhands. The Guemes Island Ferry operates with a base three-person crew to include one Captain, one Deckhand, and one Purser (who is also a deckhand while the vessel is in transit). All employees are represented by the Inland Boatman's Union.

The Guemes Island Ferry operates Monday through Thursday, 6:30 a.m. to 8:30 p.m.; Friday and Saturday, 6:30 a.m. to 11:00 p.m.; and Sunday, 8:00 a.m. to 8:00 p.m. per Resolution R20080556 signed by the Board of Skagit County Commissioners the 16th of December, 2008. The sailing schedules that were in effect in 2011 are included in Section five (5) of this report.

The 2011 fare schedule for the Guemes Island Ferry was established per Resolution R20110099, signed by the Board of Skagit County Commissioners the 22nd of March, 2011. The Board of Skagit County Commissioners

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approved a fare increase following a public hearing held March 15, 2011. The current fare schedule, effective June 1, 2011, is included in Section seven (7) of this report. Resolution R20100050, signed by the Board of Skagit County Commissioners on February 16, 2010, established the methodology for calculating the Guemes Island Ferry Fare Revenue Target. The 2011 Guemes Island Ferry Revenue Target Report is included in Section 9 (nine) of this report. The Washington State Ferry Deficit Report is included in Section ten (10).

Each year, Skagit County Public Works develops a Ferry Operations Work Plan on which they intend to solicit public advisory input through the public forum process. The annual Work Plan includes items of interest relative to Guemes Island Ferry operations as they pertain to such topics as ticketing, the sailing schedule, fare structures, etc. In 2011, Public Works held two annual public forum meetings on Guemes Island. Agendas and summaries for the public forum meetings held on Guemes Island are included in Section fourteen (14) of this report. Work Plans and Progress Reports are included in Sections eleven (11), twelve (12), and thirteen (13). Throughout the year, Public Works will meet with the Guemes Island Ferry Committee, other interested organizations, and citizens at large as is deemed necessary. In 2011, Skagit County Public Works spent numerous hours with the Guemes Island Ferry Committee at several meetings discussing Guemes Island Ferry operations.

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2. Guemes Island Ferry Annual Accomplishments

- Staff of 18 employees maintained, operated, and provided dependable ferry service on the 22-car, 99-passenger, Guemes Island Ferry;
- Provided an essential transportation link between Anacortes and Guemes Island for approximately 78,313 vehicles and 197,203 passengers between January 1, 2011, and July 31, 2011.
- Maintained and purchased machinery and equipment essential for the continued operation of the M/V Guemes, including the rebuild of one spare main engine, one gear and the purchase of two new propellers;
- Maintained Guemes Island Ferry terminal facilities, including a new terminal building completed at year's end 2010, three County-owned parking lots, and loading approach facilities such as the loading dock and the bridge approach spans and towers;
- Managed contracts for services essential to ferry operations such as parts, service, and repair for engines, gears, generator, hydraulic and electrical equipment, diesel fuel, annual haul-out and maintenance, and passenger-only service;
- Conducted two public forum meetings and one community meeting on Guemes Island, as well as several meetings with the Guemes Island Ferry Committee, for the purpose of soliciting public advisory input on any and all issues relative to the Guemes Island ferry operations and the Guemes Island community;
- Implemented mail-in and phone-in order systems for the advance purchase of ferry punch cards;
- Passed mandatory annual inspections onboard the M/V Guemes conducted by the United States Coast Guard;
- Passed various mandatory terminal facility inspections;
- Provided training and random drug screening programs to Guemes Island Ferry staff, and conducted emergency drills onboard and underway with passengers to ensure the safety of everyone traveling onboard the Guemes Island Ferry; and
- Completed the Anacortes Ferry Dock Rehabilitation and Guemes Island Ferry Dock Repair Projects, the Ferry Terminal Asphalt Overlay Project, and installed a Skagit Transit bus stop at the Anacortes ferry terminal.



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3. Ferry Related Projects

Anacortes Ferry Dock Rehabilitation and Guemes Island Ferry Dock Repair Projects

- Worked with Public Works Engineering Division, Port of Anacortes, City of Anacortes, Skagit Transit, Mystic Sea Charters, Island Transport, and the Guemes Island Community to coordinate various aspects of the \$1.5 million Ferry Dock Rehabilitation/Repair Projects on both the Anacortes and Guemes Island ferry docks;
- Coordinated for the 100-passenger, M/V Mystic Sea to seamlessly provide passenger-only service for a period of two months, during which time the M/V Guemes was not operating due to construction on the ferry docks;
- Arranged for Island Transport to provide barge transport service between Anacortes and Guemes Island in order to transport essential service vehicles that carried groceries, collected garbage, delivered propane, diesel fuel, and gasoline, and removed waste;
- Maintained an essential ground transportation link on Guemes Island together with Skagit Transit who provided bus service to and from the ferry dock during the ferry shut-down and dock construction.



Ferry Terminal Asphalt Overlay

- Work with Public Works Engineering Division and the City of Anacortes to coordinate various aspects of the ferry terminal asphalt overlay project;
- Work included new asphalt and striping of the ferry holding and traffic access lanes as well as parking stalls within the brand new Anacortes ferry terminal facility.

Skagit Transit Bus Stop

- Worked with Skagit Transit, the Guemes Island Ferry Committee, and citizens at-large to install a bus stop at the Anacortes ferry terminal.
- Coordinated for the bus stop to be located at the base of the approach hill to the terminal in order to provide better ADA access for passengers with mobility issues.



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Anacortes Terminal Security Cameras

- Currently working with the Information Services Department to coordinate the installation of additional security cameras at the Anacortes ferry terminal facility;
- The additional cameras will allow for online viewing of ferry holding lanes both in Anacortes and on Guemes Island and better security within public areas of the terminal building.
- Anticipated completion of the project is September 30, 2011.

Automated Ticketing System

- Currently working with the Information Services Department to coordinate all aspects of the installation and operation of an automated ticketing system for the Guemes Island Ferry with the goal of providing customer convenience and increasing efficiency;
- The project consists of a ticket kiosk installed at the Anacortes ferry terminal and online/will-call ticket sales.
- Anticipated completion of the project is November 30, 2011.

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4. Annual Programs

Preventative Maintenance

- The Guemes Island Ferry maintains a daily, weekly, bi-monthly, monthly, and quarterly schedule for conducting preventative maintenance onboard the vessel;
- The preventative maintenance consists of greasing seals on the outdrive, drive shaft, and various hydraulic equipment, including hydraulic equipment located on the bridge spans and aprons, inspecting fire/bilge systems, life-saving equipment, operational and safety equipment, engine and generator components, and below deck spaces;
- Maintenance, including oil and filter changes and oil samples, is conducted by Guemes Island Ferry personnel under the direction of the Mechanic/Deckhand and the Ferry Operations Division Manager/Senior Master.

Safety Training

- In accordance with United States Coast Guard regulations, regular safety drills and safety trainings are conducted and recorded under the direction and supervision of the USCG Licensed Operators and the Ferry Operations Division Manager;
- Drills performed by ferry personnel include fire, man overboard, flooding, emergency anchoring, and abandon ship and are often conducted underway with passengers onboard;
- Each year, three members of the ferry staff attend a required two-day shipboard fire fighting training course at a maritime academy in Seattle, Washington.

Annual Haul-Out, Maintenance, and Inspection

- To improve reliability, lower costs, and protect capital improvement, Skagit County has adopted a maintenance program that includes an annual haul-out of the Guemes Island Ferry as deemed necessary by Public Works;
- Maintenance items conducted during the haul-out periods include engine, generator, and outdrive repair and/or replacements, exterior painting of the hull, deck, and house, interior painting of the voids, passenger compartment, crew cabin, and wheelhouse, stripping and cleaning of fluid tanks, replacing and/or reconditioning propellers, changing of all fluids within various systems, replacing zinc anodes, inspections and necessary repair and/or maintenance of all mechanical systems, structural components, and machinery compartments;
- A mandatory 24-month Coast Guard inspection occurs out of the water, and each year an inspection occurs onboard the vessel while in regular operation in order to maintain the Guemes Island Ferry's Certificate of Inspection; and
- The next scheduled haul-out for the ferry will be in spring, 2012.

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Contracts

- In order to contain costs, the contracts program for the Public Works Ferry Division consists of an annual process of procuring services through a competitive bidding process;
- Services obtained are vital for the continued operation of the Guemes Island Ferry; and
- Contracts are held with various vendors for such projects and services as printing of ferry tickets and brochures, towing service, on-call diving service, temporary passenger-only service, fuel for the Guemes Island Ferry, and parts, service, and repair for electrical, hydraulic, and machinery equipment, including engines, generators, outdrives, and transmissions.

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5. 2011 Ferry Service Sailing Schedules

In the early part of 2011, the Guemes Island Ferry operated under a sailing schedule, shown below, that had been in effect since March 1, 2009.

GUEMES ISLAND FERRY SCHEDULE

Anacortes Departure Times

Effective 3/1/2009

PHONE: (360) 293-6356

Mon-Thurs.	Friday	Saturday	Sunday
6:30 AM	6:30 AM	6:30 AM	
7:00 AM	7:00 AM	7:00 AM	
7:30 AM	7:30 AM		
8:00 AM	8:00 AM	8:00 AM	8:00 AM
8:30 AM	8:30 AM		8:30 AM
		9:00 AM	9:00 AM
9:15 AM*	9:15 AM		
9:45 AM	9:45 AM		
10:15 AM	10:15 AM	10:00 AM	10:00 AM
10:45 AM	10:45 AM	10:45 AM	10:45 AM
11:15 AM	11:15 AM	11:15 AM	11:15 AM
1:00 PM	1:00 PM	1:00 PM	1:00 PM
1:30 PM	1:30 PM	1:30 PM	1:30 PM
2:00 PM*	2:00 PM	2:00 PM	2:00 PM
2:30 PM	2:30 PM	2:30 PM	2:45 PM
3:15 PM	3:15 PM	3:15 PM	3:30 PM
4:00 PM	4:00 PM	4:00 PM	4:00 PM
4:30 PM	4:30 PM		
5:00 PM	5:00 PM	5:00 PM	5:00 PM
5:30 PM	5:30 PM		
6:00 PM	6:00 PM	6:00 PM	6:00 PM
6:30 PM	6:30 PM	6:30 PM	
	7:00 PM	7:00 PM	7:15 PM
7:45 PM			
	8:15 PM	8:15 PM	8:00 PM
8:30 PM			
	9:00 PM	9:00 PM	
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	11:00 PM	11:00 PM	

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After meeting with the public and the Guemes Island Ferry Committee, the sailing schedule was adjusted July 1, 2011, to meet demand for the peak season. The adjusted 2011 peak schedule is shown below. A total of seven weekend (Saturday and Sunday) runs were added to the schedule to improve service for our ridership during the busiest months of the year.

GUEMES ISLAND FERRY SCHEDULE

Anacortes Departure Times

Effective 7/1/2011

PHONE: (360) 293-6356

Mon-Thurs.	Friday	Saturday	Sunday
6:30 AM	6:30 AM	6:30 AM	
7:00 AM	7:00 AM	7:00 AM	
7:30 AM	7:30 AM		
8:00 AM	8:00 AM	8:00 AM	8:00 AM
8:30 AM	8:30 AM	8:30 AM	8:30 AM
		9:00 AM	9:00 AM
9:15 AM*	9:15 AM	9:30 AM	
9:45 AM	9:45 AM		9:45 AM
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6:30 PM	6:30 PM	6:30 PM	6:30 PM
			7:00 PM
7:45 PM	7:45 PM	7:45 PM	7:30 PM
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8:30 PM			
	9:00 PM	9:00 PM	
	10:00 PM	10:00 PM	
	11:00 PM	11:00 PM	

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The 2011 non-peak sailing schedule, shown below, went into effect September 10, 2011, and will be in effect until May 19, 2012. The 2011 non-peak sailing schedule is exactly the same as the previous schedule that was effective March 1, 2009, and in effect the early part of 2011, with the exception of Sunday nights. Two runs were added to Sunday evenings to accommodate evening ferry riders.

GUEMES ISLAND FERRY SCHEDULE

Anacortes Departure Times
Effective 9/10/2011 to 5/19/2012
PHONE: (360) 293-6356

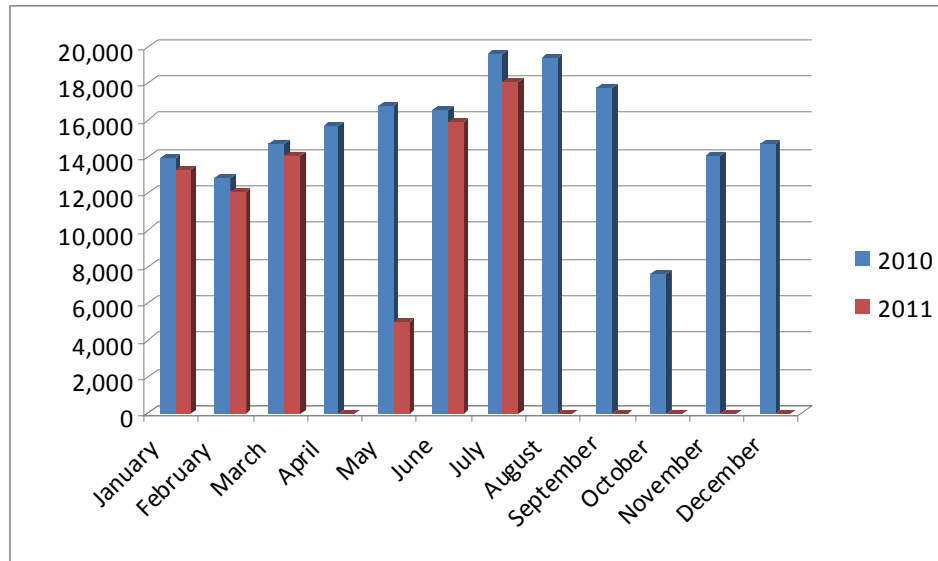
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		9:00 AM	9:00 AM
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9:45 AM	9:45 AM		
10:15 AM	10:15 AM	10:00 AM	10:00 AM
10:45 AM	10:45 AM	10:45 AM	10:45 AM
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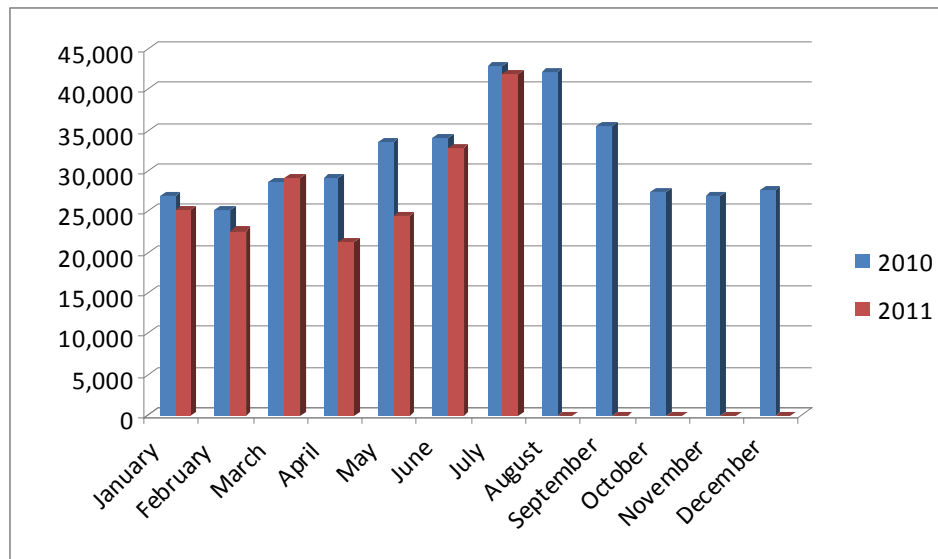
6. Vehicle and Passenger Ridership Summaries

