



# Guemes Island Ferry Fare Rate Study

Skagit County Public Works - Public Hearing DRAFT

February 28, 2023

# Agenda

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Fare Schedule Development Approach

Proposed Fare Schedule

# Guemes Island Ferry Fare Schedule – Primary Objectives

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- Balance Road Fund and farebox contributions to Guemes Island Ferry operations
- Provide alternative methodology for setting future fare increases

*The proposed fare schedule was modeled to increase fare revenue enough to limit the annual Road Fund contribution up to \$750,000*

# Fare Modeling Process

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1. Establish how much revenue is needed for operations
2. Estimate how much current fares need to increase to reach revenue target
3. Evaluate potential adjustments to fare categories and revenue impacts

# Fare Modeling Process

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## 1. *Establish how much revenue is needed for operations*

|                        |              |
|------------------------|--------------|
| 2023 Approved Budget   | \$ 3,213,000 |
| Base Year Adjustments  | \$ (44,000)  |
| Total Revenue Required | \$ 3,169,000 |

*Numbers rounded to nearest \$1,000*

# Fare Modeling Process

2. Estimate how much current fares need to increase to reach revenue target

## Alternative Farebox Revenue Targets

|                                  | 65% Farebox | \$750 Road Fund | \$500K Road Fund |
|----------------------------------|-------------|-----------------|------------------|
| Required Farebox Target          | \$1.8M      | \$2.1M          | \$2.3M           |
| % Fare Increase over 2022 Actual | 52%         | 71%             | 92%              |
| Required Road Fund Contribution  | \$1.0M      | \$ .8M          | \$ .5M           |
| 2022 Actual Revenue              | \$1.2M      |                 |                  |

*All annual revenue totals exclude capital surcharge*

# Fare Modeling Process

## 2. Estimate how much current fares need to increase to reach revenue target

|  |                     |
|--|---------------------|
| <b>Current Sources</b>                           |                     |
| 2022 Fares                                       | \$ 1,209,000        |
| Other State Revenue                              | \$ 348,000          |
| Road Fund Contribution                           | \$ 750,000          |
| Currently Identified Revenue                     | \$ 2,307,000        |
| <b>Projected Revenue Required for Operations</b> | <b>\$ 3,169,000</b> |
| <b>Revenue Shortfall</b>                         | <b>\$ 862,000</b>   |
| Increase over Current Fare Revenue               | 71%                 |
| <b>Fare Revenue Target</b>                       | <b>\$ 2,071,000</b> |

# Fare Modeling Process

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## *3. Evaluate potential adjustments to fare categories and revenue impacts*

- *Make fare structure changes*
- *Make fare level changes and project revenue:*
  1. *Oversize vehicles*
  2. *All other categories*



# Fare Structure Changes

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## Vehicle fares:

- Added new fare category: Vehicles under 14 feet
- Increased standard vehicle length from 20 to 22 feet

## Large vehicles:

- Condensed oversize vehicle fares into 10-foot categories

## Multi-ride passes:

- Standardized discount amounts on base fare (excluding capital surcharge) for multi-ride passes
- Added peak season multi-ride fares
- Added 5-trip convenience passes for large vehicles (to replace commercial accounts)
- Added 5-trip convenience passes for needs-based vehicle drivers

