From: Cindy Kamp
To: Ferry Comments
Subject: 2026 Fare Proposal
Date: Monday, September 8, 2025 3:00:35 PM

Dear Skagit County Board of Commissioners and County Leadership:

As you meet tomorrow to discuss your proposed 30% fare increase, I am writing to you today to ask you to pause this increase until Skagit County takes the time to reflect on the validity of the current fare methodology which is based on projected budgeting. After reading the 2025 Draft Ferry Fare Target Report, (FFTR) the projected budgets are not supported by facts, figures, data or detail. I would also request adding detailed fare increases by fare category that reflect all increases since August of 2023 to the FFTR.

The 2024 FFTR Budget expenditures on page 23 do not align with other County budgets, including the 2024 Approved Budget for 2024 (finalized in December of 2023) or the 2025 Modified Budget for 2024 (finalized in December of 2024).

Some categories of discrepancies include:

- 3120 – Operating Supplies
  - FFTR 2024 Budget: $75,000
  - 2025–2024 Modified Budget (Dec 2024): $150,000
  - 2024 Approved Budget (Dec 2023): $150,000
- 4110 – Professional Services
  - FFTR 2024 Budget: $226,245
  - 2025–2024 Modified Budget (Dec 2024): $65,000
  - 2024 Approved Budget (Dec 2023): $25,000
- 4154 – Interfund Payment of Service
  - Not included in 2025–2024 Modified Budget (Dec 2024) or 2024 Approved Budget (Dec 2023)
- 4510 – Rentals
  - FFTR 2024 Budget: $120,648
  - 2025–2024 Modified Budget (Dec 2024): $100,648
  - 2024 Approved Budget (Dec 2023): $60,000
- 4910 – Miscellaneous
  - FFTR 2024 Budget: $139,902
  - 2025–2024 Modified Budget (Dec 2024): $62,990
  - 2024 Approved Budget (Dec 2023): $62,902

The Chart of Expenditures is also titled “2022 Expenditures” which is either a typo or a chart from 2022. The date stamp below this is June 11, 2024. If the expenditures

were from June 11, 2024, and the 2025 budget was finalized in December of 2024 with the 2024 Budget modification, wouldn't it stand to reason that even the FFTR 2024 Budget should be no different than either the 2024 approved budget from 2023 OR possibly the 2025-2024 modified budget?
Since August of 2023 when resolution R20230152 was enacted, calculating fares based on budgetary projections, created the necessity for accurate and transparent budgetary figures, not floating numbers to be changed at a future date.

Last year's projected budget vs actual expenses, even with floating budget numbers, reflect the county's inability to accurately project and record budgets, the basis of three years of the fare methodology. The projected $2 million dollar road fund subsidy, designed to illicit fear in the public and the BOC, was actually $928,156 - a million dollar difference.

The 2025 Draft FFTR goes even beyond by projecting the 2026 Road fund subsidy to be $3,765,986. The Ridership of the Guemes Ferry deserve to see the details of the projected budgets. What could possibly bring the projected O&M budget for 2026 road fund subsidy to be $6,701,579 – which is not the same budget projection included elsewhere in the FFTR for 2026 at $5,474,429? Another million dollar difference.

Without actual budget detailing the reasons for the massive increases, and with the evidence that Public Works is floating projected budget numbers and overstating projections by nearly a million dollars as done in 2024, the entire methodology needs to be revised.

In addition to accurate budgetary information, what is lacking from this report is a graph that shows the fare increase by fare category. Perhaps if you knew what the actual increases, instead of only looking at total fare revenue, you would better understand what the impact of the 30% increase would be on the ridership of the ferry. What is especially alarming are the increases on seniors and disabled citizens. A 25 trip senior passenger/walk on fare will cost $118.50 – compare that to $77.50 for 25 senior passes for the Washington State Ferry – Mukilteo to Clinton route. How is that possible?

It's difficult enough to try and meet your 65% Fare Recovery goal with your continued exclusion of ferry revenues from FBP funding and the Youth Ride Free reimbursement from the Fare Methodology, but it will be **impossible** to achieve with unsubstantiated and invalidated projected budgeting. Please thoroughly review this methodology before enacting another fare increase on the hard working and fixed income citizens who rely on the Guemes as a lifeline ferry.

Sincerely,

Cindy Kamp

6729 West Shore Drive

Anacortes, WA 98221

Sent from my iPad

From:	constance mayer
To:	Ferry Comments
Subject:	Guemes Ferry
Date:	Friday, September 5, 2025 8:32:49 PM

What you are doing to the residents of Guemes Island is deplorable and I really have no words for the actions being put upon us. I have been a full resident of this island since 1996 and all I see is your greed over in Skagit County. Your dictates have created a serious turning point for a lot of us, some being forced to move off island. Our best interests are certainly not part of your agenda. You know that we depend on off island services for most everything. I wonder how ferry increases will affect business in Anacortes and elsewhere as you bleed us. Not only increases but I never voted on an electric ferry or new docks with all the extra accommodations. All I want is reliable ferry service. Safe and efficient. What I get are added insurances for air vac because there is no obligation to respond to after hour emergency calls. An email notice is what we get and we suck it up or better yet sit an extra couple of hours in a line waiting for the rest break to end. I now apologize to visitors about the ferry being unreliable. The city of Seattle has serious incompetency and I believe Skagit is right up there with its ever increasing demands on a small population of islanders to carry a heavy load. There will be change and hopefully you will start to listen to the people although this message will most likely be deleted.
Thank you if you did read. I wish I felt differently but I only see things getting worse unless we have a voice that matters.

Constance Mayer

Comments regarding operations and Rate Structure

>From the 2022 Public Works Annual Report (most recent one), Ferry Operations:

There is no alternative access by road to Guemes Island; as such, the Skagit County ferry system serves as a vital transportation link for its ridership. In addition to transporting commuters, the ferry also carries tourist traffic, construction and logging trucks, essential services trucks and emergency vehicles and personnel to and from the Island.

>From Skagit county website: "..the overall county government's mission is to provide professional leadership, operational excellence, and timely assistance for the maximum efficiency of services to customers, and the **Guemes Island Ferry** focuses on providing a safe, courteous, and reliable ferry service while maintaining the ferry and facilities, ensuring an equitable fare structure, and guaranteeing prompt emergency services"

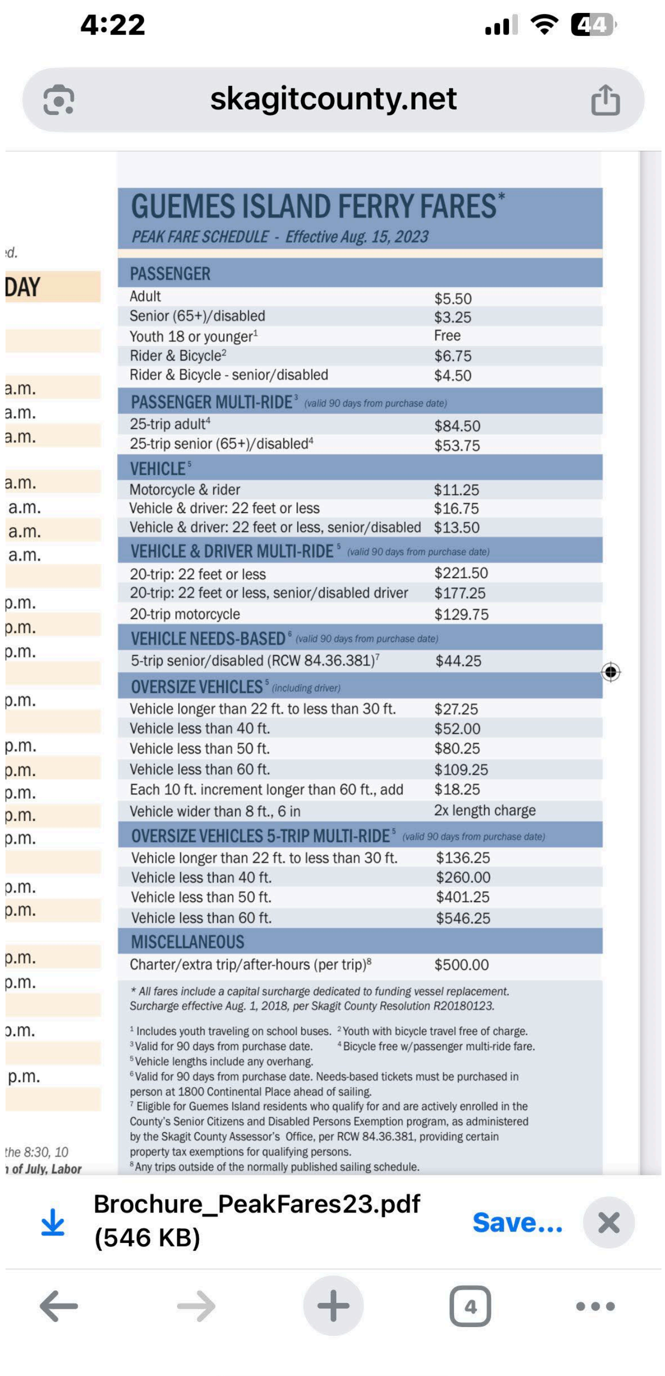
>KPFF Operations and Service Study (2021):>The study team recommends several steps to improve policies, communication, and financial transparency intended to lay the groundwork for future decision-making about operations and service.

- Set service objectives to reflect community values of reliability, predictability, and efficiency and have clear metrics against which the system and potential investments can be evaluated.
- Strengthen financial policies and practices to streamline future decision-making and enhance predictability and creating transparency. This includes defining which expenses are capitalized and what expenses are considered operating expenditures, streamlining the fare structure, and considering an index for fare changes.
- Account for and publish financial data on ferry operations as a separate Enterprise Fund in the Skagit County Budget.
- Develop a white paper of ticketing system requirements and features and develop budget estimates that provides a guide to discuss with vendors.

Fare Recommendations

- Adjust vehicle size for standard fare. Introduce a small vehicle (under 14') fare and change standard fare to 22'. This would in turn impact the oversize vehicle fare structure.
- Remove peak/non-peak fares. Peak fares were introduced to manage transportation demand and recoup costs associated with a higher level of operations in the warmer months. Over the years, the definition of the peak travel time has shifted. This option is to eliminate the fare difference and keep the same fares year-round for consistency.
- Do not charge for passengers. The management of walk-on passengers is a significant use of staff effort. Charging for passengers also complicates pursing the vehicle line as they must tabulate all the passengers in each vehicle, which may involve multiple fare types. Charging only for the vehicle would streamline pursing, queuing, and loading. It also aligns with the County and Guemes Islands' transportation demand goals of encouraging walk-ons in lieu of vehicle traffic. This option got some support at the July public meeting and the support of 8% of survey respondents as an issue to analyze further. Opposition of this policy pointed to limited parking options on both sides of the route.