2010 – 2011 RIDERSHIP

VEHICLES



PASSENGERS

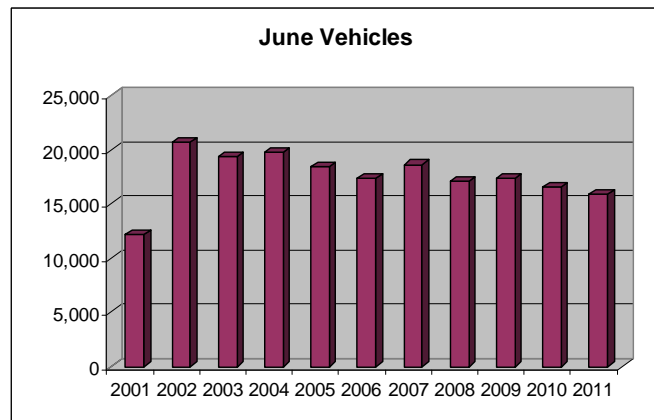
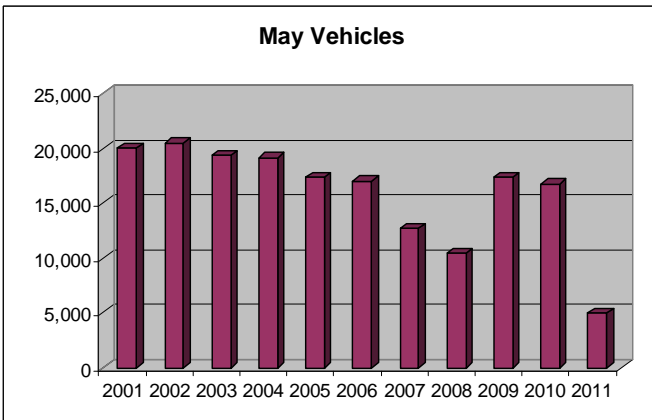
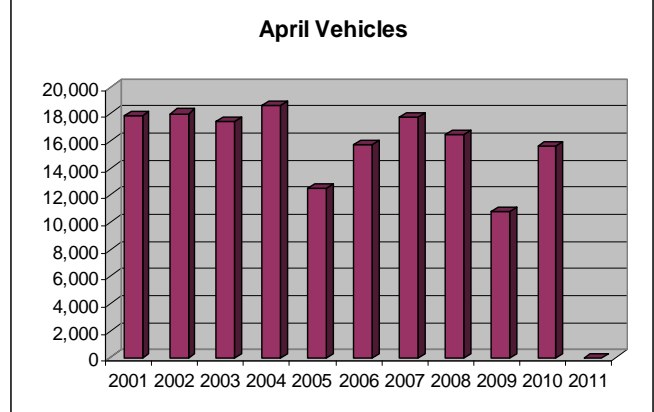
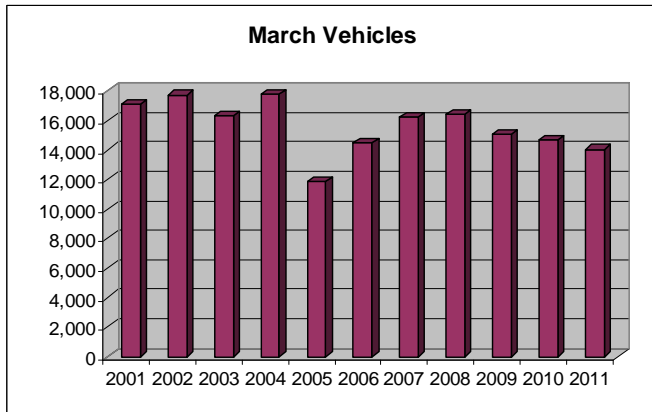
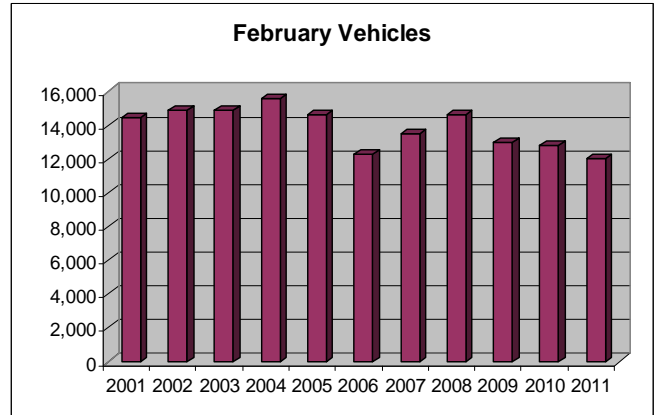
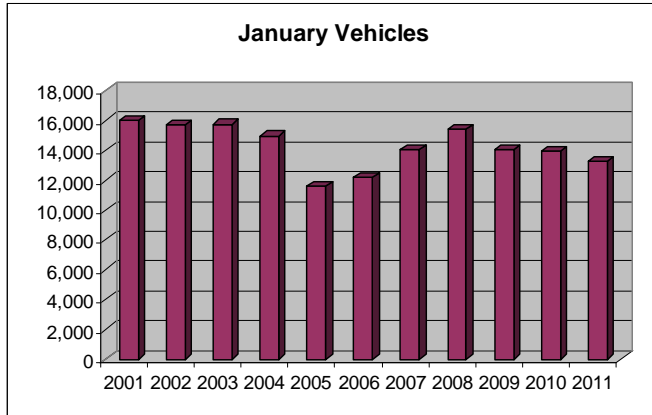


All ridership numbers are based on United States Coast Guard counts. Ridership data can be found www.skagitcounty.net/ferry.

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MONTHLY VEHICLE RIDERSHIP

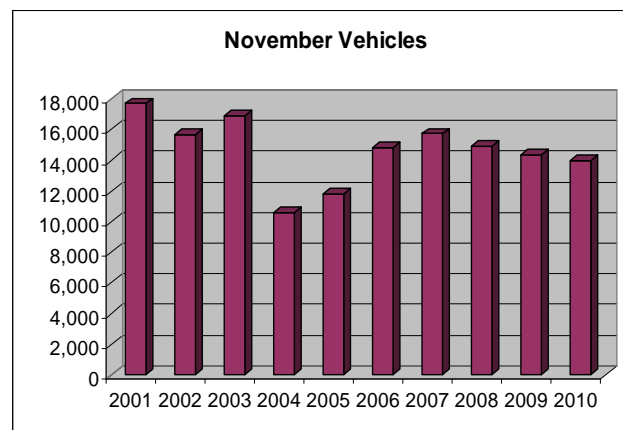
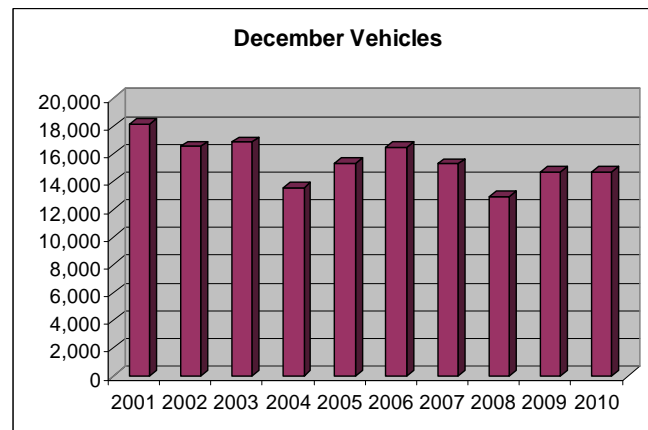
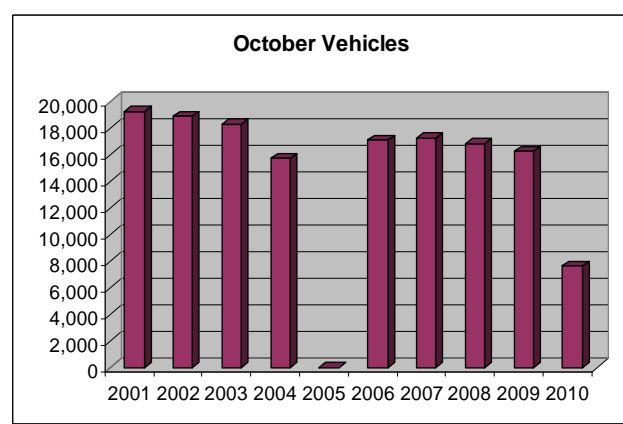
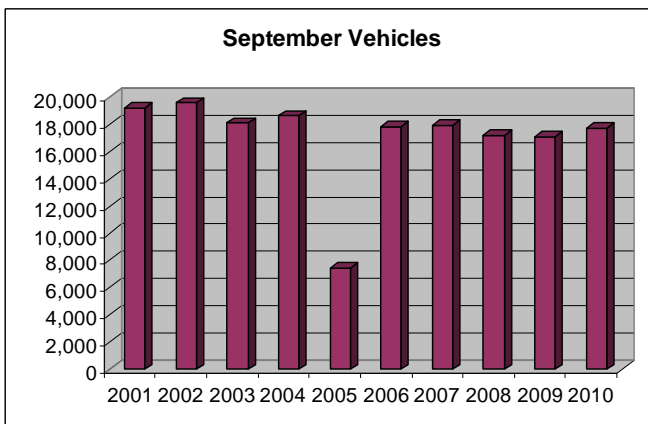
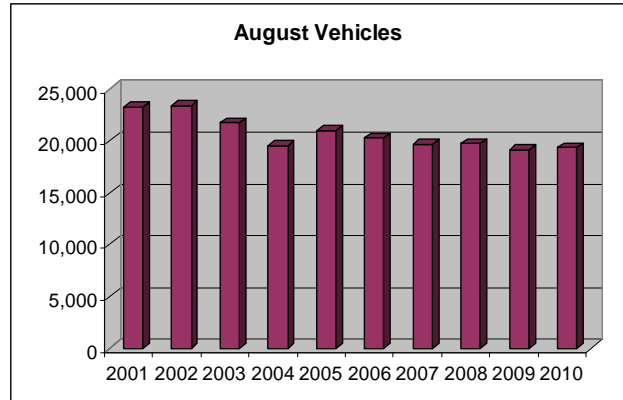
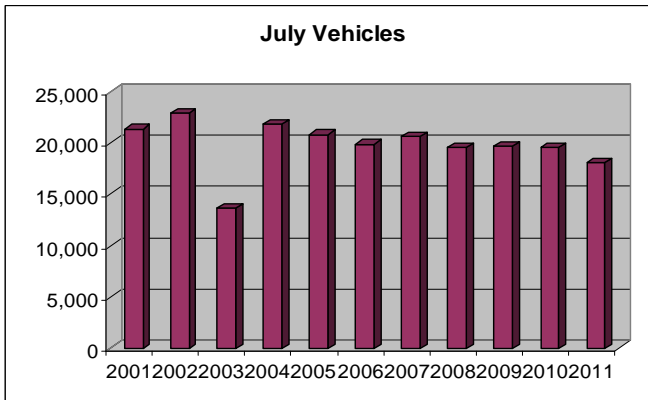


All ridership data is based on United States Coast Guard counts. Ridership data can be found www.skagitcounty.net/ferry. There is no vehicle ridership shown for April, 2011, due to the Ferry Dock Rehabilitation Project that lasted until May 21, 2011, during which time a passenger-only boat was in operations between Anacortes and Guemes Island.