## Eliminated underused categories

- Motorcycle - senior/disabled rider
- 10-trip convenience punch cards

## New Categories:

- Bicycle & rider; Bicycle & senior/disabled/youth rider

# Proposed Fare Structure for \$750,000 Road Fund Contribution

**Projected Fare Revenue =  
\$2,081,000**

|   | Current = Proposed<br>Surcharge |       | Current<br>Posted    |       | Proposed<br>Posted   |         |
|---|---------------------------------|-------|----------------------|-------|----------------------|---------|
|   | Non Peak                        | Peak  | Non Peak             | Peak  | Non Peak             | Peak    |
| <b>Passengers</b>                                 |                                 |       |                      |       |                      |         |
| Adult   | \$1                             | \$1   | \$4                  | \$5   | \$6                  | \$8     |
| Senior/Disabled/Youth                             | \$0                             | \$1   | \$2                  | \$3   | \$4                  | \$6     |
| Under 5   |                                 |       | Free                 | Free  | Free                 | Free    |
| Rider & Bicycle                                   | \$1                             | \$1   |                      |       | \$8                  | \$10    |
| Riders & Bicycle senior/dsabled/youth             | \$0                             | \$1   |                      |       | \$5                  | \$7     |
| <b>Passenger Multi Ride Card</b>                  |                                 |       |                      |       |                      |         |
| 25 trip adult passengers                          | \$10                            | \$10  | \$77                 | \$77  | \$116                | \$159   |
| 25 trip senior/disabled/youth                     | \$6                             | \$6   | \$46                 | \$46  | \$91                 | \$112   |
| <b>Vehicles</b>                                   |                                 |       |                      |       |                      |         |
| Motorcycle & rider                                | \$1                             | \$2   | \$7                  | \$10  | \$12                 | \$17    |
| Vehicle/driver 14 feet or under                   | \$2                             | \$3   |                      |       | \$17                 | \$21    |
| Vehicle/driver 14 feet or under senior/disabled   | \$2                             | \$2   |                      |       | \$13                 | \$17    |
| Vehicle/driver under 22 feet                      | \$2                             | \$3   | \$12                 | \$15  | \$20                 | \$25    |
| Vehicle/driver senior/disabled under 22 feet      | \$2                             | \$2   | \$10                 | \$12  | \$17                 | \$20    |
| <b>Vehicles &amp; driver multi-ride</b>           |                                 |       |                      |       |                      |         |
| 20 trip under 14 feet                             | \$26                            | \$26  |                      |       | \$281                | \$332   |
| 20 trip under 14 feet senior/disabled             | \$20                            | \$20  |                      |       | \$207                | \$275   |
| 20 trip under 22 feet                             | \$26                            | \$26  | \$196                | \$196 | \$332                | \$400   |
| 20 trip under 22 feet senior/disabled             | \$20                            | \$20  | \$156                | \$156 | \$275                | \$326   |
| 20 trip Motorcycle                                | \$15                            | \$15  | \$117                | \$117 | \$202                | \$270   |
| <b>Vehicle Needs Based</b>                        |                                 |       |                      |       |                      |         |
| 5 trip convenience needs based only               | \$10                            | \$10  |                      |       | \$85                 | \$100   |
| <b>Oversized Vehicles</b>                         |                                 |       |                      |       |                      |         |
| Over 22 feet under 30 feet                        | \$4                             | \$6   | \$19                 | \$24  | \$43                 | \$54    |
| Under 40 feet                                     | \$8                             | \$11  | \$36                 | \$45  | \$98                 | \$123   |
| Under 50 feet                                     | \$11                            | \$18  | \$54                 | \$71  | \$136                | \$173   |
| Under 60 feet                                     | \$19                            | \$23  | \$83                 | \$100 | \$199                | \$251   |
| Each 10 foot over 60                              |                                 |       |                      |       | \$30                 | \$38    |
| Over width charge                                 |                                 |       | Double Length Charge |       | Double Length Charge |         |
| <b>Oversized Vehicles 5 Trip Convenience Card</b> |                                 |       |                      |       |                      |         |
| Over 22 feet under 30 feet                        | \$20                            | \$30  | \$95                 | \$120 | \$215                | \$270   |
| Under 40 feet                                     | \$40                            | \$55  | \$180                | \$225 | \$490                | \$615   |
| Under 50 feet                                     | \$55                            | \$90  | \$270                | \$355 | \$680                | \$865   |
| Under 60 feet                                     | \$95                            | \$115 | \$415                | \$500 | \$995                | \$1,255 |
| <b>Miscellaneous</b>                              |                                 |       |                      |       |                      |         |
| Charter/Extra Trip Rate                           |                                 |       | \$500                | \$500 | TBD                  |         |