- Introduce a resident fare. A resident fare would be a way to ensure year-round affordability for those who depend on the ferry and whose trips are less discretionary. This would require a method of verifying residency and keeping the information up to date, and a ticketing system to would support this.
- Reduce number of fare categories. Including discounts and peak and non-peak fares, there are over forty fare types. Reducing the number of fare categories would make the collection process easier for purser and riders, and set the groundwork for investment in an improved ticketing system.
  >Current Status:



GUEMES ISLAND FERRY FARES*

PEAK FARE SCHEDULE - Effective Aug. 15, 2023

PASSENGER	
Adult	$5.50
Senior (65+)/disabled	$3.25
Youth 18 or younger[1]	Free
Rider & Bicycle[2]	$6.75
Rider & Bicycle - senior/disabled	$4.50
PASSENGER MULTI-RIDE[3] (valid 90 days from purchase date)	
25-trip adult[4]	$84.50
25-trip senior (65+)/disabled[4]	$53.75
VEHICLE[5]	
Motorcycle & rider	$11.25
Vehicle & driver: 22 feet or less	$16.75
Vehicle & driver: 22 feet or less, senior/disabled	$13.50
VEHICLE & DRIVER MULTI-RIDE[5] (valid 90 days from purchase date)	
20-trip: 22 feet or less	$221.50
20-trip: 22 feet or less, senior/disabled driver	$177.25
20-trip motorcycle	$129.75
VEHICLE NEEDS-BASED[6] (valid 90 days from purchase date)	
5-trip senior/disabled (RCW 84.36.381)[7]	$44.25
OVERSIZE VEHICLES[5] (including driver)	
Vehicle longer than 22 ft. to less than 30 ft.	$27.25
Vehicle less than 40 ft.	$52.00
Vehicle less than 50 ft.	$80.25
Vehicle less than 60 ft.	$109.25
Each 10 ft. increment longer than 60 ft., add	$18.25
Vehicle wider than 8 ft., 6 in	2x length charge
OVERSIZE VEHICLES 5-TRIP MULTI-RIDE[5] (valid 90 days from purchase date)	
Vehicle longer than 22 ft. to less than 30 ft.	$136.25
Vehicle less than 40 ft.	$260.00
Vehicle less than 50 ft.	$401.25
Vehicle less than 60 ft.	$546.25
MISCELLANEOUS	
Charter/extra trip/after-hours (per trip)[8]	$500.00

** All fares include a capital surcharge dedicated to funding vessel replacement. Surcharge effective Aug. 1, 2018, per Skagit County Resolution R20180123.*

[1] Includes youth traveling on school buses. [2] Youth with bicycle travel free of charge.
[3] Valid for 90 days from purchase date. [4] Bicycle free w/passenger multi-ride fare.
[5] Vehicle lengths include any overhang.
[6] Valid for 90 days from purchase date. Needs-based tickets must be purchased in person at 1800 Continental Place ahead of sailing.
[7] Eligible for Guemes Island residents who qualify for and are actively enrolled in the County's Senior Citizens and Disabled Persons Exemption program, as administered by the Skagit County Assessor's Office, per RCW 84.36.381, providing certain property tax exemptions for qualifying persons.
[8] Any trips outside of the normally published sailing schedule.

This is what these rates look like on a Smart Phone:

3:23

PEAK Ferry Service from Anacortes...

25-Trip PEAK - SR (65+)/
Time remaining for checkout 15:00
Passenger (Valid thru 12/31/25)
$93.50 — 0

PEAK - Motorcycle & Rider - Valid thru 12/31/25
$14.00 — 0

PEAK - Vehicle (< 22') & Driver - Valid thru 12/31/25
$21.00 — 0

PEAK - Vehicle (< 22') & SR (65+)/Disabled Driver - Valid thru 12/31/25
$17.00 — 0

20-Trip PEAK - Vehicle (< 22') & Driver - Valid thru 12/31/25
$386.00 — 0

20-Trip PEAK - Vehicle (< 22') & SR(65+)/Disabled Driver - Valid thru 12/31/25
$320.00 — 0

$0.00

3:23

PEAK Ferry Service from Anacortes...

20-Trip PEAK -
Motor
Time remaining for checkout 15:00
thru 12/31/25)
$255.00 — 0

PEAK - OVERSIZE (22' - less than 30') & Driver - Valid thru 12/31/25
$33.75 — 0

PEAK - OVERSIZE (30' - less than 40') & Driver - Valid thru 12/31/25
$64.50 — 0

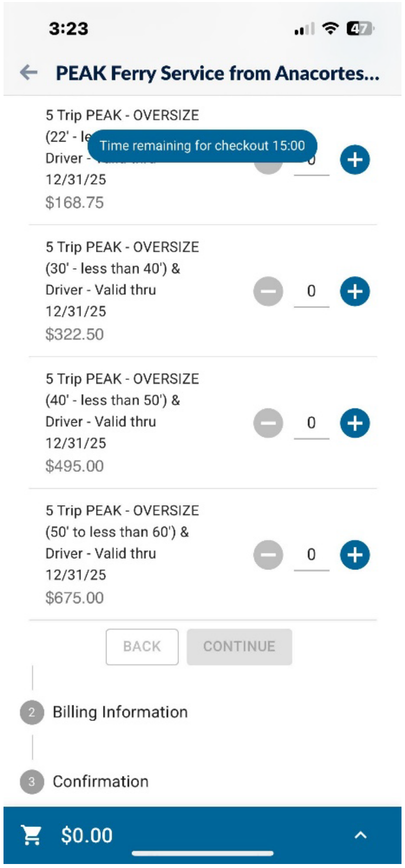
PEAK - OVERSIZE (40' - less than 50') & Driver - Valid thru 12/31/25
$99.00 — 0

PEAK - OVERSIZE (50' - less than 60') & Driver - Valid thru 12/31/25
$135.00 — 0

PEAK - Each 10 Foot Increment Over 60' (Valid thru 12/31/25)
$22.75 — 0

5 Trip PEAK - OVERSIZE

$0.00



It should be noted that there was no recommendation to eliminate the multi ride discount.

Now, imagine a customer scrolling through here trying to find the correct rate. Then, imagine the Purser looking at your smart phone, often with the sun glaring, and determine that your QR is at the correct fare; and then the purser does this with every person in the car. And, if someone has the incorrect fare, they then have to start over and purchase the correct one (and no refund for the incorrect fare). Instead of handing the purser a punch card that is clearly identified as to correct rate.

>>Why were the recommendations of an expensive study ignored as to operations as well as Fare Structure?

Regarding Customer Service, this message has been online for quite some time.

Anacortes ferry phone lines are currently down. Please call 360-416-1400 to contact a staff member

Thank you for considering.

Gina Haggery, Guemes Island

COMMENTS TO THE: **SKAGIT COUNTY**

PUBLIC WORKS DEPARTMENT Ferry Operations Division 2025 Draft Ferry Fare Revenue Target Report 15 Aug 2025

1. That Adopted Budget report shows "2025 Budget as Modified", the same description used elsewhere. This definition is not included in R20250015. The Methodology in the resolution is "Approved Budget"

2. I see that the calculations for the 2 future years were corrected in this year's target calculation – vis a vis- used CPI factors for the years, rather than some arbitrary budget. HOWEVER,
3. The Repairs and Maintenance Budget and Year to Date amounts for 2025 need to be explained further. The haul out expenses would most likely be capitalized per GAAP, as there were engine replacements, along with other replacements. Under GAAP, "a capitalized expense is a cost recorded as an asset on the balance sheet because it provides a future economic benefit lasting longer than one accounting period, rather than being immediately recognized as an expense on the income statement. This approach involves purchasing, improving, or maintaining assets like equipment, buildings, and intangible assets such as patents, with the cost then gradually expensed over the asset's useful life through depreciation or amortization.

   The primary criterion is that the expenditure generates economic benefits beyond the current accounting period.

   Further, the large increase in Rental Expense is likely due to the passenger only services, which were necessary due to the capitalized expenses, and should be capitalized as well.

4. The Methodology **in R20250015** failed to look at all aspects of the budget, such that the fares would contribute 65% of expenses and Property Taxes contribute 35%. Other Revenue is completely ignored in the methodology and it is assumed, therefore, that the Property tax contribution is reduced by the other revenue. This is not a valid assumption and creates a non-transparent result. In addition, the Methodology fails to include a CPI increase in the 2 future years, for MVFT and WSDOT, which is inconsistent with the overall approach. To be fair and transparent, the net expenses after all revenue should be shared 65/35, if that is in fact the target.
   a. The "other revenue" involves some expenses to obtain that revenue so, therefore if the expenses are included in the calculation, so should all revenue.
   b. An example is Electronic ticketing which was partly sold on the fact that additional revenue would be received due to data reporting. There certainly should be revenue included for that fiasco.

5. The county receives interest (or should) on the prepaid fares and that interest revenue does not appear anywhere in the budget.
6. Ferry Rate Schedule:
    a. The increases on the fare categories are not transparent and the rationale is missing. It appears that the discount on multi travel passes has been greatly reduced (starting in 2025). It was stated by a Commissioner "that other county services do not offer discounts", but that is <u>not relevant to ferry fares</u>.
    b. *No other county services are paid for in advance for multi purchases, and it is "use it or lose it". The county has the money ahead of the use of services.*
    c. *The ferry is an essential service and no other means of transportation, other county services are discretionary.*
    d. *There is precedent: The state ferry offers discounts for multi fare purchases. https://wsdot.wa.gov/travel/washington-state-ferries/tickets/passes and the state offers discounts on the GoodToGo pass.*
7. Note: "Bob Ferguson understands that our state ferry system is an <u>economic lifeline for families, communities, and businesses, a critical part of our state highway system, vital for accessing specialty medical care, and important to the quality of life for many Washingtonians."</u> This statement is also relevant to all ferry systems, including Skagit County.
8. The ferry is an essential service and no other means of transportation, other services are discretionary. There is no bridge which replaced all other ferries. What would happen if a toll was required to go on the bridge to a different Island – Fidalgo Island?

9. The resolution should include a statement regarding years when the fare revenue exceeds the target rate – and that excess will be carried forward to the following year.

10. The <u>65% target set by the Commissioners is arbitrary and not substantiated. It</u> is much higher compared to other ferry and public transportation:
    A. Currently, the fare target revenue for Whatcom County ferry is **55%**
    B. Currently, the fare revenue rate for Washington State Ferries is **57%**.
    C. The actual fare revenue rate for Skagit Transit is **<u>less than 1%</u>.**

11. Budget accuracy: Using the current year budget in the Methodology has serious flaws. For the 2023 Fare Rate Adjustment Report, the budget had already been prepared for the 2023 year, <u>before decision to use budget in current year of methodology</u> Inference could be drawn that it was not artificially inflated. The budget to actual variances for 2022 and 2023 were very close (average of 5%) while 2024 was under budget by **21%** (4 to times the average of 5%). Further, by using an inflated budget in year 3, the 2

following years are also arbitrarily inflated. Consider the "Adjusted O&M" by year in Table 1:

2023 $3.3M
2024 $2.6 M "Adj Budget" was $3.8M, **30% variance**
2025 $4.9 M "Adj Budget" - nearly double 2024
2026 $5.1M Based on 2025 using CPI
2027 $5.2M Based on 2026 using CPI – double the O&M in 2024

<u>Haulout does not explain the ginormous increases</u> – unless the budget numbers used are seriously inflated or there are R&M expenses that should be capitalized or there is mismanagement or all 3. Further, because of the inflated budget in 2025, the following years are also inflated.