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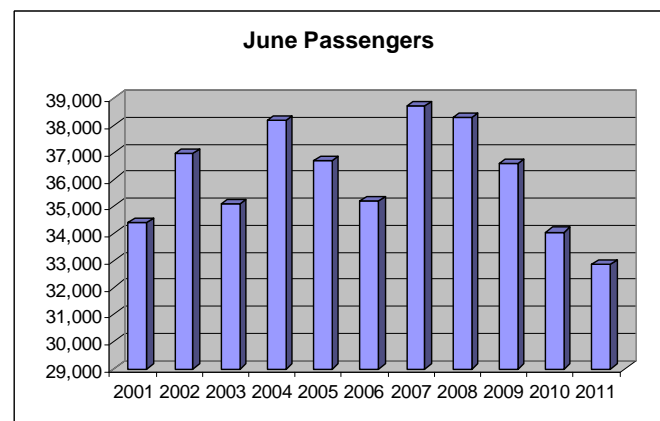
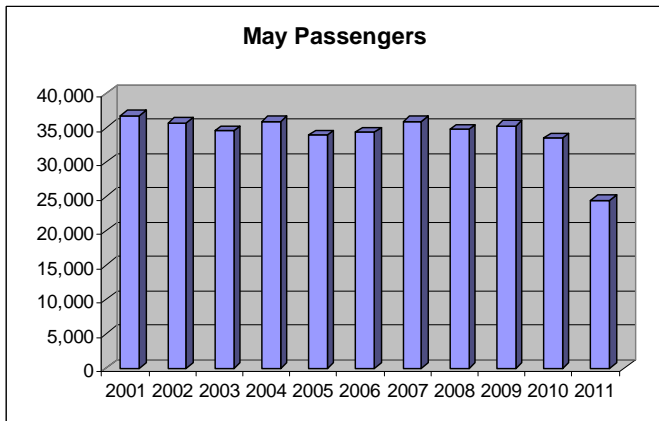
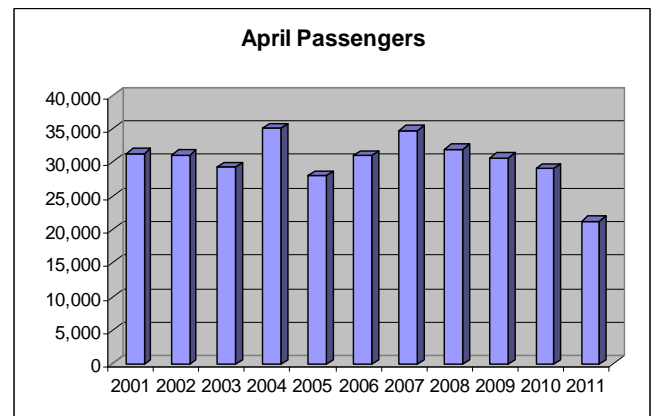
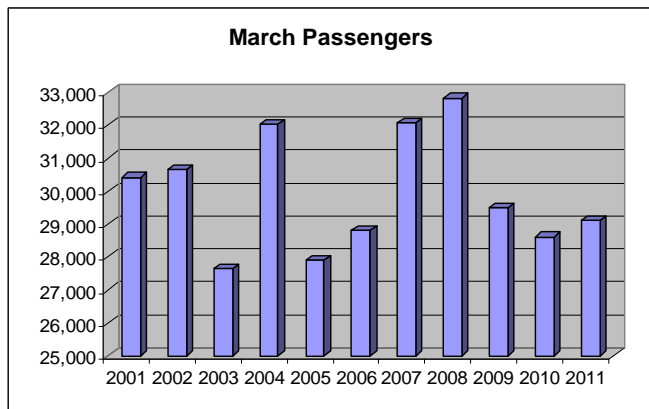
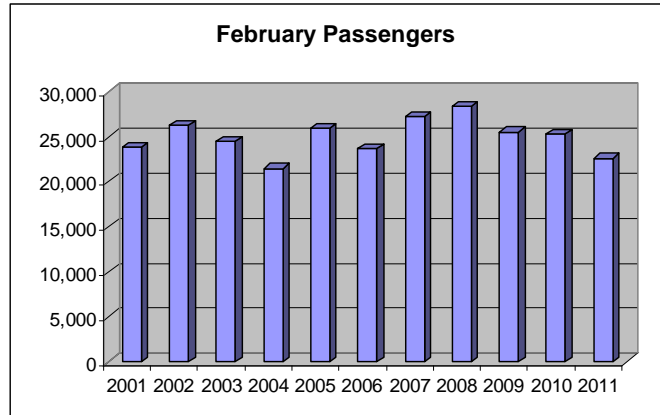
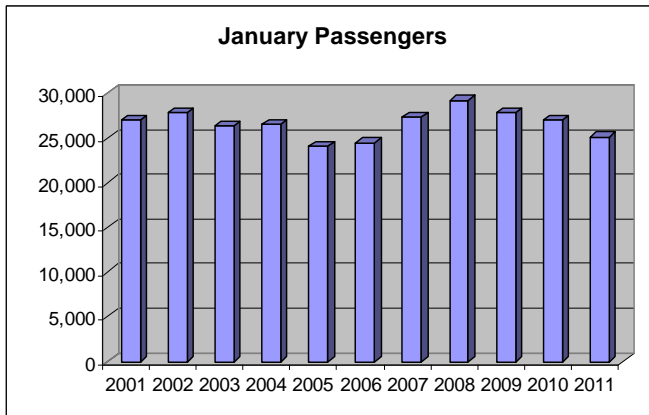


All ridership data is based on United States Coast Guard counts. Ridership data can be found www.skagitcounty.net/ferry. There is no vehicle ridership shown for October, 2005, due to a September haul-out that lasted longer than anticipated.

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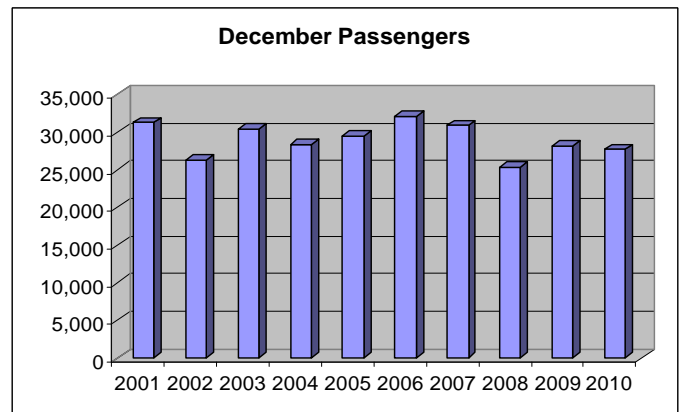
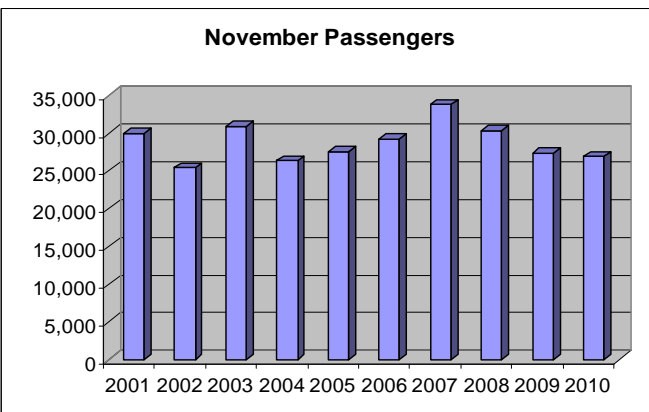
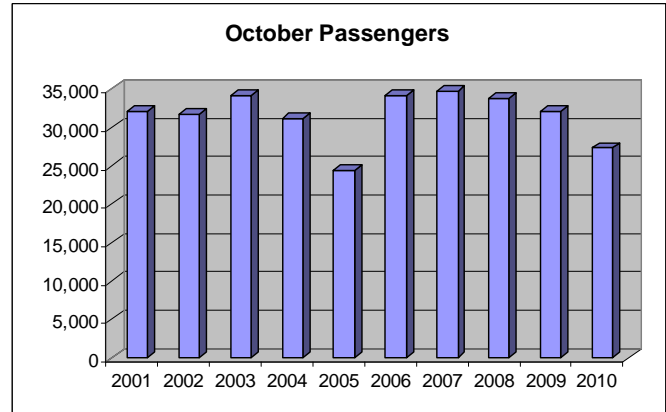
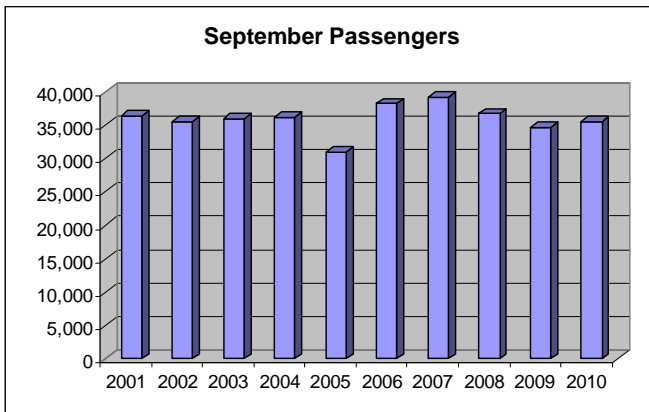
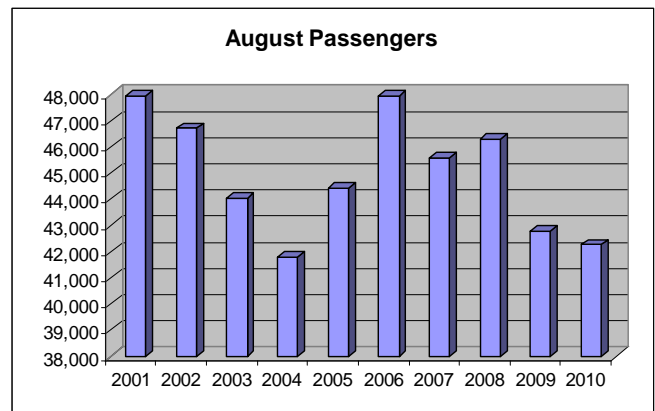
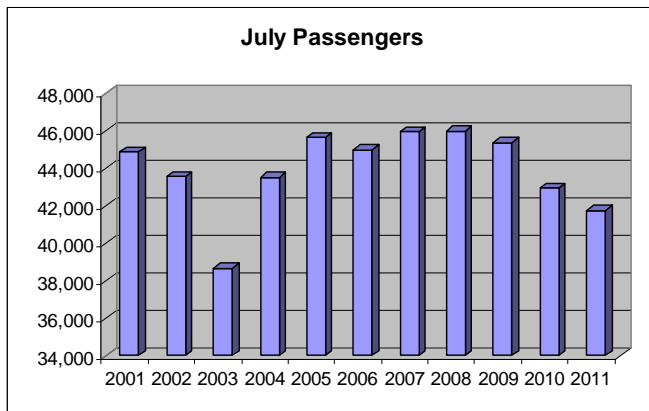
MONTHLY PASSENGER RIDERSHIP



All ridership data is based on United States Coast Guard counts. Ridership data can be found at www.skagitcounty.net/ferry.

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MONTHLY PASSENGER RIDERSHIP



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RIDERSHIP COMPARISON

January through July, 2010 and January through July, 2011

Excluding April and May, 2011, due to the ferry shut-down during the Dock Rehabilitation Project

Vehicles 2010-2011			
	2010	2011	% Change
January	13,971	13,241	-5.23%
February	12,802	12,037	-5.98%
March	14,699	14,048	-4.43%
June	16,529	15,885	-3.90%
July	19,569	18,092	-7.55%
Total	77,570	73,303	-5.50%

Passengers 2010-2011			
	2010	2011	% Change
January	27,005	25,123	-6.97%
February	25,287	22,625	-10.53%
March	28,616	29,100	1.69%
June	34,054	32,838	-3.57%
July	42,968	41,778	-2.77%
Total	157,930	151,464	-4.09%

All ridership data is based on United States Coast Guard counts. Ridership data can be found at www.skagitcounty.net/ferry.

Overall, both vehicle and passenger ridership is down in 2011 from 2010. Vehicle ridership is down roughly 5.5% and passenger counts are down approximately 4%. This could be due to the economy, or the poor summer weather. A fare increase took effect June 1, 2011, which may have had an impact on the summer ridership; however, that is unlikely because ridership was also down in January, February, and March (prior to the fare increase) by as much as 10.53%.

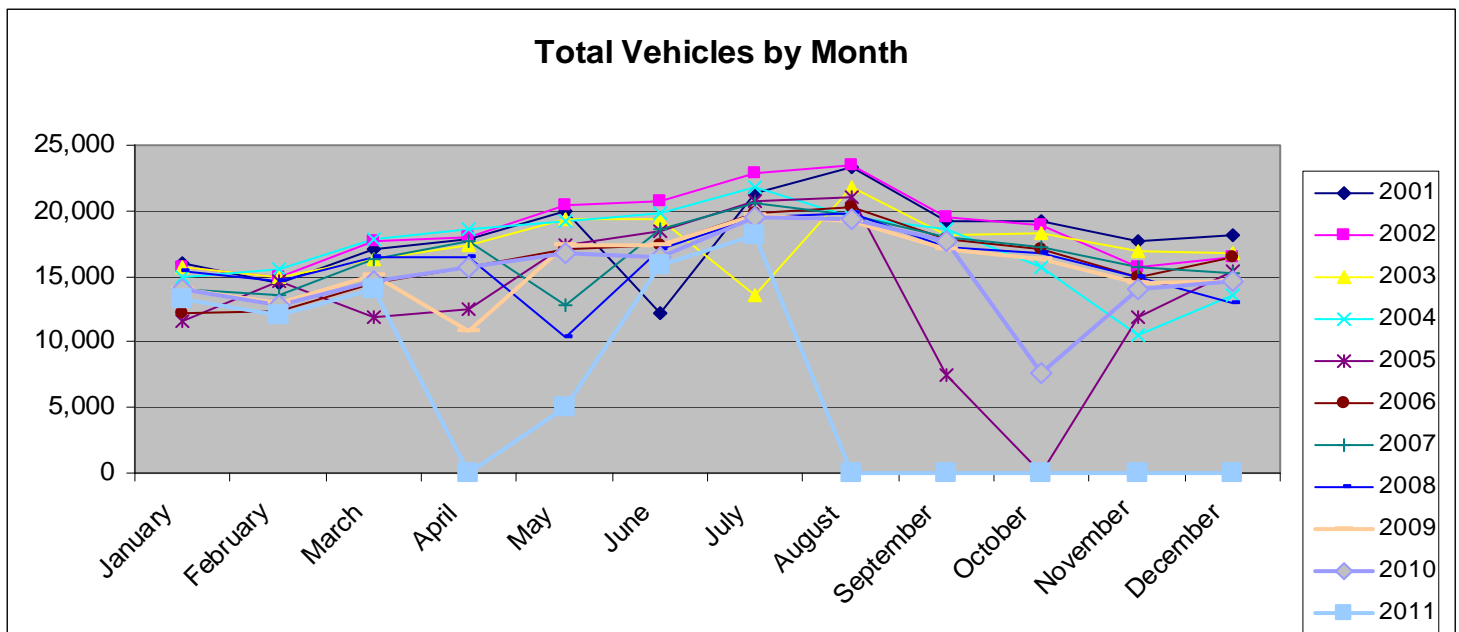
In 2011, there was a major dock rehabilitation project that shut the car ferry down for two months. It could be that fewer people were riding the ferry in general in 2011 due to the fact that they were able to consciously reduce the number of trips they took to the mainland.