**Eliminated fare categories:**

- Motorcycle & Senior/Disabled Rider
- Commercial Accounts



# Fare Type Increase Comparison

|  | O&M Portion |       |          |      | Posted    |       |          |      |
|--|-------------|-------|----------|------|-----------|-------|----------|------|
|  | \$ Change   |       | % Change |      | \$ Change |       | % Change |      |
|  | Non Peak    | Peak  | Non Peak | Peak | Non Peak  | Peak  | Non Peak | Peak |
| Adult Passengers                             | \$2         | \$3   | 67%      | 75%  | \$2       | \$3   | 50%      | 60%  |
| 25 trip adult passengers                     | \$39        | \$82  | 58%      | 122% | \$39      | \$82  | 51%      | 106% |
| Vehicle/driver under 22 feet                 | \$8         | \$10  | 80%      | 83%  | \$8       | \$10  | 67%      | 67%  |
| 20 trip vehicle under 22 feet                | \$136       | \$204 | 80%      | 120% | \$119     | \$170 | 69%      | 104% |
| Passenger Senior/Disabled/Youth              | \$2         | \$3   | 100%     | 120% | \$2       | \$3   | 100%     | 100% |
| 25 trip senior/disabled/youth                | \$45        | \$66  | 113%     | 165% | \$45      | \$66  | 98%      | 143% |
| Vehicle/driver senior/disabled under 22 feet | \$7         | \$8   | 88%      | 80%  | \$7       | \$8   | 70%      | 67%  |
| 20 trip under 22 feet senior/disabled        | \$119       | \$170 | 88%      | 125% | \$119     | \$170 | 76%      | 109% |

# Fare Level Increases – Oversized Vehicles

|                            | Per Foot Charge O&M Portion of Fare |        |          |        | Category Fare         |       |
|----------------------------|-------------------------------------|--------|----------|--------|-----------------------|-------|
|                            | Current <sup>1</sup>                |        | Proposed |        | Proposed Posted Fares |       |
|                            | Non Peak                            | Peak   | Non Peak | Peak   | Non Peak              | Peak  |
| Over 22 feet under 30 feet | \$0.49                              | \$0.60 | \$1.30   | \$1.60 | \$43                  | \$54  |
| Under 40 feet              | \$0.70                              | \$0.85 | \$2.25   | \$2.80 | \$98                  | \$123 |
| Under 50 feet              | \$0.86                              | \$1.06 | \$2.50   | \$3.10 | \$136                 | \$173 |
| Under 60 feet              | \$1.38                              | \$1.67 | \$3.00   | \$3.80 | \$199                 | \$251 |
| Each 1 foot over 60        |                                     |        | \$3.00   | \$3.80 | \$30                  | \$38  |

<sup>1</sup> Current 5-foot categories have been combined into 10-foot categories