Begs the question as to why the "Adjusted" Budget is used in the current year, especially since the report is prepared in August, a full 7 months of current financials?

Electronic Ticketing System: Why has there been no evaluation of the electronic ticketing? Most customer facing operations require some basic information before a final commitment is made as to a new implementation of a customer impact process. In this case the information that should be presented to the Commissioners so that they may make an INFORMED decision, rather than a rubber stamp.

1. Before approval, they should have been presented with: Cost/Benefit (financially and customer impact) as well as Pros and Cons as well as Success Criteria. Since nothing was presented, how will the implementation now be evaluated? It appears likely that more residents are walking on and keeping a car on both sides, or taking transit on the island. Where can we see the impact of this? Consider:

	Punch Card	Electronic
Purchase online?	yes, and receive by mail	yes, most of the time, glitchy, many different fares to choose from
Validation of correct fare	Easy to see by looking at the ticket	have to look closely at smart phone screen, takes more time. If additional passengers, have to scan multiple phones.
Purchase and validate ticket in the car line	Yes	No - take the time to get on the phone, if you have one and want to do it that way, otherwise, walk to office and leave car.
		If you just arrive and want to get on the ferry departing in the next 5 minutes or so, not likely that will happen. This slows up the whole process

		Sometimes, cars get to the front of the line without the required QR, and then they are moved to the side' or they run inside to buy a QR. Process is very inefficient.
Staffing impact.	One person, no one has to be in the office	Who knows? It does appear an extra person is needed to be in the office to sell tickets
Ease of boarding	Excellent	slow due to all of the above
Chance of lost revenue	some, but it would seem to be far less than the extra expense	Who knows?
Additional expense	N/A	Staffing, software fees, processing fees
Additional revenue and/or cost savings	N/A	Not seen, was revenue decreased due to fewer cars and more walk ons?
…IF IT AIN'T BROKE, DON'T FIX IT		

Purchase of New Ferry: NO demonstrated need or best option presented – fuel vs electronic. No confidence that the County could manage such a budget amount and process. I could go on with what is messing from this assumption of an exorbitant expense.

>Jeremy Harrison-Smith, jeremy.harrison-smith@gov.wa.gov, has served as the Northwest Washington Representative for the Governor's Office since April 2023, first for Governor Jay Inslee and now for Governor Bob Ferguson. Counties: Whatcom, Skagit, Snohomish, Island, San Juan<

Comments by: Gina Haggerty, Guemes Island

Jennifer Rogers

From: Kathy Whitman <kmdwhitman@msn.com>
Sent: Sunday, September 7, 2025 1:35 PM
To: Ferry Comments; Commissioners
Subject: Guemes Ferry finances

HAPPY NOTES:

- I would like to thank you for your commitment to maintaining the current ferry. I felt that decisions made during the very long maintenance closure were intended to make sure that the ferry continued to operate without unplanned problems.
- I also appreciate the improved communication with alerts and news information.
- Thank you for discarding the recommendations to add an advertising TV in the Anacortes waiting room, rather than the community bulletin board!
- Thank you for discarding the paid parking recommendation that was poorly developed.
- I do appreciate that when the QR code app was not working correctly, Lee did work to resolve. His initial efforts were not successful so he took time to involve the technical experts to find a solution.

UNHAPPY NOTES
I do have concerns that I would like to have recorded. I read the 2025 Draft Ferry Fare Target report. It was not an impartial review and recommendation but felt much of it was incomplete or carefully selected data to reach a conclusion that was already set.

- The report focused on revenue but failed to truly address <u>expenses</u> that I see as growing without controls. One example is that from the original proposal, the <u>expenses</u> for the QR Code punch card system are MUCH higher than I could have expected. The supplemental staff needed to operate the QR code system add to the <u>expenses</u>. Ferry riders are picking up the cost of that <u>expense</u>.
- Page 8 Table 7 for farebox revenue has little value and is hypothetical. It is misleading and should be removed.
- Whenever historical numbers are shown, it should be clear about decisions and changes during covid impacted revenues.
- As prices increase, more will shift to walk-on which does not work for all of us. Additional cars in Anacortes impact that community. Increased prices will increase the number of cars remaining in Anacortes.
- In 2022 peak summer period I paid **$12** as a senior citizen with a car. The proposal for 2026 is to increase the rate to **$21.50**. That is a **HUGE** increase and not clearly visible in the big report. I do not believe that this increase is supported by the historical documents showing decision making and targets. If they are going to show price increases in a chart, it should go back at least 5 years and not just 2.
- It was shocking to read the Seattle Times article about the $175 million awarded to ferries and see that Guemes was missing from the list. I later learned that "Skagit County failed to submit the biennial data for the 2022 census as required..." This is a **HUGE** error and someone needs to be held accountable. Ferry riders are being penalized for that error.

- How did an emergency run become an "after-hours charter" with a price tag of $3,345.40? When I was concerned about traffic on July 3 and called to ask if one extra run might be possible for folks like my family with pets headed to the island. I was informed that this HUGE number would be the cost. Luckily my family did make the ferry, but I found the price tag outrageous, especially when the staff are still at the site. I suggest looking at holiday operation dates and adding some additional ones for longer day of planned operation.
- Services and pass through" are not well defined and show 52% increase in expenses.

I did write to the City of Anacortes about the plan to implement the infrastructure for an electric ferry. I feel very strongly that there are major flaws in the design, decision making did not include users and the project is premature. When we are way behind in securing funding for the ferry, and do not have an accurate timeline for completion, we should not be making rash decisions. PLEASE TAKE TIME to bring more visibility and transparency to this process with active, inclusive discussions and design input. The flow, function, battery placement and reduced parking are all important topics that need careful review.

Thank you for listening to my concerns and suggestions for change.
Sincerely
Kathy Whitman
7822 S Beach Lane
Kmdwhitman@msn.com
206-334-1573

From:	Kim Stamper
To:	Ferry Comments
Subject:	Fare Increase Proposal
Date:	Sunday, September 7, 2025 5:11:45 PM

Hello,

We moved to Guemes in 1993. When we moved here, we could buy a multiuser 25 trip ticket for a car and driver for $46.25, which is $1.85 per trip. In the 32 years since then, the value of a dollar has increased by 140%, while the cost of a car on the ferry has increased by over 1,000%.

Now we are retired and living on a fixed income. We understand that costs go up, and have been willing to pay more for the privilege; however, the increase last year along with the elimination of the multiuser discount was exorbitant. It caused us to change how and when we go to town. We can no longer drive home without a dire need to do so, and must limit our trips even when walking.

We were absolutely shocked to see that you are proposing ANOTHER 30% increase in fares. The cost of operating the ferry has not gone up by another 30% since last year, nor has our income. This proposal is absurd and untenable. Guemes residents don't have the option of just choosing not to not travel into town.

For those who hold jobs, the burden is even greater. It feels as if the county is trying to drive regular working people and retired folk off the island altogether. We can't afford to move, and have no desire to leave our homes. We respectfully ask that you come up with a more realistic plan for your dream ferry. The rest of us are just fine with our current vessel and have no desire to incur the extra expense for an unnecessary feather in your cap.

Thank you,

Kim Stamper

From:	Natalie Magnus
To:	Commissioners; Ferry Comments
Cc:	guemesferry@gmail.com
Subject:	Concerns about 2026 fare increase
Date:	Monday, September 8, 2025 12:00:31 PM

Greetings,

I am writing to document my concerns with the 2026 proposed fare increases for the Guemes Island Ferry. As a resident of Guemes Island, the increased cost to go to and from my home to work continues to impact me.

When I moved to the island four years ago in 2021 I was paying **$3.38 per roundtrip** (adult walk-on punch card was $84.50 for 25 roundtrips). In the proposed increase, I would be paying **$7.90 per roundtrip** ($197.50 for 25 roundtrips). Therefore, **for solely my work commuting purposes my cost to get to my job would jump annually from $811.20 per year to $1,896 per year.**

It is clear to see why this is so concerning. I am a government employee in the state of Washington as a teacher at a community college. My wage has not increased to compensate for these added costs. The costs for the ferry seem to be rising significantly in an extremely quick timeline.

What I would like to see are ways that we can come together as an island community and county to discuss options to reduce costs. I am concerned about decisions that have been made (electronic ticketing most notably) that increase costs but do not seem to provide any benefit to riders-- tourists or residents. Please know that we want to work with you to find ways to make this a better situation for everyone.

Best,
Natalie Magnus
5889 Edens Rd

From:	Peter Karpoff
To:	Ferry Comments
Subject:	Possible Spam: Ferry 2026 Fare Proposal
Date:	Friday, August 15, 2025 3:35:37 PM

Thank you for the opportunity to comment on the Guemes ferry fare proposal.

First of all, it is discouraging to see how much it costs to serve the Island, given the sum of operating costs and substantial overhead. I accept the County objective of raising 65 percent of full cost from fare revenue, but I suggest a broader review of what is the necessary, and acceptable, level of of cost to provide adequate connection from Guemes to Anacortes Much of that cost, at present, is associated with the apparent need to maintain the frequent connection for vehicles, both private vehicles and the many service vehicles for tradespeople, trash collection, mail, and delivery of building supplies. My comments fall into 4 categories, each in a separate section, below.

1. If service for pedestrians, cycles (all types), and wheelbarrows could be provided with a much smaller vessel, but one still weather capable, at much lower cost, while providing a reduced frequency of vehicle service by a private service, the County cost and management burden would be greatly reduced. What precisely would be the vehicle service to satisfy needs further research. However, expanded shuttle bus service and expanded Anacortes-side parking that permitted more people to keep cars on the Anacortes side might be a cheaper alternative to running the increasingly costly ferry. Perhaps a barge-type ferry could be found that could accommodate 10 cars and make runs 4 days per week at something less that the full costs of the present ferry. Such a plan would require a shift in Islanders' expectations and habits about where they keep their cars, i.e., on Fidalgo Island! This discussion would not be necessary if a more reliable and economical ferry could be found and acquired for existing service. The constant escalation of costs for the present ferry is rapidly rising to untenable levels, both for island residents and their cars, and perhaps even for visitors, whose peak fares are important in the projections. So, is there a point at which Islanders might be interested in stripped down vehicle ferry service combined with frequent passenger service and expanded Anacortes parking options?

2. The proposal makes a small point about demand elasticity in relation to recent fare increases. Although such elasticity calculations are the hallmark of most sophisticated analyses, I suggest the point be scaled back to the mere mention that demand for rides is highly inelastic. Despite the fare increase over the past few years, patronage has increased. These observed increase are not a response to the steady price increase1. The ridership increases are due to factors other than price. Without the price increases, ridership might have increased even more, but this is not the issue explored in the elasticity section of the proposal.