The charts on the following pages show total passenger ridership from January, 2002, through August, 2011. As shown, trends in ridership much like what has been so far in 2011 have been seen before.

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TOTAL VEHICLE RIDERSHIP BY MONTH
JANUARY 2002 - JULY 2011

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
January	15,689	15,767	14,990	11,575	12,177	14,074	15,450	14,022	13,971	13,241
February	14,905	14,907	15,604	14,603	12,289	13,511	14,609	12,968	12,802	12,037
March	17,722	16,329	17,761	11,839	14,458	16,245	16,422	15,034	14,699	14,048
April	18,041	17,436	18,651	12,497	15,725	17,734	16,464	10,794	15,639	0
May	20,471	19,321	19,146	17,371	17,021	12,738	10,421	17,381	16,763	5,010
June	20,657	19,401	19,779	18,429	17,354	18,625	17,118	17,372	16,529	15,885
July	22,907	13,643	21,845	20,789	19,853	20,579	19,507	19,630	19,569	18,092
August	23,421	21,737	19,540	20,997	20,292	19,714	19,768	19,142	19,349	0
September	19,573	18,115	18,641	7,456	17,867	17,949	17,221	17,128	17,720	0
October	18,901	18,293	15,753	0	17,126	17,293	16,823	16,260	7,636	0
November	15,681	16,944	10,575	11,857	14,870	15,760	14,956	14,413	14,020	0
December	16,516	16,830	13,579	15,360	16,494	15,275	12,884	14,708	14,702	0
Total	224,484	208,723	205,864	162,773	195,526	199,497	191,643	188,852	183,399	78,313



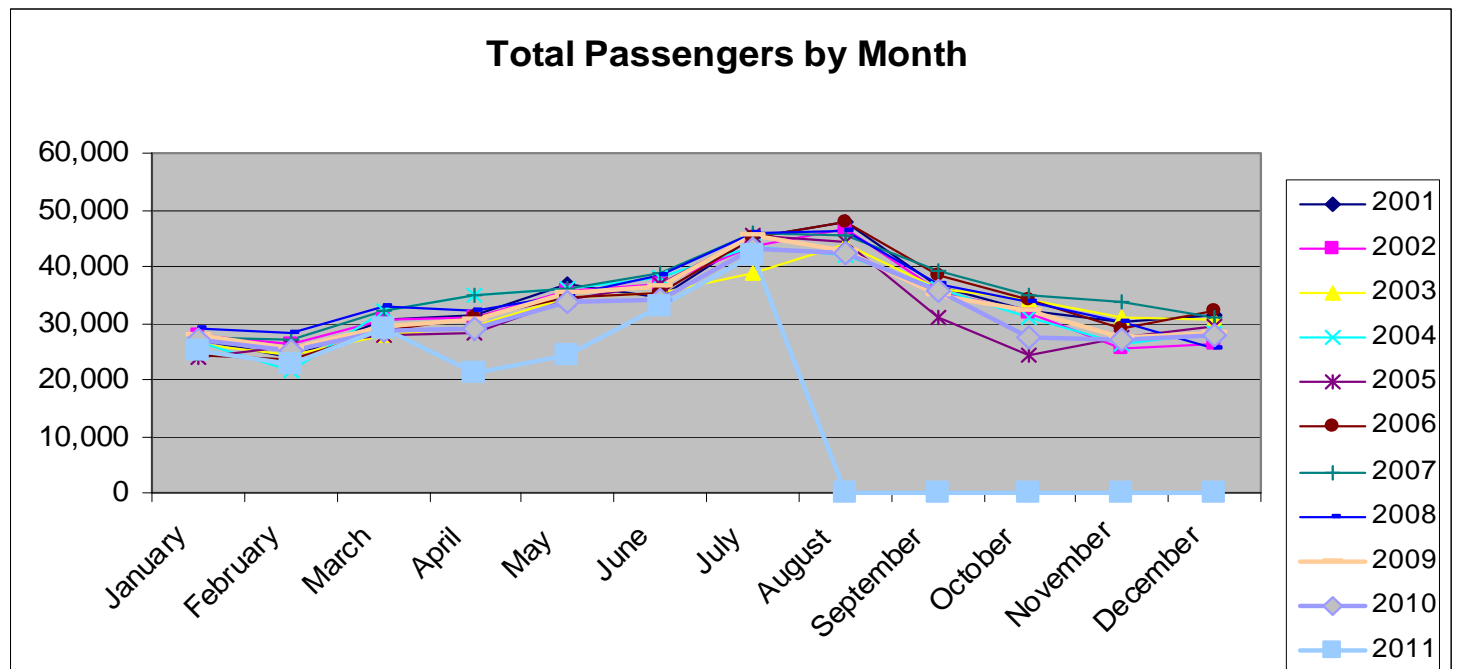
All ridership data is based on United States Coast Guard counts. Additional ridership data can be found at www.skagitcounty.net/ferry.

The vehicle ridership in April, 2011, shows at zero due to the Ferry Dock Rehabilitation Project, during which time all vehicle traffic was eliminated until May 21, 2011.

Guemes Island Ferry
2011 Operations Status Report

TOTAL PASSENGER RIDERSHIP BY MONTH
JANUARY 2002 – JULY 2011

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
January	27,855	26,312	26,545	24,117	24,448	27,348	29,183	27,793	27,005	25,123
February	26,289	24,468	21,517	25,983	23,716	27,220	28,410	25,588	25,287	22,625
March	30,665	27,657	32,041	27,890	28,803	32,067	32,837	29,506	28,616	29,100
April	31,131	29,306	35,030	28,088	30,962	34,802	32,029	30,727	29,104	21,256
May	35,757	34,605	35,971	34,007	34,345	35,957	34,785	35,332	33,597	24,483
June	36,958	35,110	38,182	36,707	35,189	38,727	38,283	36,583	34,054	32,838
July	43,583	38,683	43,552	45,673	45,010	45,963	46,021	45,404	42,968	41,778
August	46,709	44,030	41,791	44,425	47,966	45,603	46,285	42,773	42,251	0
September	35,654	35,992	36,206	31,039	38,271	39,294	36,742	34,745	35,603	0
October	31,782	34,214	31,155	24,493	34,195	34,735	33,783	32,173	27,341	0
November	25,424	30,904	26,337	27,525	29,194	33,793	30,317	27,328	26,897	0
December	26,321	30,440	28,400	29,517	32,094	30,917	25,404	28,239	27,694	0
Total	398,128	391,721	396,727	379,464	404,193	426,426	414,079	396,191	380,417	197,203



All ridership data is based on United States Coast Guard counts. Additional ridership data can be found at www.skagitcounty.net/ferry.

Guemes Island Ferry
2011 Operations Status Report

7. 2011 Ferry Fare Schedule

GUEMES ISLAND FERRY FARES		
Effective June 1, 2011		
FARES	NON-PEAK	PEAK
PASSENGER	9/10 thru 5/19	5/20 thru 9/09
Adult Passenger	\$2.50	\$3.50
Senior / Disabled / Youth Passenger	\$1.50	\$2.00
Age 5 & Under	Free	Free
Adult & Bicycle	\$3.50	\$4.50
Senior / Disabled / Youth & Bicycle	\$2.50	\$3.00
PASSENGER PUNCH CARD (Valid for 1 year from Purchase Date)		
25 Trip Adult Passenger	\$53.00	
25 Trip Senior / Disabled / Youth Passenger	\$32.00	
VEHICLE		
Motorcycle (Including Rider)	\$5.00	\$7.00
Motorcycle w/ Senior / Disabled Rider	\$4.00	\$6.00
Vehicle & Driver (Under 20 feet including overhang)	\$8.00	\$10.00
Vehicle & Senior / Disabled Driver (Under 20 feet)	\$7.00	\$9.00
VEHICLE PUNCH CARD (Valid for 90 Days from Purchase Date)		
20 Trip Vehicle (under 20') & Driver	\$136.00	
20 Trip Vehicle (under 20') & Senior / Disabled Driver	\$119.00	
20 Trip Motorcycle & Rider	\$85.00	
20 Trip Motorcycle & Senior / Disabled Rider	\$68.00	
OVERSIZE VEHICLES & VEHICLES W/ TRAILERS (INCLUDING DRIVER)		
Vehicle over 20 ft to less than 25 ft	\$11.00	\$14.00
Vehicle over 25 ft to less than 30 ft	\$16.00	\$20.00
Vehicle over 30 ft to less than 35 ft	\$21.00	\$26.00
Vehicle over 35 ft to less than 40 ft	\$27.00	\$34.00
Vehicle over 40 ft to less than 45 ft	\$34.00	\$43.00
Vehicle over 45 ft to less than 50 ft	\$42.00	\$53.00
Vehicle over 50 ft to less than 55 ft	\$51.00	\$64.00
Vehicle over 55 ft to less than 60 ft	\$60.00	\$75.00
Vehicle over 60 ft to less than 65 ft	\$71.00	\$89.00
Each 5 ft increment over 65 ft	\$5.00	\$5.00
Over width charge (over 8 ft, 6 in)	Double Length Charge	
MISCELLANEOUS		
Extended Run (1 run at end of day) plus fare	\$100.00	
Guemes Special (crew call out) plus fare	\$450.00	
Charter Rate (3 hr min) plus fare	\$1,000.00	
\$ per hour, each additional hour	\$325.00	

Guemes Island Ferry
2011 Operations Status Report

8. Ferry Ticket Sales & Revenue Summaries

TICKET SALES SUMMARY (January 2006 – July 2011)						
	2006	2007	2008	2009	2010	2011
# Of C&D & Mtcy Freq User Passes	22,490	19,500	32,430	44,223	43,178	27,951
# Of Cash C&D Tickets	64,384	67,974	49,491	44,034	40,333	20,510
# Of Cash Motorcycle Tickets	595	605	742	820	620	223
# Of Oversize Vehicle Tickets	7,171	6,986	6,569	6,173	6,544	2,994
Total Vehicle Tickets Purchased	94,640	95,065	89,232	95,250	90,675	51,678
# Of Passenger Freq User Passes	24,780	20,880	27,355	40,437	41,603	31,064
# Of Cash Passenger Tickets	62,815	66,899	58,484	58,058	54,605	28,475
# Of Bicycle Tickets	2,017	1,930	2,144	2,132	2,061	1,330
Total Passenger Tickets Purchased	89,612	89,709	87,983	100,627	98,269	70,527
Totals Tickets Purchased	184,252	184,774	177,215	195,877	188,944	122,205

FARE BOX REVENUE 2006-2012	
2006	\$ 788,509.10
2007	\$ 781,027.67
2008	\$ 827,225.40
2009	\$ 888,285.80
2010	\$ 853,219.10
2011 Budgeted	\$ 900,000.00*
2012 Budgeted	\$ 971,000.00

All ticket counts and fare box revenue are based on actual ticket sales. Revenue and ticket sales data can be found at www.skagitcounty.net/ferry.

The fare box revenue for 2011 is actually projected to be approximately \$790,658.00 due to two months where the car ferry was out of service due to the Ferry Dock Rehabilitation Project, and only passenger fares were collected. The 2011 projected fare box revenue is utilized in the 2011 Ferry Fare Revenue Target Report included in this report in Section nine (9). The 2012 budgeted fare box revenue takes into consideration the fare increase that took effect June 1, 2011.

Guemes Island Ferry
2011 Operations Status Report

REVENUE COMPARISON

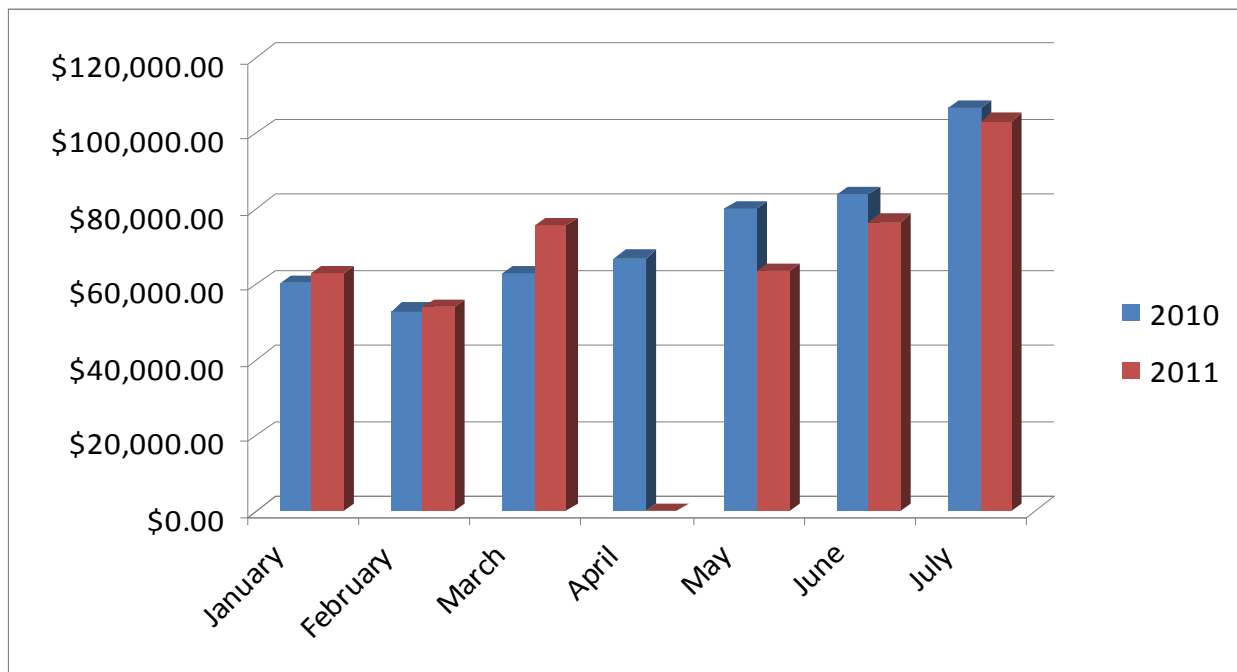
January through July, 2010 – January through July, 2011

Excluding April and May during the dock project when no fares were collected in 2011

Revenue			
	2010	2011	% Change
January	\$ 60,507.90	\$ 62,654.00	3.55%
February	\$ 53,009.80	\$ 53,990.70	1.85%
March	\$ 63,083.00	\$ 75,493.30	19.67%
June	\$ 83,890.90	\$ 76,565.90	-8.73%
July	\$ 106,727.00	\$ 103,241.00	-3.27%
Total	\$ 367,218.60	\$ 371,944.90	1.29%

Revenue Trends

January through July, 2010 & January through July, 2011



Revenues are up 1.29% as of January through March, June and July, 2011, as compared to the same months in 2010. This could be due to the fare increase that took effect June 1, 2011. It could also be attributable to the high volume of frequent user cards that were purchased January through March, 2011, while the 10-trip punch cards were still available.