# Proposed Fare Structure for \$750,000 Road Fund Contribution

**Projected Fare Revenue = \$2,081,000**

|   | Current = Proposed |       | Current              |       | Proposed             |         | Current  |       | Proposed |         |
|---|--------------------|-------|----------------------|-------|----------------------|---------|----------|-------|----------|---------|
|   | Surcharge          |       | Posted               |       | Posted               |         | O&M      |       | O&M      |         |
|   | Non Peak           | Peak  | Non Peak             | Peak  | Non Peak             | Peak    | Non Peak | Peak  | Non Peak | Peak    |
| <b>Passengers</b>                                 |                    |       |                      |       |                      |         |          |       |          |         |
| Adult   | \$1                | \$1   | \$4                  | \$5   | \$6                  | \$8     | \$3      | \$4   | \$5      | \$7     |
| Senior/Disabled/Youth <sup>1</sup>                | \$0                | \$1   | \$2                  | \$3   | \$4                  | \$6     | \$2      | \$2   | \$4      | \$5     |
| Under 5   |                    |       | Free                 | Free  | Free                 | Free    | Free     | Free  | Free     | Free    |
| Rider & Bicycle                                   | \$1                | \$1   |                      |       | \$8                  | \$10    |          |       | \$7      | \$9     |
| Riders & Bicycle senior/dsabled/youth             | \$0                | \$1   |                      |       | \$5                  | \$7     |          |       | \$5      | \$6     |
| <b>Passenger Multi Ride Card</b>                  |                    |       |                      |       |                      |         |          |       |          |         |
| 25 trip adult passengers                          | \$10               | \$10  | \$77                 | \$77  | \$116                | \$159   | \$67     | \$67  | \$106    | \$149   |
| 25 trip senior/disabled/youth                     | \$6                | \$6   | \$46                 | \$46  | \$91                 | \$112   | \$40     | \$40  | \$85     | \$106   |
| <b>Vehicles</b>                                   |                    |       |                      |       |                      |         |          |       |          |         |
| Motorcycle & rider                                | \$1                | \$2   | \$7                  | \$10  | \$12                 | \$17    | \$6      | \$8   | \$11     | \$15    |
| Vehicle/driver 14 feet or under                   | \$2                | \$3   |                      |       | \$17                 | \$21    |          |       | \$15     | \$18    |
| Vehicle/driver 14 feet or under senior/disabled   | \$2                | \$2   |                      |       | \$13                 | \$17    |          |       | \$11     | \$15    |
| Vehicle/driver under 22 feet                      | \$2                | \$3   | \$12                 | \$15  | \$20                 | \$25    | \$10     | \$12  | \$18     | \$22    |
| Vehicle/driver senior/disabled under 22 feet      | \$2                | \$2   | \$10                 | \$12  | \$17                 | \$20    | \$8      | \$10  | \$15     | \$18    |
| <b>Vehicles &amp; driver multi-ride</b>           |                    |       |                      |       |                      |         |          |       |          |         |
| 20 trip under 14 feet                             | \$26               | \$26  |                      |       | \$281                | \$332   |          |       | \$255    | \$306   |
| 20 trip under 14 feet senior/disabled             | \$20               | \$20  |                      |       | \$207                | \$275   |          |       | \$187    | \$255   |
| 20 trip under 22 feet                             | \$26               | \$26  | \$196                | \$196 | \$332                | \$400   | \$170    | \$170 | \$306    | \$374   |
| 20 trip under 22 feet senior/disabled             | \$20               | \$20  | \$156                | \$156 | \$275                | \$326   | \$136    | \$136 | \$255    | \$306   |
| 20 trip Motorcycle                                | \$15               | \$15  | \$117                | \$117 | \$202                | \$270   | \$102    | \$102 | \$187    | \$255   |
| <b>Vehicle Needs Based</b>                        |                    |       |                      |       |                      |         |          |       |          |         |
| 5 trip convenience needs based only               | \$10               | \$10  |                      |       | \$85                 | \$100   |          |       | \$75     | \$90    |
| <b>Oversized Vehicles</b>                         |                    |       |                      |       |                      |         |          |       |          |         |
| Over 22 feet under 30 feet                        | \$4                | \$6   | \$19                 | \$24  | \$43                 | \$54    | \$15     | \$18  | \$39     | \$48    |
| Under 40 feet                                     | \$8                | \$11  | \$36                 | \$45  | \$98                 | \$123   | \$28     | \$34  | \$90     | \$112   |
| Under 50 feet                                     | \$11               | \$18  | \$54                 | \$71  | \$136                | \$173   | \$43     | \$53  | \$125    | \$155   |
| Under 60 feet                                     | \$19               | \$23  | \$83                 | \$100 | \$199                | \$251   | \$64     | \$77  | \$180    | \$228   |
| Each foot over 60                                 |                    |       |                      |       | \$30                 | \$38    |          |       | \$30     | \$38    |
| Over width charge                                 |                    |       | Double Length Charge |       | Double Length Charge |         |          |       |          |         |
| <b>Oversized Vehicles 5 Trip Convenience Card</b> |                    |       |                      |       |                      |         |          |       |          |         |
| Over 22 feet under 30 feet                        | \$20               | \$30  | \$95                 | \$120 | \$215                | \$270   | \$75     | \$90  | \$195    | \$240   |
| Under 40 feet                                     | \$40               | \$55  | \$180                | \$225 | \$490                | \$615   | \$140    | \$170 | \$450    | \$560   |
| Under 50 feet                                     | \$55               | \$90  | \$270                | \$355 | \$680                | \$865   | \$215    | \$265 | \$625    | \$775   |
| Under 60 feet                                     | \$95               | \$115 | \$415                | \$500 | \$995                | \$1,255 | \$320    | \$385 | \$900    | \$1,140 |
| <b>Miscellaneous</b>                              |                    |       |                      |       |                      |         |          |       |          |         |
| Charter/Extra Trip Rate                           |                    |       | \$500                |       | TBD                  |         |          |       | TBD      |         |