The most likely situation is that ride demand in highly IN-elastic due to the needs of Island residents to get back and forth to Anacortes and beyond. People will ride the ferry, almost regardless of price, for some level of travel. It would take very high fares to show a significant volume change. Therefore, I suggest downplaying the whole elasticity discussion. It will mostly serve to confuse readers, including the Commissioners.

3. The extensive discussion about off-schedule trips is interesting and pertains to a supercharged revenue opportunity, but fairness and proper assignment of cost responsibility must be recognized. With particular regard to after-hours Emergency trips, which are, of course, unanticipated, I suggest that they should be free of the capital and other fixed-cost surcharges. The scheduled ferry operations have already paid (or should have paid) the fixed charges through the budgeting for routine operations. Emergency trip are over and above the anticipated operations, and should pay for their O&M responsibility, but are unlikely to give rise to additional fixed costs. That is the nature of fixed costs; they are fixed! Now there may be a strategy here on the part of the County to assign a lot of costs onto Emergency trips, on the expectation that some of these trips will be charged to insurance Company payers, but that is not fair to the poor suffering victims who must pay their own bills. Unless there is a plan to waive Emergency trip bills except where they are covered by insurance, I suggest dropping the fixed cost component of proposed Emergency trip charges.

4. And one last tiny comment on fares. Is there an unintended situation for the senior bike fare where the bike add-on for seniors is greater than the bike add-on for regular passengers? It think I saw a $1.75 fee for senior bikes compared to a $1.50 add-on for regular fares.

If you find there is no appetite for addressing my major point #1, I hope you will still find the narrower issues of points #2, 3,and 4 interesting and useful.

Thanks for preparing this extensive information file on the Guemes ferry economics.

Peter Karpoff, Economist
Anacortes, WA
240.491.1862

From:	sylvia henderson
To:	Ferry Comments
Subject:	FERRY 2026 FARE PROPOSAL
Date:	Thursday, August 28, 2025 11:26:51 AM

TO; SKAGIT COUNTY COMMISSIONERS

FROM: SYLVIA A. HENDERSON

RE: FERRY 2026 FARE PROPOSAL

DATE: AUGUST 28, 2025

News in the Skagit Valley Herald concerning the proposed 30% fare hike in 2026 was a shock. Guemes Island widows on fixed incomes will be hard hit.

In addition, the reasoning that supports Peak and Non-Peak season fares baffles me. Over the years, many people have been unable to use up all trips on their passes before the expiration date. I wish the Commissioners would develop a more equitable season pass policy.

Thank you for considering my comments.

Sylvia A. Henderson
Guemes Island Resident
7479 Holiday Blvd.

From:	Bruce Horner
To:	Ferry Comments
Subject:	Ferry 2026 Fare Proposal
Date:	Friday, October 17, 2025 1:01:30 PM

Dear Board Commissioners:

In response to the Ferry 2026 Fare Proposal, I urge you to review and revise the proposal by finding ways to control spending, decrease expenses, and create a transparent and functional budgeting process that will sustain the ferry.

The current proposal calls for 30% increases in most fares for 2026. In combination with significant increases in fares for 2025, this would lead to fares that are simply unsustainable for ferry users. It is thus in direct conflict with the proposal's statement of a commitment to "ensuring that ferry users contribute an equitable and sustainable share toward the system's operational costs." Users of the ferry cannot be expected to pay such fares. That they are unable to do so is shown by the 15% decrease in ridership in 2025. People will cut their use of the ferry insofar as the fares increase.

Rather than continuing to impose fare increases on users to address proposed budgets, the board, at a minimum, needs to

1) seek other funding sources, such as the grants the Whatcom and Washington State ferries received;

2) cut unnecessary expenses, such as the additional costs emerging from the switch to the electronic ticketing system;

3) develop a transparent and justifiable process for determining current and projected costs for a sustainable ferry that meets the needs of travelers to and from Guemes Island, as I assume to be case for determining the current and projected costs for ensuring sustainable transportation to meet the needs of travelers to and from all other areas of Skagit County.

Sincerely,

Bruce Horner
7636 Hideaway Lane
Anacortes, WA 98221

From:	Fair Fares LLC
To:	Ferry Comments
Cc:	Ron Wesen; Lisa Janicki; Peter Browning
Subject:	Ferry 2026 Fare Proposal
Date:	Thursday, September 18, 2025 4:54:00 PM

Dear Commissioners,

Re: Public Comment on 2026 Guemes Island Ferry Fare Proposal – Concerns Regarding Misclassification of Anchor Electronic Ticketing System to Miscellaneous Expenses (Contract # C20230557)

As concerned citizens regarding Skagit County's proposed 30% fare increase, as a local organization dedicated to equitable and transparent ferry fare policies in Skagit County, we respectfully urge a thorough review of the classification of the Guemes Island Ferry's electronic ticketing system expenses under the Master Services Agreement with Anchor Operating System, LLC (Contract # C20230557, signed December 4, 2023). We believe the initial $84,000 cost for hardware, software licensing, and setup qualifies as a capital improvement under GASB and IRS guidelines, rather than O&M. This apparent misclassification or arbitrary decision to account for this expense as "Miscellaneous Expenses 4190" has likely inflated operational figures, affected WSDOT deficit reports, and contributed to the rationale for recent and proposed fare increases, which unfairly burden ferry ridership.

Background and Contract Overview

The five-year agreement Anchor Operating Systems contract includes an upfront $84,000 payment in Year 1 (corresponding to the Premium Package), plus 7% of ticket revenue annually. Key provisions include:

- Anchor grants a limited, non-exclusive license to access and use the Service (software platform), including bundled hardware: four Apple iPad Pro 12" Wi-Fi 128GB 5G 5th Gen (with AppleCare), four Flip Secure Tablets & iPad Stands, four Apple iPhone SE devices, four Cash Drawers, and four Credit Card Readers for iPhone—all included in the software license.
- The Service enables ticket sales, reservations, data access via a Reporting Tool, third-party integrations (e.g., payment processors), hosting, support per Exhibit B, and free upgrades.
- Restrictions prohibit reverse engineering, resale, or competitive use; Customer must handle content accuracy, hardware maintenance, and compliance.

Initially budgeted as a capital project in planning documents:

- 2021-2034 Fourteen-Year Ferry Capital Improvement Plan (CFCIP): "Infrastructure for Improved Ticketing Structure" at $200,000; later CFCIPs adjusted to $78,000 (2024) + $100,000 (2025).
- Included in all CFCIP reports under **Table 3: Capital Facility Improvement Projects, Capital Items**: years 2021, 2022, 2023, and 2024.
- 2022-2027 Six-Year Transportation Improvement Plan (TIP): "Guemes Island Ferry Electronic Ticketing System" at $200,000, FBP (Ferry Boat Program)

funded, to "streamline ticket sales and improve loading times."
- 2023-2028 TIP: $200,000 for 2023 completion, including "infrastructure for electronic ticketing system/parking."
- 2024-2029 TIP: $177,754, FBP-funded, phases in 2025.

By 2024, it vanished from the TIP/CFCIP reports, reappearing as $7,000/month O&M charges (category 4910) from December of 2023 through November of 2024 on Ferry Expense reports, totaling $84,000 and driving a budget variance from $62,902 to $139,902 under Miscellaneous Expenditures.

Agreement with the State of Washington for O&M Expenditures

Classification is critical under Contract C20210293 (new contract is C20250325) with WSDOT for deficit reimbursement (RCW 47.56.725). Capital expenditures are excluded from O&M-based calculations, ensuring state funds target operational deficits, not investments. Misclassifying Anchor's setup inflates deficits, skewing reimbursements and fare projections.

Analysis: Capital Improvement Criteria

Under GASB (governmental GAAP) and IRS Regs. Sec. 1.263(a)-3, capitalize significant, long-term enhancements. The Anchor system qualifies:

1. Betterment (Enhancement of Value or Efficiency): Streamlines fare collection with contactless payments, mobile integration, and Reporting Tool—reducing boarding times per contract "Premium Services." Aligns with IRS betterments (e.g., new systems) and GASB Implementation Guide 2021-1 for material aggregate improvements exceeding policy thresholds (e.g., $5,000/unit). Distinct from routine maintenance.

2. Permanent or Long-Term Nature: Hardware integrates durably (useful life >1 year); software/licensing as intangible assets under GASB Statement No. 51, requiring capitalization for externally acquired items with multi-year benefits (amortize over term). Comparable to capitalized HVAC/software in public facilities.

3. Adaptation to New Uses: Evolves ticketing from punch cards to digital pre-purchase/revenue accountability, per 2020 CFCIP feedback. Meets IRS/GASB 34 criteria for full accrual capitalization in government-wide/enterprise fund statements (ferry as business-type activity).

Ongoing 7% fees may be O&M, but the $84,000 setup does not—scale and integration demand capitalization, eligible for depreciation/Section 179.

Implications of Misclassification

- Inflated O&M: Added a total of $84,000 to 2023/2024 Miscellaneous 4190 (verified in expense reports), surging 2024 Adjusted & Modified Budgets from $62,902 to $139,902.
- Inflated WSDOT reports, possibly depriving other county's of Ferry Deficit Funding.
- Used to justify fare 30 – 90% fare increases in 2025 and proposed 30% for 2026.
- Missed using existing FBP funding available for Capital projects.
- Transparency: Change of classification lacked debate (Dec. 19, 2024 CFCIP

presentation omission).

Request for Action

Fair Fares, LLC respectfully requests:

1. Review/reclassify $84,000 as capital, adjusting budgets.

2. Audit 2024 O&M for other Capital interlopers (*Captain Rowe stated she welcomed an audit at the September 9, 2025 Public Works Work Session*).

3. Reconsider 30% 2026 hike with corrected figures.

4. Postpone fare increases until reclassification/audit complete, and investigation into the 2022 National Bureau of Statistics Census omission—causing >$600,000 FBP funding loss for 2025—is resolved.

5. Provide an explanation for why available FBP funds—separate from the census failure related loss of funding—were not utilized for this capital-eligible project, given the budgeted allocations in the TIP and CFCIP.

As the County looks for ways to cuts costs for the ferry, with threats of service cuts, one place to start would be to reevaluate the decision to continue to give away 7% of ferry revenue to a ticketing system that simply does not justify the added expense. Another way to cut expense would be to assign the expenses correctly in the first place. The FBP program has generously obligated funds to benefit the Guemes Ferry, which includes the users of the ferry, to try and keep fares affordable for all citizens, especially seniors and hard working citizens, who rely on this lifeline ferry.

We are available to discuss and provide additional documents. Thank you for your ongoing commitment to fiscal accountability and community well-being.

Sincerely,

Fair Fares, LLC

Chip Bogosian

Michael Brown

Jep Burdock

Cindy Kamp

Jodi Meekins

Steve Orsini

Glen Veal

Sent from my iPad

From:	Gina H
To:	Ferry Comments
Subject:	Working meeting comments
Date:	Wednesday, September 24, 2025 1:56:07 PM

It struck me as an odd comment by an elected official charged with serving the taxpayers that the statement was made "whoever uses the ferry should pay for it". I mean, really? I am embarrassed for you.
Since our taxes go in part to the road fund, and that includes the ferry, even though it is not broken out separately. This is NOT a subsidy from the road fund. It comes from property taxes.