Guemes Island Ferry
2011 Operations Status Report

January 1, 2011 through July 31, 2011

TICKET TYPE	TOTAL	% of TOTAL
CAR & DRIVER	\$117,287.00	26.93%
SENIOR/DISABLED C&D	\$19,158.00	4.40%
ADULT PASSENGER	\$40,976.00	9.41%
S/D/Y PASSENGER	\$12,121.00	2.78%
ADULT BICYCLE	\$2,973.50	0.68%
S/D/Y BICYCLE	\$473.00	0.11%
MOTORCYCLE	\$972.00	0.22%
S/D MOTORCYCLE	\$70.50	0.02%
MISC	\$1700.00	0.39%
OVERAGE	\$16.00	0.00%
MONTHLY TRIP CHARGE	\$440.00	0.10%
23 TRIP C & D	\$2,967.00	0.68%
20 TRIP C & D	\$23,800.00	5.46%
10 TRIP C & D	\$64,827.00	14.89%
20 TRIP SENIOR C & D	\$15,470.00	3.55%
10 TRIP SENIOR C&D	\$42,876.00	9.84%
23 TRIP ADULT COMMUTER	\$222.00	0.05%
25 TRIP ADULT COMMUTER	\$31,415.00	7.21%
25 TRIP STUDENT COMMUTER	\$11,166.00	2.56%
20 TRIP MOTORCYCLE	\$170.00	0.04%
10 TRIP MOTORCYCLE	\$396.00	0.09%
20 TRIP SENIOR MOTORCYCLE	\$68.00	0.02%
10 TRIP SENIOR MOTORCYCLE	\$162.00	0.04%
TRUCKS < 25 ft	\$14,734.00	3.38%
TRUCKS < 30 ft	\$7,690.00	1.77%
TRUCKS < 35 ft	\$6,542.00	1.50%
TRUCKS < 40 ft	\$7,598.00	1.74%
TRUCKS < 45 ft	\$4,443.00	1.02%
TRUCKS < 50 ft	\$2,448.00	0.56%
TRUCKS < 55 ft	\$494.00	0.11%
TRUCKS < 60 ft	\$879.00	0.20%
TRUCKS < 65 ft	\$916.00	0.21%
MONTHLY TRIP CHARGE	\$48.00	
TOTAL	\$435,518.00	100.00%
 VEHICLES	 \$333,967.50	
PASSENGERS	\$101,550.50	
TOTAL REVENUE	\$435,518.00	

Guemes Island Ferry
2011 Operations Status Report

9. 2011 Guemes Island Ferry Fare Revenue Target Report



SKAGIT COUNTY
PUBLIC WORKS DEPARTMENT
Ferry Operations Division



2011 GUEMES ISLAND FERRY FARE REVENUE TARGET REPORT
AUGUST 2011

Guemes Island Ferry
2011 Operations Status Report

2011 Ferry Fare Revenue Target Report

The following report is prepared for submittal to the Skagit County Board of Commissioners pursuant to Skagit County Resolution R#20100050, which established the Guemes Island Ferry Ticket Fare Methodology. This report is the second such evaluation conducted since the enabling resolution was adopted on February 16th, 2010.

Beginning January 1, 2010, counties that operate ferries will be required to submit annual reports to the Washington State Department of Transportation (WSDOT) on a calendar-year basis instead of the State fiscal year ending June 30th, 2010. The Skagit County Public Works Department has reviewed the impact of this change in the WSDOT reporting timeline and has implemented Resolution R#20100050.

The Ferry Fare Revenue Target Methodology provided for in Attachment “B” of Resolution R#20100050 is to utilize data from January 1st to December 31st of each evaluation period. The Ferry Fare Revenue Target is to be calculated as follows:

“The five (5) calendar year average of ferry operating and maintenance costs as computed in the prior annual deficit reimbursement reports submitted to the State. For purposes of this resolution, capital expenditures are not included in the ferry operating and maintenance costs and shall be defined as all capital expenditures defined in WAC 136-400-030 and other capital costs including financing and depreciation expenses applied to the replacement, expansion, or creation of ferry system physical elements, less the five (5) year average of the State Motor Vehicle Fuel Tax received by the County for operation and maintenance of the ferry system, less the five (5) year average of the State Ferry Deficit Reimbursement received by the County, the total of the above multiplied by 65%”.

TABLE 1 - REVENUE TARGET CALCULATION						
FARE REVENUE TARGET METHODOLOGY: #R20100050						
Fiscal Year	2006	2007	2008	2009	2010	5 Year Ave
Operation & Maintenance Expenditure	\$1,614,877	\$1,770,599	\$2,105,750	\$1,699,309	\$1,606,433	\$1,759,394
Attributable State Motor Vehicle Fuel Tax	(\$106,309)	(\$131,625)	(\$132,236)	(\$125,527)	(\$120,161)	(\$123,172)
WSDOT Ferry Deficit Reimbursement Payment	(\$289,739)	(\$150,419)	(\$211,328)	(\$74,164)	(\$109,856)	(\$167,101)
Subtotal	\$1,218,829	\$1,488,555	\$1,762,186	\$1,499,618	\$1,376,416	\$1,469,121
Fare Recovery Requirement						65%
Ferry Fare Revenue Target						\$954,929

Table 1 states the ferry fare revenue target utilizing figures from 2006 to 2010.

Guemes Island Ferry
2011 Operations Status Report

2011 Ferry Fare Revenue Target Report

As indicated in Table 2, the “fare box” revenue for the calendar year ending December 31, 2010 was \$853,219, a decrease of approximately \$35,000.00 from the previous calendar year’s fare box revenue of \$888,286. The 2011 projected fare box revenues reflect lost revenue attributable to the ferry being out of service for approximately 60 days due to dock rehabilitation work, during which time fares were not collected.

TABLE 2 - FARE BOX REVENUE 2005-2011	
2006	\$788,509
2007	\$781,028
2008	\$827,225
2009	\$888,286
2010	\$853,219
2011 Projected	\$790,658
2012 Budgeted	\$971,000

Summarized in Table 3 is the shortfall from the revenue target that occurred from 2006 to 2010 utilizing a ferry fare revenue target of 65%. In total, over the last five years, the shortfall from the revenue target has been approximately \$636,376.00. On average, over the last five years, the actual percentage of the recovery requirements recovered by fares has been approximately 56%.

TABLE 3 - SUMMARY REVENUE TARGET						
	2006	2007	2008	2009	2010	Total
Expenses	\$1,614,877	\$1,770,599	\$2,105,750	\$1,699,309	\$1,606,433	\$8,796,968
Deficit Reimb/MVFT	(\$396,048)	(\$282,044)	(\$343,564)	(\$199,691)	(\$230,017)	(\$1,451,364)
Subtotal	\$1,218,829	\$1,488,555	\$1,762,186	\$1,499,618	\$1,376,416	\$7,345,604
Fare Recovery Requirement	65%	65%	65%	65%	65%	65%
Ferry Fare Revenue Target	\$792,239	\$967,561	\$1,145,421	\$974,752	\$894,670	\$4,774,643
Fare Box Revenue	\$788,509	\$781,028	\$827,225	\$888,286	\$853,219	\$4,138,267
Shortfall From Rev Target	\$3,730	\$186,533	\$318,196	\$86,466	\$41,451	\$636,376

Guemes Island Ferry
2011 Operations Status Report

2011 Ferry Fare Revenue Target Report

Table 4 illustrates the amount of Road Fund dollars used to support the operation of the Guemes Island Ferry for the period of 2006-2010. As shown, the Road Fund will have spent just over \$3,000,000 for ferry operations by the end of 2010.

TABLE 4 - ROAD FUND SUBSIDY						
	2006	2007	2008	2009	2010	5-Year Total
Expenses	\$1,614,877	\$1,770,599	\$2,105,750	\$1,699,309	\$1,606,433	\$8,796,968
Deficit Reimb/MVFT	(\$396,048)	(\$282,044)	(\$343,564)	(\$199,691)	(\$230,017)	(\$1,451,364)
Fare Box Revenue	(\$788,509)	(\$781,028)	(\$827,225)	(\$888,286)	(\$853,219)	(\$4,138,267)
Road Fund Subsidy	\$430,320	\$707,527	\$934,961	\$611,332	\$523,197	\$3,207,337

Table 5 shows projections for 2012. The projected fare box revenue is \$16,071 more than the ferry fare revenue target.

TABLE 5 - 2012 PROJECTIONS	
	2012 Projected
Ferry Fare Revenue Target	\$ 954,929
2012 Budgeted Fare Box Revenue	\$ 971,000
Projected (Shortfall) / Surplus	\$ 16,071

Summary:

The year 2010 was a relatively normal year for ferry ridership. Passenger counts were down approximately 1,600 (or 4%), and vehicles counts were down approximately 5,500 (or 3%) from 2009 counts.

Ferry fares in 2010 did not meet the updated revenue target of \$894,670 with a shortfall of \$41,451.00.

In 2011, due to the Ferry Dock Rehabilitation Project, projected fare box revenues are anticipated to be approximately \$790,000 due to the fact that no fares were collected during this time. This loss of revenue equates to roughly \$55,000 less than previous calendar years for the same months. To counteract this, expenses will also be down for the same time period due to two months less operating costs including the ferry crew's wages (charged to the federal project) during April and May, 2011. Until 2011 actual numbers can be calculated in the ferry fare revenue target, it is difficult to predict whether ferry fares will meet the revenue target for 2011.

A new ferry fare rate structure went into effect June 1, 2011. Rates were increased across all fare categories, and the new rates were established with the intention of allowing the fare box revenue to meet the 65% recovery target.

Guemes Island Ferry
2011 Operations Status Report

2011 Ferry Fare Revenue Target Report

Based on current fares, the projected 2012 fare box revenue is anticipated to be approximately \$971,000. The ferry fare revenue target is \$954,929 indicating a projected surplus of approximately \$16,071. The ferry fare revenue target will be updated with the addition of 2011 actual figures at year's end. This may change the ferry fare revenue target.

The Public Works Department continues to review additional cost control measures that would streamline the ferry operation while continuing to provide safe, reliable, and efficient service.

Recommendations:

As per Attachment "A" of Resolution 20100050, Public Works is expected to report annually to the Board during the month of September regarding Guemes Island Ferry operations. This report is to be included in the Operations Summary Report. The Public Works Department recommends adjusting the requirements for evaluation of this report and presentation to the Board of Skagit County Commissioners until April of the year following the evaluation period. This will provide adequate time for the full calendar year's worth of data to be compiled prior to making fare recommendations. Fare adjustments could then be implemented June 1st (or at the Board's discretion) each calendar year as deemed necessary. This change in reporting requirements would assist the department in utilizing actual figures for revenues, expenses, and deficit reimbursement and motor vehicle fuel tax figures. Public Works is confident that should this report include the full calendar year's reporting cycle, it will present a more accurate picture of the revenue target and the effects of cost control measures implemented during the year prior. With this in mind, Public Works is not recommending a fare increase to take effect January 1, 2012.

10. Washington State Ferry Deficit Report

RCW 47.56.725

County ferries – Deficit reimbursements – Capital improvement funds

(1) The department is hereby authorized to enter into a continuing agreement with Pierce, Skagit, and Whatcom counties pursuant to which the department shall, from time to time, direct the distribution to each of the counties the amounts authorized in subsection (2) of this section in accordance with RCW [46.68.090](#).

(2) The department is authorized to include in each agreement a provision for the distribution of funds to each county to reimburse the county for fifty percent of the deficit incurred during each previous fiscal year in the operation and maintenance of the ferry system owned and operated by the county. The total amount to be reimbursed to Pierce, Skagit, and Whatcom counties collectively shall not exceed one million dollars in any biennium. Each county agreement shall contain a requirement that the county shall maintain tolls on its ferries at least equal to tolls in place on January 1, 1990.

(3) The annual fiscal year operating and maintenance deficit, if any, shall be determined by Pierce, Skagit, and Whatcom counties subject to review and approval of the department. The annual fiscal year operating and maintenance deficit is defined as the total of operations and maintenance expenditures less the sum of ferry toll revenues and that portion of fuel tax revenue distributions which are attributable to the county ferry as determined by the department. Distribution of the amounts authorized by subsection (2) of this section by the state treasurer shall be directed by the department upon the receipt of properly executed vouchers from each county.

(4) The county road administration board may evaluate requests by Pierce, Skagit, Wahkiakum, and Whatcom counties for county ferry capital improvement funds. The board shall evaluate the requests and, if approved by a majority of the board, submit the requests to the legislature for funding out of the amounts available under *RCW [46.68.090](#)(1) (j). Any county making a request under this subsection shall first seek funding through the public works trust fund, or any other available revenue source, where appropriate.

Guemes Island Ferry 2011 Operations Status Report

COUNTY FERRY SYSTEM OPERATIONS REPORT

Pertaining to Calendar Year

2010

Required Submittal Date: April 1, 2011

County: _____

Skagit

Expenditures		
(*)(1) Operation and Maintenance		\$1,606,433
Capital		\$2,151,089
Other Work and Repairs considered Capital		
Interest		
Depreciation		\$42,528
Total Expenditures		\$3,800,051

Revenues		
(*)(2) Ferry Toll Receipts (344.91)		\$843,388
Ferry Deficit Reimbursement (334.03 or 336.00)		\$109,856
Other Revenues		
Total Revenues		\$953,244

(*) WSDOT / Ferry Deficit Reimbursement - Net Amount Claimed	
(1) O&M (+)	\$1,606,433
(2) Tolls (-)	\$843,388
(3) MVFT (-)	\$120,161
Net Claimed	\$642,884

MVFT General Distribution	(**) CRAB Calculated MVFT Distribution Factor	2.1994
	Total MVFT - County Roads (336.00.89)	\$3,065,918
MVFT Attributable to the Ferry System	(**) CRAB Calculated MVFT Distribution Factor w/o Ferry System	2.1132
	(*)(3) Calculated MVFT Attributable to the Ferry System	\$120,161

(*) Utilized by WSDOT to calculate the Pierce, Skagit, and Whatcom County Deficit Reimbursement payments for:

2011

(**) CRAB provided data

Ferry System - Current and Replacement Values					
VESSELS	Year Built	Current Value	Replacement Value	Year Replacement Value Established	IPD Adjusted Replacement Value for Report Year
M/V Boat A	1979	\$1,957,742	\$12,250,000	2008	\$12,544,000
FACILITIES					
Mainland Dock	1979	\$2,697,000	\$7,515,404	2008	\$7,695,774
Mainland Waiting Facilities	1979	\$58,000	\$645,339	2008	\$660,827
Mainland Parking Facilities	1979	\$99,467	\$1,617,667	2008	\$1,656,491
Island Landing	1979	\$1,874,000	\$5,782,064	2008	\$5,920,834
Island Waiting Facilities	1979	\$1,000	\$10,603	2008	\$10,857
Island Parking Facilities	1979	\$150,100	\$564,275	2008	\$577,818
Ferry System Total Current Value					\$6,837,309
Ferry System Total Replacement Value					\$29,066,600

I hereby certify that the above County Ferry Operations Report is true and accurate and that I have reviewed and approved the report for submission to the County Road Administration Board (CRAB) and the Washington State Department of Transportation - Highways & Local Programs (WSDOT). I hereby acknowledge and accept the Motor Vehicle Fuel Tax (MVFT) Distribution Factors determined by CRAB to calculate the MFVT attributable to the ferry system, and the application of the Implicit Price Deflator for Washington to determine the adjusted system replacement values for the report year.

Consistent with the terms of Interagency Agreement GCA6429, I certify that the receipts and costs shown in this voucher are true and correct; that the ferry tolls are at least equal to the tolls in place on January 1, 1990; that the net amount claimed is due and payable from the County share of the gas tax under the terms of Interagency Agreement No. GCA6429 and applicable laws rules and regulations, and that I am authorized to sign for the claimant.

Signed: _____ Date: _____
County Engineer

Signed: _____ Date: _____
County's Interagency Agreement (GCA6429) Program Manager

Guemes Island Ferry
2011 Operations Status Report

11. 2011 Ferry Operations Work Plan



2011 Ferry Operations Work Plan

Skagit County Public Works intends to gather public advisory input on the Guemes Island Ferry Operations 2011 Work Plan. As set forth in Resolution R20100050, Attachment A, any interested organization or citizen at large may provide input through the Public Forum process.

2011 Work Program Topics of Interest

A. Level of Service Standards

- Develop Level of Service (LOS) standards for the Guemes Island Ferry. In this endeavor, consider the process for establishing LOS standards, which may include studying what other ferry systems are doing.
- Establish a series of performance measures for the Guemes Island Ferry Operations which reflect the level of service desired for providing ferry service between Anacortes and Guemes Island.
- The Level of Service Standards should take into consideration seasonal demand, time of day/week demand, demand management, ridership, capacity, wait times, congestion, sailing schedules, reliability, the cost of providing the service, cost containment parameters, and staffing needs.
- The LOS Standards should be data driven, focus on asset utilization, and help inform management of strategic investment decisions.
- The LOS Standards should focus on peaks and valleys in ridership and also how to best fit the service to the overall demand and fill up the spaces outside the peaks.
- Present to the Board of County Commissioners by fall, 2011.

B. Ferry Schedule

- Review the current ferry schedule and operating practices for the purposes of determining the need to expand the number of runs during high demand times of the year as well as the need for establishing different summer and winter schedules considering seasonal demands and staffing considerations to meet demand management needs.
- Inform the Board of County Commissioners of findings by June 1, 2011.

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2011 Work Program Topics of Interest (cont)

C. Ferry Ticketing

- Develop a ticket structure that will deliver the appropriate fare recovery for Skagit County in 2011, considering it will be out of service and not collecting revenues for two months. Present to the Board of County Commissioners by March 31, 2011.
- Evaluate any ticket selling methods, which include, but may not limited to: mail-in punch card order forms, online ticket sales, and a ticket dispensing kiosk.

D. Fare Recovery Model

- Review the entire current and projected cost of the ferry operation together with the current fare recovery model for the purposes of determining the equitability of the current model and ridership financial support to Skagit County. Report findings to the Board of County Commissioners Spring of 2012.
- Adjust reporting requirements for BCC Presentation of the Ferry Fare Revenue Target Report so that a full year's worth of data may be compiled prior to presentation. For review by the Board of County Commissioners by Fall, 2011.
- Continue to provide the public with ferry operating costs in the format used in the old Deficit Reimbursement Report and ensure that all costs are being accurately reflected as to the type and cost being incurred. Reconstruct the data base for 2009 through 2010. Complete and distribute reports by April 30, 2011.

E. ADA Accessibility during the Annual Ferry Outages

- Continue to review federal and state ADA standards so that appropriate accommodations may be made available during ferry outages.

* Note: It is anticipated that the Public Works Department may incorporate citizen advisory input from the Guemes Island Ferry Committee, other interested organizations or citizens at large, and that the County may meet with these parties throughout the year to gather information on specific topics incorporated within the Annual Ferry Fare Target Revenue Report and the Annual Work Plan.

Guemes Island Ferry
2011 Operations Status Report

12. Draft 2012 Ferry Operations Work Plan



2012 Draft Guemes Island Ferry Operations Work Plan

Skagit County Public Works intends to gather public advisory input on the Draft Guemes Island Ferry Operations 2012 Work Plan. As set forth in Resolution R20100050, Attachment A, any interested organization or citizen at large may provide input through the Public Forum process.

2012 Work Program Topics of Interest

A. Level of Service Standards

- Develop Level of Service (LOS) standards for the Guemes Island Ferry. In this endeavor, consider the process for establishing LOS standards, which may include studying what other ferry systems are doing.
- Establish a series of performance measures for the Guemes Island Ferry Operations which reflect the level of service desired for providing ferry service between Anacortes and Guemes Island.
- The Level of Service Standards should take into consideration seasonal demand, time of day/week demand, demand management, ridership, capacity, wait times, congestion, sailing schedules, reliability, the cost of providing the service, cost containment parameters, and staffing needs.
- The LOS Standards should be data driven, focus on asset utilization, and help inform management of strategic investment decisions.
- The LOS Standards should focus on peaks and valleys in ridership and also how to best fit the service to the overall demand and fill up the spaces outside the peaks.
- Present to the Board of Skagit County Commissioners by May, 2012.

B. Ferry Schedule

- Review the current ferry schedule and operating practices for the purposes of determining the need to expand the number of runs during high demand times of the year as well as the need for establishing different summer and winter schedules considering seasonal demands and staffing considerations to meet demand management needs.
- Inform the Board of Skagit County Commissioners of findings by May 1, 2012.

C. Ferry Ticketing

- Develop a ticket structure that will deliver the appropriate fare recovery for Skagit County in 2013. Present fare recommendations to the Board of Skagit County Commissioners by May 1, 2012.

Guemes Island Ferry
2011 Operations Status Report

2012 Work Program Topics of Interest (cont)

- Continue to review fare categories for the purposes of determining whether the appropriate ticketing structure is in place. This will be an ongoing analogy of the ticketing system, which may include the review of ticket selling whether automated, online, or at the ferry terminal.

D. Fare Recovery Model

- Review the entire current fare methodology for the purposes of determining whether improvements can be made to the current model, such as handling shortfalls and/or surpluses in any given year. Report findings to the Board of Skagit County Commissioners by May 1, 2012.
- Continue to provide the public with ferry operating costs in the format used in the old Deficit Reimbursement Report. Complete and distribute 2011 reports by April 30, 2012.

E. ADA Accessibility during the Annual Ferry Outages

- Continue to review federal and state ADA standards so that appropriate accommodations may be made available during ferry outages.

Note: It is anticipated that the Public Works Department may incorporate citizen advisory input from the Guemes Island Ferry Committee, other interested organizations or citizens at large, and that the County may meet with these parties throughout the year to gather information on specific topics incorporated within the Annual Ferry Fare Target Revenue Report and the Annual Work Plan.

To submit comments or suggestions for the 2012 Draft Ferry Operations Work Plan or on any and all issues and concerns relative to Guemes Island Ferry Operations, please contact Rachel Beck by email at rachelb@co.skagit.wa.us, or by phone at (360) 419-7618, or by mail at 1800 Continental Place, Mount Vernon, WA, 98273.

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13. 2011 Ferry Operations Progress Report



2011 Guemes Island Ferry Operations Progress Report

Prepared June 22, 2011, by Skagit County Public Works

This purpose of this progress report is to update the Ferry Committee, interested organizations, and citizens at large of the status of ferry related projects and topics of interest contained in the 2011 Ferry Operations Work Plan. Effective and collaborative discussion is encouraged on issues and topics contained within the Work Plan or this report.

Level of Service Standards

Skagit County is currently in the process of assembling a scope of work in order to send out a Request for Proposals for the purposes of possibly hiring a consultant experienced in ferry transportation planning to assist the County and the citizens of Guemes in adopting Level of Service Standards for the Guemes Island Ferry. It is anticipated that the Request for Proposals will be out by September 1, 2011.

Ferry Schedule

Skagit County is in the process of reviewing the sailing schedule for the purposes of determining whether there is a need to expand the number of runs during high demand times of the year, and establishing different summer and winter schedules. Public Works will be working with the Ferry Committee and WSU Extension to put out a survey to the residents of Guemes Island in order to assist with the decision making process. Although we were hoping to establish different “peak” and “non-peak” sailing schedules by June 1, 2011, we realized that more evaluation time is needed. We appreciate your patience.

Effective July 1, 2011, an adjusted sailing schedule will be published, and will address some of the demand issues during the peak season; specifically, adjustments to the Sunday afternoon/evening schedule allow for a majority of the runs to take place after 6:00 p.m. The adjusted sailing schedule includes a few additional changes, such as the 7:00 p.m. on Friday and Saturday evenings has been changed to 7:45 p.m. in order to be more consistent with the evening schedule Monday through Thursday.

Skagit County Public Works met with the Ferry Committee June 2, 2011, for the purposes of discussing the sailing schedule. At Skagit County’s request, the Ferry Committee has offered to assist with the survey process. The input of the citizens of Guemes will be much appreciated and we look forward to hearing from you.

Ferry Ticketing

The presentation and approval of a new 2011 fare schedule, accomplished one of the goals set forth in the 2011 Ferry Operations Work Plan. The goal of the 2011 fare schedule was to develop a ticket structure that will deliver the appropriate fare recovery for Skagit County in 2011. Public Works continues to review the

Guemes Island Ferry

2011 Operations Status Report

Ferry Ticketing (cont)

ticket structure together with advisory input received from the Ferry Committee, other organizations, and citizens at large.

Beginning June 22, 2011, ferry users can purchase punch cards through the mail. Punch cards can be purchased using the online order form available at www.skagitcounty.net/ferry. Customers can chose to mail in a check or money order along with their punch card order form to: 1800 Continental Place, Mount Vernon, WA, 98273. To place an order by phone using a credit card, customers can call (360) 336-9400, and place their order with the receptionist. Customers should allow 7-10 business days to receive their punch cards in the mail.

Skagit County is currently in the process of setting up a contract for a ticket kiosk and online tickets sales. We are working with a company called Virtual Ticketing Solutions to set up an automated ticketing system for the Guemes Island Ferry. The contract, which is currently in legal review, is a relatively new type of contract for Skagit County; therefore, there is a lengthier contract writing and approval process.

Fare Recovery Model

Public Works is currently working on amending Resolution R20100050 for the purposes of adjusting the reporting requirements for the BCC Presentations of the Ferry Fare Revenue Target Report, as well as the Ferry Operations Annual Report. R20100050 dictates the presentation take place in the fall of each year. Because a new fare schedule took effect June 1, 2011, Public Works would prefer to allow for a full year's worth of data to be compiled prior to presentation. The Annual Report can include a financial look ahead. Public Works will be recommending to the Board that the Annual Report be presented in November, 2011, rather than September, as set forth in Resolution R20100050.

Public Works continues to provide operating costs and data to the Guemes Island Ferry Committee. At their specific request, we reconstructed our data base in order to provide them with specific operating costs in a particular format. Additionally, Public Works will continue to meet with the Committee on discuss operating costs associated with the Guemes Island Ferry.

ADA Accessibility

Skagit County met with the Guemes Island Ferry Committee and Skagit Transit on May 3, 2011, for the purposes of discussing the possibility of a Skagit Transit bus turn-around to be located within the Anacortes Ferry Terminal. Public Works has received a lot of input regarding the distance that a person with mobility issues has to travel from the dock to the Skagit Transit bus stop located on 6th Street. The Ferry Committee also expressed to Public Works that we need to encourage folks to utilize public transportation, due to parking challenges at the ferry facilitates.

Effective May 23, 2011, folks are able to take advantage of Skagit Transit's 49 plus dial-a-ride service that picks people up within the Anacortes terminal area, courtesy of a new bus stop provided by Skagit Transit.

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Public Forum

As set forth in Resolution R20100050, Skagit County Public Works intends to gather public advisory input on the Guemes Island Ferry Operations Work Plan. Any citizen or interested organization may provide input through the Public Forum process. The first Public Forum in 2011 was held March 24, 2011, at the Guemes Island Community Hall. Thank you to all of the folks who were able to attend and participate. So far in 2011, we received several great suggestions that we have been able to implement.

Several comments received have been requests for Public Works to let the citizens know that we are listening by reporting on suggestions made at Public meetings; specifically, by implementing the suggestion, or by explaining why we cannot implement the idea. The request was made for citizen's comments to be included in the minutes from the Public Forum, which they now are.