I have noted from my tax statement that I pay for the following items that I do NOT use, so will I get a refund?
MEDIC SERVICES (never used)
HOSPITAL DISTRICT (never used)
SCHOOL DIST 103 (will never use)
CEMETERY (will never use)
FIRE DIST 17 (haven't used)
HOSPITAL DIST 2 (never used)
STATE LEVY, I don't know what that is (never used though)
STATE LEVEY SCHOOL PART 2 (never will use)

Maybe a lesson on the purpose of taxation would be helpful. Or will you be suggesting taxpayers pay directly for the above services if they use them?????

And by the way, it is irrelevant how many people live on the Island, but how many separate parcels are taxed. I am sure there are several areas in the county with few people living and few tax parcels, but there is road maintenance and capital costs. Analysis is required here.

It is hard for me to understand the personal feelings (often negative) that enter into such decisions by elected officials.

Best, Gina Haggerty
7282 Holiday Blvd
Anacortes WA 98221

From:	Jim Souders
To:	Ferry Comments
Subject:	Guemes Ferry increase
Date:	Friday, October 17, 2025 7:03:05 AM

The proposed increases for 2026 on top of those in recent years are exorbitant. I'm sure the cost of the ferry is not inconsequential but it's a vital service for those of us that live and pay (a lot of) taxes on the island. The complete cost of the ferry should not be directly absorbed by ferry rider tickets anymore than the cost of building the bridges to Whidbey and Fidalgo should be for exclusively the people that drive across them. We also do not get 24x7 basic services that others get and we pay for.. but that's another story and I'm willing continue to forsake if we don't have to pay for 24x7.

The other thing that you need to figure out is basic elasticity. The more you raise the prices the less people are wiling to ride and drive on the ferry and thus total revenue decreases rather than increases. It's already happening.

Here's an idea. Build a bigger better ferry (ie electric) and encourage people to drive on by offering hourly tiered rates and pre-paid discounts. Provide tax incentives for people to come and live and build small businesses on the island.

Also make the ferry ticketing system easier by having the app remember your credit card details or allow Apple Pay so people can more easily repurchase tickets without having to re-input their credit card information every time.

Jim Souders
6398 W Shore Rd, Anacortes, WA 98221
916-214-6260

Jennifer Rogers

From: Karen Anderson <karenpaysonanderson@gmail.com>
Sent: Tuesday, September 16, 2025 3:03 PM
To: Ferry Comments
Subject: Protest Against Ferry 2026 Fare Proposal

I urge you to reconsider the proposed 30% fare increase. I am a 66-year-old, senior citizen living on Guemes Island and have limited income. There are not many economic opportunities for islanders on the Guemes, so I try to make a living by doing on-island landscaping jobs, very part-time work and picking up youth sports positions off-island. We are not fortunate enough to have a car on each side on the ferry landing, so we rely on walking onto the ferry and walking into town or occasionally driving. We can’t really afford the ticket price to drive on the ferry very often, so even the Anacortes Senior Center is out of financial reach for us. What will we do when the ticket price goes up even more? At this point I do commend the County on having free parking available on each side. I don’t know what we would do otherwise.

Please reconsider the 2026 proposed 30% fare increase.

Karen Anderson

7306 Channel View Drive

Anacortes, WA 98221

From:	Mark D Spahr
To:	Ferry Comments
Subject:	Reduce Guemes Ferry Cost
Date:	Friday, September 19, 2025 8:54:15 PM

Reevaluate the decision to continue to give away 7% of ferry revenue to a ticketing system that does not justify the added expense plus cost of additional staff to administer/operate it. This hurts the County and ferry users when there are simpler methods that meet all the County's data needs.

Mark and Cecilia Spahr

From: Natalie Magnus
To: Commissioners; Ferry Comments; guemesferry@gmail.com
Subject: Sept 9 Operations Mtg Follow Up
Date: Wednesday, September 10, 2025 2:47:26 PM

Greetings,

First of all, thank you for the care and concern of discussing ferry costs and operations yesterday. I appreciated listening in and learning more about the operations.

I wanted to document some feedback and comments after attending yesterday's session. I have three requests for upcoming approaches to these concerns:

- **Guemes Island Ferry Committee collaboration:** I would like to see a partnership and collaboration with the Guemes Island Ferry Committee and the county. I understand this committee would not have any technical oversight; however, it would be a great way to bridge communication between the county and islanders. In general, I would like to see ways in which the relationship between the county and Guemes Island could be a more healthy and collaborative one, and I think this would be a great start.
- **Cost reducing/revenue generating:** I am encouraged to hear creative and out-of-the-box thinking and approaches to ways to generate more revenue and/or reduce costs of operations. I understand this is an incredibly tricky and challenging process. I want to thank you all for taking these into consideration and taking them seriously. In this area, I am very concerned with the cost of electronic ticketing and its benefits. I am aware that there is a data collection benefit, and this is an important pro of the system. It also comes at a very costly price tag and with a huge amount of inconvenience for ferry riders and staff. There are a lot of cons with the system as well. I hope that as all decisions move forward that both the pros and cons can be considered carefully to truly understand that cost-benefit analysis.
- **Sliding Scale/Resident Consideration:** Related to revenue generating and concern for citizens, I would like to suggest consideration of a type of sliding scale option for ferry ticketing. I have friends who visit the island a few times a year and express that they would be willing and able to pay more for their few trips. This would not be an inconvenience to their finances and they would still visit the island with a higher cost. When it comes to full-time residents who are commuting for work, medical care, and all life circumstances, the burden is much greater. I get extremely nervous when I hear talk of paid parking and increasing fares. I use the parking and ferry tickets almost every day. The added cost has a huge impact on my life. I understand there are people with second homes on the island or other vacationers, but this is also home to working people. I would like to see a way that costs could be distributed so tourists are taking on more of the cost than the residents. For example, if payment for parking is required, I would hope residents will be issued a free pass similar to how residents of 6th street have areas to park in order to access their homes. The multi-ride card is one way to ensure frequent riders have a lower cost. I would like to see there be more of a discount for frequent users (residents) versus vacationers who have the ability to pay extra for their excursion.

Thank you for your time and consideration.

Best,
Natalie Magnus

From:	Pat Harrigan
To:	Ferry Comments
Subject:	Public Comment on 2026 Guemes Island Ferry Fare Proposal
Date:	Wednesday, September 24, 2025 5:29:03 PM

My wife and I, Marietta and Patrick Harrigan, have lived at 7534 Holiday Blvd. on Guemes Island for the last ten years. We decided to move to Guemes after retiring and have enjoyed the quiet slower pace of life that is associated with island living. We are on a fixed income and currently have a car parked in the ferry parking lot in Anacortes and another "island" car on the Guemes side. We use our island car to drive from our home to the ferry lot on Guemes. We walk onto the ferry to come to Anacortes to do your necessary errands, such as grocery shopping, Costco runs, hardware and plumbing needs, doctor visits, health care appointments, trips to the Anacortes swimming pool for exercise. We also come to Anacortes for dining out along with many other things that we need but cannot acquire on the island. Almost all other islands in the San Juans that have Washington state ferry service have a large enough population to be able to have these business services provided on their individual islands. As I am sure you know, there's a small store and bar on the island but no facilities that provide these important other services, unlike the other Islands with ferry service.

The proposed rate hikes, which are about a 30% increase, do not have a major impact on our budget or lifestyle, but it's not insignificant. However, the incompetent use of the existing county ferry budget is a major concern of ours in the fact that it is increasing the cost of the county to operate the ferry in an efficient manner. The outsourcing and contracting of consultants to conduct the proposed fare increase seems a waste of the county's resources and funds. The Public Works department should have competent employees that are able to utilize the data that they have about existing costs of operating the ferry and be able to project future costs to continue the operation of the ferry. To outsource this study the County had to provide all the data that its hired consultant used to conduct the rate study. It would have been much more efficient, and cost effective, for the County's Public Works staff to conduct this rate study in house rather than outsourcing the study.

Another example of poor cost effectiveness is the decision to outsource the current electronic ticketing procedure rather than keeping the "punch card" system that had served the ferry staff for many years and at a much reduced cost than the current online system. I can see no advantage to either the County, ferry staff or ferry customers by changing to the electronic system. In fact it seems that the new system required adding ferry staff to help in the on-site sales of tickets and assisting the ferry customers in using the difficult on-line procedures required to purchase tickets. The ferry staff must still walk the ferry line to scan tickets, just as they previously did to punch cards or scan credit cards for purchasing tickets. All of this at an additional one time cost of $84,000 and a future cost of 7% of ferry ticket receipts.

Everyone in Skagit county uses the public roads to travel for their needs and pleasures. On Guemes it feels like we are being penalized for our only road, the ferry. This ferry is critical for us to lead normal lives and interact with society and the businesses we support. Our property taxes support many aspects of services for everyone in Skagit county.

Please reconsider this ferry rate increase and utilize the staff the county already has to help to reduce the operating costs of the ferry. We would recommend that the County re-examine the current ferry O&M budget and grants from the State specifically to be used for the ferry that are currently being allocated to other County projects. I would recommend conducting an audit of the Ferry funds to ensure that the funds are utilized and allocated to the appropriate budgets necessary to operate the ferry.

Thank you,

Pat & Marietta Harrigan
7534 Holiday Blvd.
Anacortes, WA.

From:	ksjander@juno.com
To:	Ferry Comments
Cc:	Commissioners; Skagit County Public Works
Subject:	Ferry 2026 Fare Proposal
Date:	Saturday, September 13, 2025 7:15:48 AM

To whom it may concern,

It is with great consternation and bewilderment that I have read the county's stated intent to raise fares for the Guemes Island ferry in 2026. A 30% increase, followed by an additional 30% increase in FY 2026, is outrageous, to say the least. No private business could expect to operate like this and keep its top management in place.
I am a Guemes Island resident and a senior citizen. I am on a fixed income and have a limited ability to absorb these arbitrary price increases.

Let's think about some of the very real problems associated with these these price increases:

1. The county has a target of 65% of operating revenue recovered from farebox revenues (ticket sales) for the ferry. Where did this figure come from? Whatcom County, with a similar ferry situation (small car ferry, short run across a channel) and their farebox revenue target is 55%.

2. One justification for the newest 30% fare increase is that farebox revenue targets will not be reached this year. Has it occurred to the Ferry service that when there is NO car ferry running for well over 2 months, as happened this spring, cashbox revenue is bound to drop?

3. These increases, coupled with the discontinuation of multi ride discount tickets, bring finacial pain to several vulnerable groups: senior citizens, disabled islanders, and working parents with jobs and school activities on the Anacortes side. In the old days (2 years ago), frequent riders got a price break on fares, while others visiting the island infrequently, generally paid more. This seemed like a more equitable pricing structure.

4. Has anyone at the county pondered the effect of gigantic fare increases upon ridership? Economics 101 would suggest that when a product or service is priced too high, fewer people will buy it. For the Guemes ferry, this means that islanders will take fewer car trips to and from Anacortes and walk on or bike on when possible. The result will be decreased farebox revenue, making annual price hikes due to farebox revenue shortfalls by the county's algorithm a certainty. Even the county commissioners have voiced concerns that this strategy is not sustainable.

5. The county's decision to use Anchor as a vendor for electronic ticketing has created somewhat of a financial black hole, given the terms of the agreement. This has a negative impact upon the operating expenses for the ferry system, and will continue for years to come. Why are ferry riders being asked to subsidize this dubious business decision by the county?

6. Note that, among other revenue streams for Guemes ferry operation, federal transportation grants are sometimes available. a recent article in the Seattle Times detailed the dispersal of federal monies to every ferry system in the state - EXCEPT the Guemes Island ferry. Apparently, the required application paperwork was not filed by Skagit County. Isn't it the job of the Ferry system, the county public works department, and the county commissioners to identify and aggressively pursue these sources of additional revenue?

Please take the time to consider the points I have brought up here and think about constructive solutions for the issues raised. Far from being "coddled", or "entitled", as some county official have suggested, Guemes Islanders have legitimate issues with the operation of the one service we cannot do without. All of us - passengers, ferry crew, and administrators - are on the same team here. I hope we can all work together to find solutions going forward that are both equitable and sustainable.

Best regards,

Scott Anderson

7306 Channel View Drive
Anacortes, WA 98221

From:	William Heft
To:	Ferry Comments
Subject:	2026 Ferry Fares
Date:	Tuesday, September 23, 2025 1:07:39 PM

Dear Board of Commissioners,

My wife and I moved to Guemes Island in December of 2018. We are retired and living on a fixed income. Your move to increase ticket income with hopes to achieve 65% of M&O costs has been exacerbated by the management's move to significantly increase operating costs with the new ticket system and its required staffing increases.

Since 2022 the tickets we need to use have increased as I have shown below.

25 trip Senior Passenger increased   Non Peak 221%   Peak 210%

20 trip Senior Vehicle/driver increased Non Peak 112% Peak 158%

We moved to the island and built a house thinking that with our fixed income we could live out our days here. The doubling of our travel coasts is not working with our budget. Anything you can do to hold the O&M costs down would be appreciated.

William J. Heft
7437
Holiday Blvd, Anacortes, WA 98221
360-319-6588

From: Allen Bush
To: Ferry Comments; Ron Wesen; Lisa Janicki; Peter Browning
Subject: Ferry 2026 Fare Proposal
Date: Tuesday, October 21, 2025 9:11:08 AM

To:
Skagit County Board of Commissioners
1800 Continental Place
Mount Vernon, WA 98273

Request for Transparency, Fiscal Accuracy, and Compliance with Resolution R20230512 prior to the Ferry 2026 Fare decision.

Dear Commissioners,

I am writing to express serious concerns regarding the Ferry 2026 Fare Proposal.

These comments focus on four primary issues, followed by a formal request for a public meeting as required under Resolution **R20230512**.

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1. Misclassification of Capital vs. Operations & Maintenance (O&M) Costs

Ferry 2026 Fare Proposal includes major vessel renewal and replacement expenses — including engine replacement and associated engineering costs, propeller shaft replacement, lower unit rebuilds, deck steel renewal, and complete engine wiring replacements — classified as *maintenance* rather than *capital*.

This misclassification distorts the true cost of operations, inflates the operating baseline used to calculate ferry fares, and underrepresents the County's long-term capital reinvestment needs. Properly accounting for these items as **capital repairs** is consistent with governmental accounting standards (GASB) and would allow for a more accurate representation of ferry system costs in the Ferry 2026 Fare Proposal.

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2. Cost Overruns and Lack of Reporting Transparency

Several recent repair and overhaul projects have exceeded initial cost estimates, with limited public disclosure of the causes or financial impacts. These overruns directly affect fare calculations, yet the supporting documentation and reconciliations have not been made available to the public.

We urge the County to publish detailed, itemized accounting of all ferry division expenditures and revenues — both operational and capital — prior to any fare adjustments.

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3. Missed Opportunities for Additional Funding

It has come to our attention that required ferry census filings have not been consistently completed, potentially jeopardizing eligibility for state and federal reimbursement or grant funding. Missed filings and unpursued grant opportunities translate into higher local fares and reduced system sustainability.

The County should ensure that all required census and grant documentation is timely and transparent, and that the public has access to these filings.

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4. Ferry Insurance Costs and Budget Justification

The community remains concerned about increased ferry insurance premiums without clear explanation or benchmarking against comparable ferry systems. As these costs are factored into the fare model, it is essential that the County provide justification for rate increases, coverage levels, and claims history.

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5. Lack of Recognition and Engagement with the Ferry Committee

The Guemes Island Ferry Committee, recognized as the representative body for ferry users and island residents, has not been formally included in recent decision-making processes. This exclusion undermines both the intent of Resolution R20230512 and the spirit of transparent, collaborative governance.

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6. Request for Required Public Meeting Under Resolution R20230512

Resolution R20230512 explicitly states that the County will hold *"at least one (1) public meeting with Guemes Island property owners, representatives of Guemes Island citizen groups, and other stakeholders"* prior to major decisions regarding ferry fares and operations.

To date, such a meeting — involving direct participation of County officials — has not occurred. We formally request that this meeting be scheduled promptly to allow for transparent discussion of fare methodology, cost reporting, and capital planning.

The Guemes Island community is eager to engage constructively and bring forward thoughtful, data-based recommendations to support sustainable ferry operations.

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7. Conclusion and Requested Actions

We respectfully request that the County:

1. Reevaluate and correctly classify ferry expenditures as **capital or O&M** consistent with accounting standards;
2. Provide detailed, public reporting of expenditures, revenues, and fare model assumptions;
3. Ensure completion and publication of all required ferry census and grant filings;
4. Clarify and justify ferry insurance costs; and
5. Schedule and publicly notice the required **All-Island public meeting** with County officials pursuant to Resolution R20230512.

These actions will strengthen public trust, ensure fiscal accuracy, and fulfill the County's stated commitments to transparency and community collaboration.

We appreciate your attention to these matters and look forward to your response.

Respectfully submitted,
Allen Bush
West Shore Drive Anacortes Wa, 98221

From:	becca fong
To:	Ferry Comments
Subject:	Ferry 2026 Fare Proposal)
Date:	Tuesday, October 21, 2025 1:58:55 PM

Dear County Commissioners,

Thank you again for the opportunity to comment on the 2026 fare proposal. I am writing to you to include one more topic I ran out of time to address in my public comments today, how the 2024 fare increases have driven a reduction in ridership contrary to what is presented in the submitted proposal. In 2025 ridership has dropped an average of 12% across both passenger and vehicle categories even accounting for the extended haulout.

The lack of impact the 2024 fare increase had on ridership stated from 2023 to 2024 is cited as a supporting reason to move forward with another increase in 2026. (see #1below)

Using the ridership data provided by Jenn Rogers (see #2) it's clear that there has been a significant decrease in ridership for both passengers and vehicles even through a few months of peak season. (see #3) as demonstrated by the graphs comparing ridership from 2023, 2024, and 2025.

Anecdotally, I have talked with many residents and workers that come to Guemes have switched from driving vehicles to walking on due to the increased fares in 2025 because the cost was a burden for them.

If fares continue to increase, ridership will continue to drop, leading to a decrease in revenue.

When you look at the revenue for 2024 you will see that the ferry exceeded the revenue target. This is a great thing, and a sign that you may have found a sweet spot for fares, revenue, and ridership, the 2024 fare rates. **(#4)**

#1
2026 fare proposal pg. 9

The 14 percent fare increase (implemented on August 15, 2023), which was in effect for all of 2024 through February 25, 2025, was generally successful in meeting a 45 percent revenue target of $1,307,220 but only led to a 7 percent increase in farebox revenue over 2023.

Vehicle ridership in 2024 was up 2 percent from 2023, and passenger ridership was up 1 percent. Simply put, elasticity, or how sensitive passengers are to changes in fare prices, did not appear to negatively impact revenue in 2024. An elasticity below 1 means demand is inelastic, suggesting insensitivity to fare changes.

#2 (ridership data provided by Skagit County via email from Jenn Rogers)

Guemes Ferry Monthly Ridership 2022 to 2025

	2022	2023	2024	2025
January				
Passengers	24,672	27,373	21,367	25,613
Vehicles	14,332	15,746	9,675	12,589
Total	*39,004*	*43,119*	*31,042*	*38,202*
February				
Passengers	24,799	24,793	25,527	23,663
Vehicles	14,465	13,666	13,921	13,029
Total	*39,264*	*38,459*	*39,448*	*36,692*
March				
Passengers	29,704	24,368	30,705	26,259
Vehicles	16,862	6,833	16,184	7,883
Total	*46,566*	*31,201*	*46,889*	*34,142*
April				
Passengers	31,318	29,922	31,799	22,488
Vehicles	17,130	16,373	17,149	-
Total	*48,448*	*46,295*	*48,948*	*22,488*
May				
Passengers	35,253	35,191	35,829	26,144
Vehicles	18,437	17,633	18,354	428
Total	*53,690*	*52,824*	*54,183*	*26,572*
June				
Passengers	36,593	37,932	37,160	35,332
Vehicles	18,539	19,001	18,019	16,836
Total	*55,132*	*56,933*	*55,179*	*52,168*

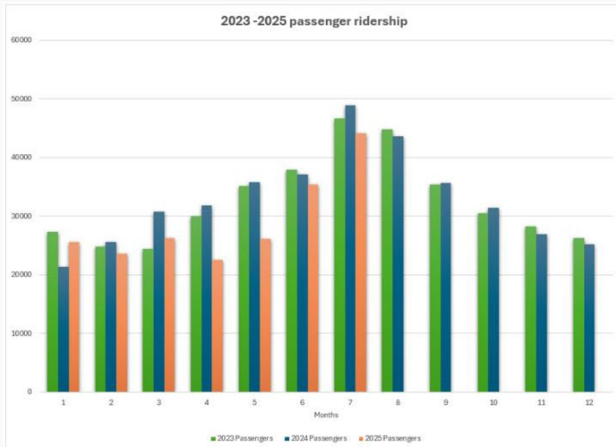
Guemes Ferry Monthly Ridership 2022 to 2025

July				
Passengers	46,163	46,581	48,862	44,096
Vehicles	20,077	20,204	20,306	18,220
Total	*66,240*	*66,785*	*69,168*	*62,316*
August				
Passengers	44,107	44,824	43,650	
Vehicles	20,180	20,481	19,825	
Total	*64,287*	*65,305*	*63,475*	
September				
Passengers	36,399	35,432	35,712	
Vehicles	17,711	17,194	17,655	
Total	*54,110*	*52,626*	*53,366*	
October				
Passengers	30,845	30,431	31,378	
Vehicles	16,967	16,302	15,928	
Total	*47,812*	*46,733*	*47,306*	
November				
Passengers	27,843	28,206	26,885	
Vehicles	15,965	15,375	15,556	
Total	*43,808*	*43,581*	*42,441*	
December				
Passengers	26,170	26,276	25,133	
Vehicles	15,123	14,493	14,141	
Total	*41,293*	*40,769*	*39,274*	

#3 - ferry ridership graphs 2023 - July 2025

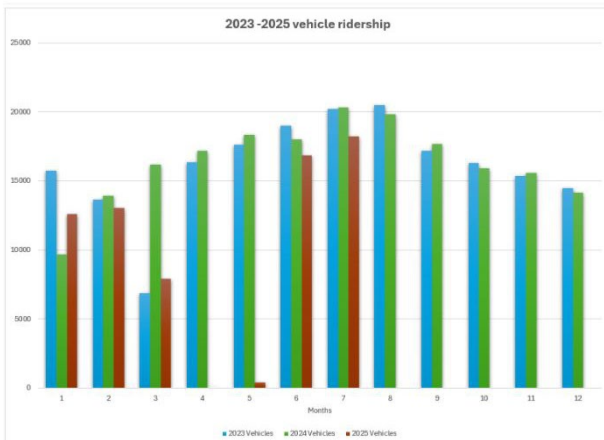
Ridership Changes

- Avg 10% decrease in ridership, even as vehicle trips are decreasing
- 2025 trend is overall decrease in ridership
- Less passengers, even in the summer/peak season
- This will result in a decrease in revenue



Ridership Changes

- Avg 12% decrease in vehicle trips *(excluding haulout period)*
- Vehicle ridership is down even during summer months
- This will result in less revenue



#4

Detailed 2024 budget and expenditure information is available in Appendix D of the report.