- We received a suggestion to reschedule the ferry fueling days from Wednesday to another day so that the hazardous materials run and the lunchtime fueling did not happen the same day. We have moved our fueling days to Tuesdays as a result of this suggestion.
- A bus shelter has been placed on the Anacortes patio so that people who have dogs have a nice, warm, dry place to wait for the ferry with their pets. A resident of Guemes suggested this as an alternative to bringing them inside the building.
- At the Public Forum, when the idea of a customer survey was introduced, on resident suggested that Public Works contact Kay Haaland at WSU Extension. Rachel Beck, Ferry Operations Division Manager, recently met with Kay Haaland to discuss the survey. She was very helpful and we appreciate the suggestion to meet with her.
- Ferry users now have the option of ordering frequent user punch cards through the mail with the Guemes Island Ferry punch card order form. Customers can pay with a check or money order using the online form at www.skagitcounty.net/ferry. This was the result of comments received from folks who wish to have an option to purchase a punch card without visiting the Anacortes terminal. At the recent Public Forum, one customer requested to be able to pay for a mailed punch card with a credit card, and we have now procedures set up so that customers can order a punch card to be mailed to them by calling (360) 336-9400.
- Several folks have requested more webcams to view the Anacortes and Guemes Island ferry holding lanes. This is in the works, and we are in the final contract/planning stages. Upon approval by the Board of Skagit County Commissioners, we hope to see the camera installation take place by the end of summer.

Public Works will provide a status update on all topics of interest included in the 2011 Work Plan, as well as items discussed in the Progress Report at the next Public Forum meeting, which will be held in August, 2011 (date to be determined).

Note: It is anticipated that the Public Works Department may incorporate citizen advisory input from the Guemes Island Ferry Committee, other interested organizations or citizens at large, and that the County may meet with these parties throughout the year to gather information on specific topics incorporated within the Annual Ferry Fare Target Revenue Report and the Annual Work Plan. If you would like to request financial data reports, or have suggestions or comments relating to the Work Plan, this progress report or ferry operations in general, or if you would like to request a meeting with Public Works, please contact Rachel Beck, Ferry Operations Division Manager, at (360) 419-768, or by email at rachelb@co.skagit.wa.us, or in writing to 1800 Continental Place, Mount Vernon, WA, 98273.

Guemes Island Ferry
2011 Operations Status Report

14. Annual Public Forum Agendas & Summaries



AGENDA

GUEMES ISLAND OPERATIONS PUBLIC FORUM

Thursday, March 24, 2011

5:30 p.m.

Guemes Island Community Hall ~ 7549 Guemes Island Road

Thank you for attending the first Annual Public Forum in 2011. Skagit County Public Works welcomes the community to learn about and discuss agenda items. It would be greatly appreciated if everyone in attendance could fill out the sign-out sheet.

Introductions

Ron Wesen, District 1, Skagit County Commissioner, Chairman
Henry Hash, Director of Public Works
Rachel Beck, Ferry Operations Division Manager
Paul Randall-Grutter, Design Manager
David Walde, Construction Manager
Jim Martin, Accounting Tech

Items for Discussion

- 2011 Annual Work Plan
- Levels of Service Standards
- Ferry Schedule
- Ferry Ticketing
- Fare Recovery Methodology
- Projects Update

Questions and Comments

- Other concerns or issues relative to Guemes Island Ferry Operations

Adjournment

Guemes Island Ferry
2011 Operations Status Report

GUEMES ISLAND OPERATIONS PUBLIC FORUM MINUTES

March 24, 2011

Introductions:

Ron Wesen, Commissioner

Welcoming comments and introductions,

Henry Hash, Skagit County Public Works

Here to answer any questions and be of service.

Rachel Beck, Guemes Island Ferry Manager

Staff introductions:

Jim Martin, Accounting

Paul Randall-Grutter, Design Section Manager

David Walde, Acting Construction Section Manager

Rachel read the purpose of the public forum:

The purpose is to provide opportunities for collaborative discussions between the County and the public on issues relating to Guemes Island Ferry Operations; and to provide the County and the Guemes Island Ferry Committee, other organizations, and citizens at large with a public venue to discuss issues relating to Guemes Island Ferry Operations.

Rachel shared that the general purpose is to receive input and information from those who ride the ferry. Please feel free to talk about anything concerning the ferry. Agenda prepared and shared. Meeting will be recorded. Please state name and address.

2011 Work Plan

Developed with the input from the Guemes Island Ferry Committee

Level of service standards. Plan is to develop this service standard as a work in progress. Rachel requests assistance and input. Ideas, comments, suggestions are welcomed. Send to Ferry Committee or to Rachel. This is to establish performance measures that reflect the Level of Service of ferry service between Anacortes and Guemes Island. This plan should take into consideration things like seasonal demand, capacity, wait times, congestion, sailing schedule, and demand management needs. Should also focus on times when we are not so busy, because if we are making runs across the channel without cars onboard, it might be seen as inefficient. We are trying to make things as efficient as possible. She explained that the plan is to review other ferry operations service standards and set something up for us that would establish our steps, and that would review and address

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the issues. Levels of service does not mean when I show up at the ferry, the ferry leaves. It is really more of a management system that takes into consideration cost containment parameters. Customer service vs. level of service – two different things, but work together to provide a good level of service standards.

- *Comment received from Carl Cady: Stated he noticed Rachel is considering other ferry systems, but that got excluded from written plan; and shouldn't that be in the plan? Rachel stated that we could put it in, and the plan is to consider other ferry systems, since they are similar.*
- *Another comment received from Bill Warmuth: Parking and enforcement ticketed or towed at Cap Sante during the ferry outage? Rachel stated she would comment later in program.*

1) Ferry Schedule including Sunday nights

Rachel stated that Henry Hash and she are working on a plan with the Commissioners. She asks for suggestions or comments. The hope is to have a plan by June to clear up the congestion that the ferry experiences on Sunday nights.

- *Comment received from Jodi: Try to push before the Memorial Day holiday for a decision. Rachel stated that was a good idea.*
- *Comment received from Carol Pellet: Weekends and late runs (Friday and Saturday) so that islanders can see all of the theatre play / movies rather than leave early so that they can catch the last ferry. Rachel commented that it would be reviewed.*
- *Henry discussed the cost, and how services could be supported. Rachel asked for comments to find out if people would be willing to pay a little more?*
- *Question was received to clarify – would it be just those late night riders or spread the rates to accommodate the runs. Rachel commented that the late run is \$100 and no one does this. So, if the cost was increased, would there still be the desire to have these runs with the additional cost?*
- *Comment and suggestion was received from Glen Veal: Their research states that it costs about \$7,000 for every hour on an annual basis for continued service. Maybe take ridership, for example, on the midnight ferry run over a period of time to see how much revenue that would bring in. Rachel stated that she actually calculated that if late runs were made Friday, Saturday and Sunday nights, Memorial Day through Labor Day, one hour extra on each of those days, the amount would cost about \$12,000 for added service; or the amount of money that the mechanic works on deck one day a week.*
- *Comment from Larry Pike: Regards to bringing back midnight runs, and the ferry schedules were drastically changed over a short period of time; suggests that rates be raised for runs after 6 p.m. Why penalize only the weekend riders? Is this a year around or summer concern on Sundays? Rachel stated she has found it is both.*
- *Comment received from Steve Orsini: Interesting to explore the concept, in order not to increase costs, and not to move to a differential fare, but needs discussion. He would like to receive comment from other Islanders' opinion to cut back on weekday runs and increase runs on weekends. Rachel suggests that maybe a survey would be a good idea. Steve said he'd like to add to the survey – what are the cost benefits?*
- *Comment received from Judith Horton: Second what Steve said. Feels frustration that the comments that have been passed on to the County go unrecognized. Henry Hash stated that when suggestions or comments are received, that the County needs to be responsive, even though it may not be implemented, the suggestion should receive a response.*
- *Comment received from Jodi: Asks that the comments received at the public forum be included in the minutes.*
- *Comment received from Emma: Wonderful effort, but the level of trust has to be earned, and they have not had good dialog or trust. So it will take a while to believe things will change in a positive way. Henry Hash states it is upon the County to communicate more frequently, but the County needs to hear from the Islanders. Rachel feels strongly that the priority and focus is to address concerns in a positive manner. Henry stated again that this is a partnership. Commissioner Wesen stated that you can call, write a note, e-mail. He will*

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respond or follow-up. Rachel stated that the idea to provide more feedback is a good idea and she will try to be better about that.

- *Comment received from Rob: Survey idea is good. Be careful about how to word the questions. Honest and direct questions; do not shift around to get the answer you want. Henry stated that the survey would be reviewed by the committee before the survey is sent out.*
- *Suggestion received from Dyvon: regards to survey and suggests that the County contact Kay Holland at WSU; states she is an expert on how to word questions so that they are not biased in one direction or the other.*

• **Ferry Ticketing**

Develop a ticket structure that will deliver a fare schedule that will meet the fare recovery requirement. Rachel stated that on March 15th a public hearing was held to consider a fare increase. The fares were approved and a handout with the new fare schedule is available at this meeting. Rachel reviewed how the fares were arrived at. Henry thanked the ferry committee for their input.

- *Comment received Ann: Passenger punch card when you bring a bicycle over, which category? Per Rachel, there is no charge for the bicycle when using the passenger punch card.*
- *Rachel commented that one of the things discussed with the Ferry Committee is the transferability of passes. This is one area that opinion was divided. Rachel asked the opinion of the audience.*
- *Comment received from Larry: How do you define transferability? Rachel stated that currently the ferry runs on a point of sale transaction process. That means that anyone traveling on that trip, if there is a punch for the car and the car directly behind, then both cars can be punched. But to punch a car coming later is not possible. The ferry crew will not also be responsible for holding a pass and transferring it to another.*
- *Comment was received: Regards to one punch per rider, rather than a full group (like bicycle clubs) purchasing a 25 card punch and using it for the full group. Rachel states that they do not advertise that you can save money...and rarely does she see an abuse. Typically, each bicycle/passenger pays separately.*
- *Comment was received from: Better efficient ways to collect money. Rachel stated thanks Larry, lead us right into next topic...*

Ticket machine:

Rachel stated that in response to a Request for Proposals sent out in 2010, only one vendor responded at a cost of \$95,000. Rachel stated that it was discovered that the County wanted more than the proposal had asked for. A new proposal is out with more features, such as taking money, credit cards, and possibly on-line sales. The new proposal is more of a broad scope. The idea is to have a ticket machine in the terminal, ability to take credit cards, and also an on-line sale method. There is also a bar-code method which requires a scanner. County is currently reviewing three different proposals from three different vendors. She stated that the automated ticketing does not replace a person. She hopes that everyone realizes that the reason is to provide a service for the customers; the County wants to be able to provide more convenience in purchasing tickets. Someone from the ferry crew still has to review and verify the payment.

- *Comment received from Steve: Not replacing a person...move more cars more quickly onto the ferry is the motive. The motive is to replace cash handling, and reduce the possibility of theft. County staff stated that there are other costs, including software and maintenance costs. Henry stated that this is a customer service issue and not necessarily a cost savings. Rachel stated there will likely be a transactional fee for on-line sales.*
- *Second comment from Steve: Has the County looked at partnering with the state ticket system? Rachel stated that it costs more to buy into the state system than if we do our own system. Rachel said she looked at*

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the Pierce County system. Although a good system, the bar coders did not work well and they were looking for another system. Hopes that other small ferry systems might partner with the County.

- *Comment from Jodi: Has the County looked into a bus type system? Rachel states that the County has looked at the SKAT system and smart cards.*
- *Comment from Michael Brown: Makes sense to do an add-on to another Skagit County system. Rachel states that this is looked at but the problem is still how to print out and get the ticket to the ferry crew.*
- *Comment from Glen Veal: Suggests the County start a relationship with SKAT and open the discussion of ticketing machine.*
- *Comment from Larry: Seems a natural transition and just need to find a way to track the money flow.*
- *Comment received from Bill: ATM machine discussion. Rachel does not like the idea of a machine that holds money that is not manned. Henry suggests discussing with some banks as to how to handle this.*
- *Question from Gloria: how long are the punch cards good for? Per Rachel, the punch cards you purchase from now until Monday, March 28th are good through the end of this year; however, no cards will be sold while the ferry is out of service.*

- **Temporary Passenger Ferry during construction period**

Passenger-only ferry service will be free of charge.

Temporary passenger ferry schedule is available on line, on the Mystic Sea vessel, at the Guemes Island store, at the Guemes Island ferry terminal, Cap Sante Marina office, at the meeting. Schedule is subject to change, based on operational needs. Some runs may be cancelled due to tide and weather, especially wind. Skagit Transit shuttle schedule is included while they are on the Island. Rider guides are also included for SKAT.

Rachel also discussed the parking lot and the security. She requested that people park in the long term parking when not using the ferry daily.

A shelter will be provided, benches, and port-a-potty. She discussed staging passengers at top of dock, rather than at the ferry. Ferry crew will be available to assist. Discussed loading and unloading on the Mystic Sea. Pets need to be on the back deck, enclosed with canvas except where you get on/off, heated, and seating for 45 people out on deck. Motorcycles are allowed on a space-available basis. First come, first serve. No wheelbarrows allowed, carts okay.

There are two ADA parking spots on A dock. The Port of Anacortes has also added six additional ADA in gravel parking lots as close to the dock as possible. There is also a loading zone. No time restriction can be placed on ADA parking spots; it is illegal. Ramp onto the boat is wide enough for a wheel chair.

- *Comment from Bob: Stairs vs. ramp. Mobility issues may be a problem due to slope. Just be aware.*
- *Comment from Emma: No wheelbarrows. Per Rachel you can use a wheelbarrow to get items down to vessel, but not on-board the boat. Folding carts are good.*
- *Comment from Bill: Costco has cart for \$59 and very good.*
- *Question regards to insurance. Per Jim Martin, Risk department handles to ensure adequate insurance is provided.*
- *Comment from Ann: Where is the information when ferry does not run? Per Rachel, the information will be posted on line, the store will know, the Port, SKAT will know, and also it will be posted at the shelters, AND you can also call Rachel on her cell phone.*
- *In closing, Rachel and Henry thanked everyone for their comments. She stated that Paul and Dave would be available for questions regarding the Asphalt Overlay and Skagit Transit service at the Anacortes terminal after the meeting.*

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AGENDA

GUEMES ISLAND FERRY OPERATIONS PUBLIC FORUM

Wednesday, August 17, 2011
6:00 p.m.