In 2024, farebox revenue exceeded the 45 percent revenue target by $38,799, or 3%.

2023/2024 Revenue Target	$	1,307,220
2024 Farebox Revenue	$	1,346,019
Surplus/(Shortfall)	$	38,799

I, the Guemes Island Ferry Committee, and the Guemes community would like to work with you to figure out how to make operations more predictable and sustainable.

Thank you,
Becca Fong

6204 Guemes Island Rd

From:	RnB Jeffers
To:	Ferry Comments
Subject:	Ferry 2026 Fare Proposal
Date:	Monday, October 20, 2025 8:38:59 PM

Dear Commissioners,

I'm writing as a Guemes Island resident who depends on the ferry and is very concerned about the proposed **30% fare increase for 2026.** After last year's big jump, this feels excessive and unfair to the people who rely on this ferry every day.

Before raising fares again, the County needs to fix the **budgeting errors** that are driving these increases. The **$84,000 Anchor ticketing system** was charged as an operating expense, even though it should have been treated as a **capital improvement.** That mistake makes the ferry look more expensive to run than it really is.

At the same time, **ridership is down** and the County has **missed grant opportunities** that could have helped cover costs. Asking riders to pay more before cleaning up the numbers doesn't seem right.

Please **reclassify the Anchor expense, review the budget, and hold off on any fare increase** until everything is accurate and transparent.

Thank you for listening.

Warm regards,

Betsy Jeffers

Guemes Island Resident

From:	Cindy Kamp
To:	Ferry Comments
Subject:	Ferry 2026 Fare Proposal
Date:	Tuesday, October 21, 2025 1:13:49 PM

Dear Skagit County Board of Commissioners,

As a Guemes Island resident and regular ferry user, I respectfully object to the proposed 30% fare increase for 2026, as detailed in the Draft 2025 Ferry Fare Revenue Target Report and discussed in the September 2025 meetings. I urge you to reconsider this increase, as cumulative hikes (14.1% in 2023, 30%+ in 2025) disproportionately burden seniors and low-income users, threatening community vitality.

Impacts on Seniors and Vulnerable Groups

My biggest concern is the toll on seniors like my fixed-income widowed neighbor, who must reduce trips to town for social visits—cutting her off from friends and vice versa. Her propane bills will rise further as companies pass on the proposed $1,000 HAZMAT fee (up from $50 historically, far exceeding $45–$50 actual fuel costs per run). These hikes, along with the last two fare increases, have greatly impacted housing affordability on Guemes. It is now more expensive for seniors to take the 5-minute Guemes ferry ride than the 30-minute Mukilteo to Clinton route!

Financial Mismanagement and Eroded Trust

Last year, we heard your projections which grossly overstated estimates of the 2024 Road Fund subsidy at over $2 million—the actual was $930,000, fueling unnecessary fear and fare hikes. The FY 2025 FBP funding loss (>$600,000 due to the County's failure to submit NCFO survey data) went unaddressed in your last two meetings, amid an unsubstantiated 88.5% O&M escalation to $5.47 million driven by unchecked spending. A great example of unnecessary spending includes the $84,000 Anchor e-ticketing system (which was reclassified from a capital expenditure to O&M miscellaneous expense), contradicting 2020 commitments to low-cost ticketing that doesn't cost more per ticket, and inflating our fares with the 7% of revenue commitment for 5 years.

"Recently, the Ferry Division worked with BERK, KPFF, ferry staff and the Ferry Committee to gauge and evaluate the public/crew interest in using and paying for electronic ticketing. Rough cost estimates were put together, and an online survey was conducted. The results of that survey, at publicinput.com/N602, indicated there is interest in having e ticketing, but the public generally does not want to pay more per ticket. Therefore, the Ferry Division is currently looking at systems that require very little infrastructure or upfront capital cost." (2020 Fare Target Report)

There seems to be confusion among the County leadership that the price of the ferry operational expenses are simply related to the price of goods and services increasing. While obviously that is partially true, it is the unnecessary spending, including increasing staffing since COVID, and choices to assign inter-fund expenditures to the ferry that has created the "unsustainable" levels that you discussed in your recent meetings. Why are you evaluating options like service reductions or scrapping the vehicle ferry for a passenger-only ferry as a starting point? While these may be viable options, this should be a last resort. Other choices, like failing to reimburse the ferry for lost revenue that was promised during COVID, continue to plague ferry ridership—ridership is being asked to pay more in ferry fees from this loss of revenue that should have been reimbursed like every other transportation system in the State of Washington and across the country.

Misinformation in Public Statements

During the September 16, 2025, presentation, Commissioner Browning made incorrect statements, such as suggesting ferry costs hurt a small family in a Mt. Vernon apartment—untrue, as Mt. Vernon city residents contribute nothing to the ferry or county road fund via taxes. He also claimed costs equate to $33,000 per Guemes household, an inflated figure that misrepresents the subsidy distribution. These misstatements align with overstated Road Fund projections ($2M vs. $930K actual in 2024), furthering the need for an outside independent audit to correct inaccuracies and rebuild trust.

Bias Blinds Reality

It is part of the ongoing narrative created by County leadership to show what a burden Guemes is on Skagit County, vs. looking at Guemes as the financial benefit it is to not only the County but to the state and local economies—which only exist because there is a ferry service. Your bias last year was clear: calling citizens entitled, coddled, and referring to them as the mob. Guemes Island has a $640 million dollar property valuation that contributed almost $1.1 million to the Anacortes School District last year—with only about 40 kids going to the ASD. Guemes Island contributed over $806K to the county road fund and almost $600K to the general fund. Every day, local companies and workers fill the ferry—both directions—with lumber, contractors, builders, repairmen and repairwomen, service companies, window replacement, HVAC, hospice workers, nurses, doctors, teachers, volunteers, tourists, bikers, hikers, etc. The list could go on. It may be a small island, but it is a vibrant part of Skagit County and the city of Anacortes' economy—it would be great if you could recognize this as well!

Suggestions for Moving Forward

To rebuild trust and equity:

- Meet with citizens and GIFC as required by R20230152.
- Form a balanced ferry committee for collaboration.
- Adopt an alternative fare formula accounting for elasticity and impacts.
- Conduct a third-party independent audit of all ferry financials for accuracy—potential opportunity for another advisory committee similar to TAG.
- Explain safeguards that Skagit County has put in place to ensure they will not miss out on other formulary grant funding like the 2025 & 2026 FBP funds for an estimated loss of $1.2 million.
- Assess fare category effects on vulnerable citizens.
- Engage the William D. Ruckelshaus Center for mediation on disputes.

With a new Public Works Director in place, this presents a fresh opportunity to reset approaches, prioritize efficiencies, and foster better collaboration on ferry management—turning past challenges into sustainable improvements for all.

Together, we can create a ferry system that’s equitable, efficient, and enduring.

Sincerely,

Cindy Kamp

Sent from my iPad

From:	Dianne Neilson
To:	Ferry Comments
Cc:	Doug Neilson
Subject:	Ferry 2026 Fare Proposal
Date:	Monday, October 20, 2025 8:18:12 PM

This proposal is deeply disappointing. How can it be justified by elected county representatives who are expected to act with integrity, responsibility, and concern for the people they serve? Who is being held accountable for the county's financial errors and lack of proper auditing? Where are the representatives who understand the real challenges faced by Guemes Island residents?

We care about our community. Yet this proposal feels punitive—like Guemes residents are being unfairly targeted and financially squeezed. For years, we have supported Skagit County businesses by shopping in Anacortes, Burlington, Mount Vernon, and other local towns—dining in restaurants, attending events, and bringing visiting family and friends to enjoy the region. Now, because of these extreme ferry fare increases, many island residents are reconsidering those trips, turning to online shopping, and limiting travel off island altogether.

As retirees living on a fixed income, we already feel the rising cost of living—and now these excessive ferry increases threaten to further isolate us. We know we are not alone. Many of our neighbors are facing the same financial strain.

During the recent 11-week ferry haul-out, we proved we can adapt. We reduced trips, walked on with wagons, and carefully coordinated errands. But that experience also showed us something important: **we will not be pressured into paying unreasonable, unjustified ferry fees**.

We strongly urge the committee to reconsider this proposal, correct the budget to reflect accurate and fair financial practices, and remove the unfair cost burden being placed on Guemes Island residents.

Respectfully,

Dianne & Doug Neilson

6150 W Shore R

206.940.9401

From: Gina H
To: Ferry Comments
Subject: Electronic ticketing expense and revenue impact on Fare Calculation
Date: Saturday, October 18, 2025 9:10:49 AM
Attachments: IMG_0145.png

9:06 AM Sat Oct 18 ••• 91%

Electronic Ticketing System: Why has there been no evaluation of the electronic ticketing? Most customer facing operations require some basic information before a final commitment is made as to a new implementation of a customer impact process. In this case the information that should be presented to the Commissioners so that they may make an INFORMED decision, rather than a rubber stamp.