Guemes Island Community Hall ~ 7549 Guemes Island Road

Thank you for attending the second Annual Public Forum in 2011. Skagit County Public Works welcomes the community to learn about and discuss agenda items. It would be greatly appreciated if everyone in attendance could fill out the sign-in sheet.

Introductions

Ron Wesen, Chairman Board of Skagit County Commissioners, District 1 Commissioner
Glen Veal, Chairman, Guemes Island Ferry Committee
Henry Hash, Director of Skagit County Public Works
Rachel Beck, Ferry Operations Division Manager
Mike Almvig, Information Services Manager
Jeannie Brown, Administration Division Manager / Controller
Jim Martin, Accounting Tech

Items for Discussion

- 2011 Draft Ferry Fare Revenue Target Report
- 2011 Ridership Statistics
- 2011 Annual Work Plan & Progress Report
- Items of Interest for the draft 2012 Annual Work Plan
- Ferry Sailing Schedule
- Ferry Ticketing
- Updates and Timelines on Ferry-Related Projects
- Levels of Service
- Open Public Input

Questions and Comments

- Other concerns or issues related to Guemes Island Ferry Operations

Adjournment

Guemes Island Ferry
2011 Operations Status Report

GUEMES ISLAND OPERATIONS PUBLIC FORUM MINUTES

August 17, 2011

Guemes Island Ferry Operations Public Forum
Minutes from August 17, 2011

Introductions:

Ron Wesen, Commissioner

Welcoming comments and introductions,

Henry Hash, Skagit County Public Works

Here to answer any questions and be of service.

Rachel Beck, Guemes Island Ferry Manager

Staff introductions:

Jim Martin, Accounting

Paul Randall-Grutter, Design Section Manager

David Walde, Acting Construction Section Manager

The purpose of the public forum by Resolution:

The purpose is to provide opportunities for collaborative discussions between the County and the public on issues relating to Guemes Island Ferry Operations; and to provide the County and the Guemes Island Ferry Committee, other organizations, and citizens at large with a public venue to discuss issues relating to Guemes Island Ferry Operations.

This is an opportunity to hear from you on any and all issues or concerns regarding ferry operations; a platform for anyone to speak on any topic that they wish. Skagit County staff is here to listen, take input, and answer questions as best we can. If we don't have answers for you, we are happy to get back with you on things you wish to know about ferry operations. We use this input not only when assembling our annual report, but also when we are trying to make decisions involving ticketing and the ferry schedule. Please feel free to ask.

Items for Discussion:

- 2011 Draft Ferry Fare Revenue Target Report
- 2011 Ridership Statistics
- 2011 Annual Work Plan & Progress Report
- Items of Interest for the draft 2012 Annual Work Plan

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- Ferry Sailing Schedule
- Ferry Ticketing
- Updates and Timelines on Ferry-Related Projects
- Levels of Service
- Open Public Input

1) 2011 Draft Ferry Fare Revenue Target Report and Ridership Statistics

This report is done annually and assists us with an understanding where we are with fares, what we need to do next year; therefore, sets the revenue target for us.

Rachel read part of the draft resolution report. Starting January 1, 2010, the Washington State Department of Transportation (WSDOT) required us to start reporting on a calendar year basis rather than a fiscal year basis. So those changes were the reason for the new ticket fare methodology. Nothing else changed except the dates of reporting requirements to WSDOT.

Calculations are based on a five-year calendar average of ferry operations and maintenance costs. Capital expenditures are not included, nor are depreciation costs. This amount is multiplied by 65% to get the target. Rachel demonstrated an example and showed a chart; explaining how this target was reached.

Question received regards to short-falls during one year. It was explained that due to high maintenance costs that year, that's why the great shortfall from the revenue target.

Another question was asked about how much of the property taxes collected from Guemes Island tax went to the road fund? Henry Hash stated only a small portion of the tax revenue is given to municipalities for road funds. Comment was received from unknown individual questioning how road funds were distributed; and stated that the roads on Guemes Island were substandard. Henry Hash further explained the formula and how the 65% did not cover the actual expenses. Individual requested Henry Hash send the numbers. The individual explained that the ferry is their 'bridge' and the only 'bridge' that generates any revenue at all. Rachel also explained that the ferry has higher maintenance costs and is very different than a standard bridge. Another individual stated that a statement was made that taxes were so high because we have to pay for the ferry. Henry Hash explains that the taxes are based on the value of your assessed value of your property, not based on a formula.

Rachel re-addressed the 65% target requirement. This target is required to be addressed when there is either a shortfall or overage; and how we target the fares. The five-year calendar average varies from year to year. She explained how the numbers go up and down. If/When surpluses were to occur; we would then need to decide how we would deal with that revenue.

Question was received as to how/what do you have planned to increase revenues in the upcoming year, since obviously we are not making enough revenue; where can we increase revenue stream. Rachel stated it is based on fare-box revenues. Rachel stated we would not increase fare box revenues without an increase. Someone used Whatcom County as an example and stated they have a policy with a system to credit the ferry system when a county vehicle uses the ferry. He stated that whenever the crew comes over from Burlington to do repairs, the ferry system is charged from time of departure, plus mileage, until the time they return. Rachel stated that when county vehicles come over to do a county road project, that amount does not get charged to the ferry system. The charges are directly charged when working on the ferry, but are not on road projects. If any other county department uses the ferry, that department pays fares.

The Revenue Target Report will be available on-line as a draft for review; and when completed will also be posted as a part of the 2011 Ferry Operations Status Report.

Jim Martin was curious about raising revenue from a fare box standpoint, which would obviously require a change in ridership or ridership patterns. What are your thoughts? Response was received: Yes, increasing frequency in crew booked, making efficient transactions between runs, moving more cargo/inventory on the dock. Jim asked if he meant more 'on demand' service. An individual responded that it would be more 'efficient service'. An example was presented that if there were 20 cars on the dock waiting and the ferry was not running, maybe by making an additional run, revenue would be increased by making that run. An individual stated that there has been a shift in ridership from

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drive-on to walk-on ridership. As a walk-on, you can just park and go; if it was more convenient, he would drive on more. The way he solved the problem was to own a car and sit it on the other side. Would an 'on-call' service or extra run offset the costs or increase the actual revenue. Rachel stated it would also require additional staff to keep things running. Henry stated this is the primary reason why we meet with the ferry committee. He talked about the efficient operation by staff and pointed out that it is the reason why our deficit has shrunk and he wants to continue the savings. The level of service discussion would require more than one meeting and would be worth a separate meeting. He stated that Skagit County could do whatever you like, but it comes with a cost. That is why Rachel is working on a survey with the ferry committee. Questions are posed and attempt to address things such as "Are you willing to pay XYZ for this kind of service, or how much are you willing to pay?" Someone asked Rachel, since labor costs are constant for the entire shift, whether you are running the boat or if they are at lunch/coffee time; how much does it cost to run that vessel one round trip to Guemes Island. He stated you would figure that out by dividing the cost of the fuel, by the number of runs. Rachel stated she figured it out by the hour, and it varies from year to year, based on the operating budget and what is spent on maintenance costs for the year. He further stated that that it is a different 'animal'. Rachel stated that some runs are on the hour and some on the half-hour. He stated maintenance is another issue. Rachel asked why maintenance wouldn't be included, because that is part of the operational cost. And in order to get a full, accurate picture, you have to take into consideration, all costs. Discussed breakdown and what costs are and are not included in the calculations of costs. Rachel elaborated about the haul-out costs and how it varied year-to-year. Argument included that it should only be direct expenses (fuel, oil), not maintenance.

Rachel concluded by reviewing the end of the report. Stated passenger count was down and reviewed revenue and cost projections. She mentioned that for two months, the operating costs for labor would be charged to the federal projects. In June 2012, there will be a review of costs. All categories of fares were increased in June 2011, and she anticipates a surplus on our target revenue. Based on all this information received to-date, we are not recommending any fare increase in January 2012. Any increase is at the Boards' discretion.

Question or clarification was about the two month period when the federal funds paid and how this would be taken into consideration over the five year model. Has the County decided how this would be handled? Per Jim Martin, no determination has been made or any conclusions.

Mystic Sea was used during construction; was that considered capital? Per Jim Martin, that is considered as part of the federal project, not included in the expenses, because it was paid for by the grant. Discussion regards to why the reporting dates are being suggested to be changed from October to April. Report to the state is for actual expenses.

Suggestion was made to discuss with Commissioners to look at actual expenses, not projected, to increase fares. Commissioner Wesen stated that they look at the budget projections are not worth much, but rather look at what was actually spent. Jim Martin reviewed how the funds to each of the ferry counties are distributed.

Rachel stated that each of the reports would be posted on-line for review. She reviewed some of the trends, fares received, revenue, and ridership summaries; which are down between 4-5.5%.

2) 2011 Work Plan

Rachel discussed the purpose of the Work Plan; goals, level of service.

With regards to fare ticketing: she stated that Skagit County now has a contract for automated ticketing system at the ferry. This is a big accomplishment and everyone has been working on this. There will be a kiosk, and the ability to go on-line to purchase a pass. Rachel introduced Mike Almvig, IS services. Tickets can still be purchased through the mail. Mike reviewed the kiosk, which you would be able to purchase with your credit card. Also, reviewed how the on-line service would work, printing receipts, and barcode system. Mike indicated that there are things that have to be accomplished before the kiosk goes in and before the software is initiated. He explained the 'acceptance test' to make sure that what was sold is what we wanted before payment is made to the vendor. He stated that this should be operational about October/early November.

Someone asked about the efficiency of this ticketing kiosk rather than just give money to the crew. Rachel stated that it should be quicker to load. The hopes would be to have a hand-held scanner rather than go into kiosk. But this must be done in stages. Right now the vendor does not have this technology. The vendor is working on some of the issues to address how this would be handled. Rachel stated that the price of this system compared to other

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systems, the expense offset the lack of technology. But the vendor agreed to work towards solving some of the issues and working towards a solution. Question was asked as to whether the system would have a 'refillable' amount that could be added. Mike stated that they are talking to the vendor about that type of technology. Question was asked about the ticket sales for summer visitors. Mike stated that they could use the kiosk. It was mentioned that signage would be needed to direct people to this kiosk. A comment was received that proper signage would be needed on 6th Street to assist people in how to purchase and where. Question was asked about the ten trip pass and whether or not the county would re-initiate. The problem of sharing the 20 trip punch card was discussed. Rachel stated do not cut the pass in half. It will not be considered valid. She stated that the County could consider a non-expiring ten trip pass that would not include a discount; for convenience only. The 20 trip pass expires after three months and is discounted.

Rachel asked for any final questions:

Question was asked about new engines for the vessel. Rachel stated that she is trying to get grant funding for the engine purchase. She stated one engine was replaced in October 2010 and one is currently getting repaired. She stated that some money must be set aside for the purchase, even if a grant was received. Rachel stated the county has spare engine, spare outdrives, spare transmissions; as well as parts for repairs.

Ferry sailing schedule discussion. Per Rachel, a survey will be forthcoming about the ferry sailing schedule, including questions about costs. She anticipates this should be out about January. The sailing schedule was last out in 2009 and was just updated in summer 2011. This schedule has not changed dramatically. Rachel suggested going back to the 2009 schedule and shared a "DRAFT" schedule. This will be on-line for review. Please respond by September 7th. Beginning September 10th, non-peak fares will be in effect.

Commissioner Ron Wesen stated that they could contact him at any time at 360-336-9300. Any questions or concerns, or Rachel is always available for comments. He thanked the County staff for their presence and hoped everyone got some good information from this presentation.

Rachel thanked everyone. Meeting adjourned.

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15. 2011 Operational Summaries

Statistically, 2011 was a very unusual year for ferry operations due to a very extensive project that took place on both ferry docks, shutting the car ferry down for a period of two months; therefore, our ridership numbers are down from the previous year. In order to figure out accurately how much, percentages were calculated using only the months we operated the car ferry in 2011 compared to the same months in 2010.

- According to ridership data, vehicle counts for January through March, June, and July, 2011, were down approximately 5.5% from the previous year for the same months.
- Passenger ridership for the above-mentioned months in 2011 was down nearly 5% from the same month's figures in 2010.

Revenues for 2011 were affected by the two-month car ferry shut down as well. A fare increase was implemented effective June 1, 2011.

- Overall, fare box revenue is up approximately 1.29% through July, 2011.
- Revenues in 2010 totaled \$853,219.00, and did not meet the revenue target by approximately \$4,151.00.
- Until actual 2011 figures are in, it is difficult to predict whether fare box revenues will meet the target for 2011. During the two-month ferry shut down, no fares were collected; therefore, it is anticipated that fare box revenues will not meet the 2011 target.

Year to date figures indicate that 2012 will be a relatively normal year for ferry operations. A pattern that has been seen since 2009 indicates that ridership may be down in 2012 from 2010 and 2011 figures.

- The revenue target (subject to change) for 2012 is approximately \$954,929.
- Budgeted revenue for 2012 is \$971,000.

Public Works continues to pursue cost saving efforts to reduce overall ferry operating costs. During the years 2009 through 2011, most of the cost savings were and continue to be a result of a reduction in staffing.

- In 2009, the Guemes Island Ferry was staffed with a three-person base crew from January to April, only adding a terminal attendant as needed. The ferry was staffed May through September with a terminal attendant on shift every day, and in October and November the ferry was staffed with a terminal attendant Monday through Friday. In December 2009, the staffing at the ferry was permanently reduced to a three-person base crew every day.
- The continuous and gradual staffing reduction in 2009 resulted in a cost savings of approximately \$10,800 from the previous year.
- To date, in 2011, the Guemes Ferry has operated with a base three-person crew every day with the exception of busy and holiday summer weekends, Fourth of July through Labor Day.

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Per Resolution R20100050, Public Works staff has held two public forum meetings on Guemes Island in 2011 for the purposes of soliciting advisory input on topics of interest included in the 2011 Work Plan as they pertain to cost containment, ticketing, fares, sailing schedule, and levels of service.

Public Works staff is working toward procuring an electronic ticketing system that will allow for kiosk, online, and will-call ticket sales. This project is expected to be complete by mid-November, 2011. It is anticipated that this service will enhance the customer experience and increase efficiency.