1. Before approval, they should have been presented with: Cost/Benefit (financially and customer impact) as well as Pros and Cons as well as Success Criteria. Since nothing was presented, how will the implementation now be evaluated? It appears likely that more residents are walking on and keeping a car on both sides, or taking transit on the island. Where can we see the impact of this? Consider:

	Punch Card	Electronic
Purchase online?	yes, and receive by mail	yes, most of the time, glitchy, many different fares to choose from
Validation of correct fare	Easy to see by looking at the ticket	have to look closely at smart phone screen, takes more time. If additional passengers, have to scan multiple phones.
Purchase and validate ticket in the car line	Yes	No - take the time to get on the phone, if you have one and want to do it that way, otherwise, walk to office and leave car.
		If you just arrive and want to get on the ferry departing in the next 5 minutes or so, not likely that will happen. This slows up the whole process
		Sometimes, cars get to the front of the line without the required QR, and then they are moved to the side' or they run inside to buy a QR. Process is very inefficient.
Staffing impact.	One person, no one has to be in the office	Who knows? It does appear an extra person is needed to be in the office to sell tickets
Ease of boarding	Excellent	slow due to all of the above
Chance of lost revenue	some, but it would seem to be far less than the extra expense	Who knows?
Additional expense	N/A	Staffing, software fees, processing fees
Additional revenue and/or cost savings	N/A	Not seen, was revenue decreased due to fewer cars and more walk ons?
…IF IT AIN'T BROKE, DON'T FIX IT		

From:	Justin Dempsey-Chiam
To:	Ferry Comments
Cc:	Paul Dempsey
Subject:	Ferry 2026 Fare Proposal
Date:	Monday, October 20, 2025 7:13:25 PM

Dear Skagit Board of County Commissioners -
Thank you for your stewardship of the Guemes Island Ferry. As a part-time resident with deep ties to Guemes Island, I have monitored the often contentious discussions between the County and Guemes Island residents over how the Guemes Island Ferry is managed, including the recent fare increases. It's unfortunate that the Guemes Island Ferry has become such a divisive topic for Skagit County residents. Instead of this topic being a fight between Guemes Islanders and the County, I would encourage the Board to consider funding options that leverage non-residents. Incremental funding from this population could be procured on two platforms:

1. Higher Ferry Rates for non-residents. A long list of fare-types already exists (and changes from Non-Peak to Peak Season. It seems straightforward to add additional fare-types that charges 'Non-residents' more. Non-residents can be generalized into two groups:
1. Commercial Services - this group is generally visiting for the purposes of construction or maintenance. They can roll a higher ferry rate into their cost of services.
2. Leisure Visitors - this group is usually visiting the island as a one-off, so paying some multiple of the 'Resident-rate' is something most wouldn't blink an eye at.

2. AirBnb/VRBO surcharge: Non-residents visit our County, enjoy its environs and use its resources (notably water). At last search, there are approximately 200 AirBnBs/VRBOs on Guemes Island. Those rental platforms are full of fees - adding an additional 'Ferry Surcharge' of $x/night is something most visitors will absorb and provide the County with needed funding.

If it's not already clear, my comment is meant to shift the conversation away from Guemes residents bickering at the County towards a more productive (and sustainable) consideration of alternative funding sources from groups that don't already contribute to Skagit County via property tax and other local tax payments.

Respectfully,
Justin Dempsey-Chiam
4933 Guemes Island Rd.

From:	kshill
To:	Ferry Comments
Cc:	Guemes Island Ferry Committee
Subject:	2026 Guemes Island Ferry Fare Proposal
Date:	Tuesday, October 21, 2025 10:59:52 AM

Commissioners, Brown, Janicki and Wesen:

As you discuss the 2026 Guemes Island Ferry Fare Proposal, I ask that you consider property values. In addition to the numerous concerns that have been well-articulated by others (numbered points below), Guemes Island property values are already being impacted.

With significantly higher ferry fares that are projected to keep increasing, property on the island is significantly less attractive to potential buyers. You may have noticed the number of properties that have been listed for sale in the last year. Some of these listings are motivated, at least in part, by the rapidly rising ferry fares. In just the ten years my husband and I have owned property on the island, fares have risen from reasonable to exorbitant.

This seems to be tipping the balance of property sales on Guemes to elsewhere. Feedback from realtors and residents is that not only are properties not selling, but also potential buyers aren't even coming to see them. Of course, other factors are at play, but clearly the cost of access to the island is a factor.

With less vehicle and passenger ridership due to higher fares, the ferry's revenues obviously suffer. You have failed to find a "sweet spot" between what the market will bear and what the ferry needs. As our real estate market continues to be depressed, property values will go down, and so will the County's tax base on the island, leading to even less income.

As the Guemes Island Ferry Committee has stated, please:

take a deeper look at the proposal and find ways to control the spending, decrease the expenses, and create a functional and transparent budgeting process for the ferry so the ferry can operate sustainably.

and please address these concerns that have been articulated by the Ferry Committee and many Island residents:

*1. **Fares will increase ~ 30% for the most fare classes on top of the 30-60% increases in 2025.** The plan is to continue to increase fares through 2028. This is unnecessary and unclear of why this continued increase is needed.*

*2. **The justification for this fare proposal is not based on real numbers.** They are projecting what they think it will cost in future years and using that to justify driving up rates.*

*3. **The revenue targets continue to go up, as they add more expenses to the budget.** While costs are going up, they cannot tell us specifically how they came up with the budget projections.*

***4. Ridership is down ~ 15% for both passengers and vehicles, and will continue to decrease as rates continue to increase. Lower ridership = lower revenue.** That is due to the increased fares this year. The proposal fails to acknowledge this, and instead uses the lack of ridership changes from 2023 to 2024 to say that increasing fares again will not decrease ridership.*

*5. **Capital costs are being included in the Operations & Maintenance (O&M) budgets, which means that we're on the hook to have fare revenue cover even more expenses**. Capital costs include expenses such as the new engines installed and all associated costs.*

*6. **The Ferry Division has missed two grant opportunities that would have brought in significant funding to support ferry operations.** Whatcom and Washington State Ferries receive these funds. Aug. 20, 2025 Seattle Times Article. This is both a missed opportunity, and an illustration of how the Ferry Division is not pursuing even known funding sources, let alone alternative funding. **Funded Ferries in 2025***

*7. **Decreasing spending needs to be a key aspect of ferry operations.** As an example, the implementation of the electronic ticketing system has resulted in additional expenses. We will pay Anchor, the ticketing vendor, ~$93,000 this year, which is the 7% revenue share that the County agreed to. This is $93,000 more that the fare revenue will need to generate to cover this cost.*

Also the additional staffing needed to sell tickets in the office, due to the lack of a mobile point of sale device.

These and all expenses need to be evaluated for their return on investment*, increased efficiency, and support of sustainable ferry operation.*

Sincerely,

Karen G. Shill

7243 Channel View Road

Anacortes, WA 98221

From:	lvardy
To:	Ferry Comments
Subject:	Ferry 2026 fare proposal
Date:	Monday, October 20, 2025 2:12:23 PM

I would like to express my concern about the exorbitant fare increases being proposed. It seems to me that there is little effort being made to control expenses and very little accountability as to how costs are rising. The main concern should be on providing reasonable efforts to control costs for the residents of Guemes as we are totally dependent on the ferry system. Thank you for your attention.

Sent from my Verizon, Samsung Galaxy smartphone

From:	Morna McEachern
To:	Ferry Comments
Subject:	Ferry feedback
Date:	Monday, October 20, 2025 5:21:05 PM

Dear Ferry Fare Comment Committee,

This letter is to thank the county and the ferry workers for some important services they have performed, to make a suggestion about fares for regular users of the ferry (mostly for residents), and to offer some constructive criticism about my recent experiences with the new ticketing system and its concomitant signage, extra work for the employees, etc.

First and foremost, for me personally, I thank you for continuing to allow bike riders with convenience walk on tickets to use those for when we ride our bikes. I am a year-round, senior, fixed income bike commuter on the ferry and this has made a significant difference for me. Please continue this policy!

Second, I truly appreciate the relationship with the crew. Throughout this transition, which has had its bumps (still does), they have been supportive of regular riders, helping navigate the new ticketing system—thinking creatively and making a challenging situation for everyone who is using it a little less frustrating. They deserve a pat on the back for excellent customer service and for, mostly cheerfully, trying to make it work!

Third, when the new ticketing system went live, Rachel Rowe came over to the island and spent a couple of hours at our little library, talking with islanders—it was all very friendly—helping people with the app and buying tickets, bringing lots of flyers and information for the islanders—it was an excellent opportunity for a positive, effective couple of hours, which changed a few people's mind about how Rachel relates to the islanders—we all know that she is the brunt of a lot of criticism. It would help a lot if she (and others) came over more often for smaller discussions…not just huge community meetings.

…which brings me to my main point, which I talked to Rachel about when she came over in June. The ferry and all those involved (islanders, crew, administration, the boat itself) are all part of the same community. For some of us it is our lifeline bridge to Skagit County (where we spend our grocery dollars, our medical dollars, etc), for some it is their livelihood, for some it is something to manage. Nevertheless, we all need one another and truly are in community. This is most obvious at the terminal—where relationships between islanders, ferry crew, and welcoming visitors happens. We need one another. I am terribly distressed that there is so much acrimony—no we are not all multimillionaires, we do care for one another (I truly appreciate that many of the crew – retire to the island, come to social events, belong to book groups, check in with me about why I am not riding my bike, etc.). I also appreciate how Rachel has been responsive to my communications. And…I also understand the frustration many people have with the current fares and what appears to be an overuse of middle management.

It is very hard to pay the huge increases in fares for those of us who moved full-time to a community, which is ferry reliant, with the history of a reasonable fare structure that was quite affordable. I am more than willing to pay reasonable fare increases. However, when the discount for multi-ride tickets has all but been eliminated and a peak season increase included for us (we don't have a peak/non peak season for using the ferry), it is a big challenge for fixed income and low-income people. It is also difficult to see the expensive signage (that doesn't even make sense in some instances ("No smart phone, come to the terminal office" then just beyond that "Do not leave vehicle"—and a huge sign on the side of the box truck—only visible from the sidewalk along the terminal building, e.g.) .

I have not had an opportunity to talk directly to Lee, but have had some difficult encounters—him calling the ferry terminal his playground—hard to hear when I think of us as community—but I will make sure to talk to him directly before going any further. He has added to the distress that is felt at the terminal. I have also had challenging exchanges with Jen the project manager person…her attitude is very condescending and oriented toward the technical, not to serving people. I will take it on myself to talk directly to each of them.

In sum, please keep the multiride walk on valid for bicycles. I would ask a return to year-round multiride tickets for those of us who use the ferry year-round, a review of the way that the increases have been calculated that is transparent (I am aware of the law suit—perhaps you could be proactive and communicate why the operation decisions are made the way they are?), and to begin to think of ourselves as one community with a ferry we all use and want to work well!

Thank you very much,

Morna McEachern

Guemes Library President and full time resident

From:	rayvardy
To:	Ferry Comments
Subject:	Fares 2026 Proposal
Date:	Saturday, October 18, 2025 1:15:26 PM

The fare increases are shifting poor management costs on to the already over taxed communtiy of Guemes Island. I have been part of the Guemes Island community for nearly years. The costs of overhead and operations contintue to increase at a rate that is stagering compare to the rate of inflation and CPI numbers. The costs go up, but the service has changed little. The service has chnaged only marginally, while the cost of operations and overhead have skyrocketed.

I feel a pause should be made before any additional cost are passed on to the ferry users. The example of the new ticketing system comes to mind. what has been gained by the consumer? The cost of an additonal employee and the service is generally the same. Not all technology is benefical to operations, which again brings us back to poor decision making.
Please consider stopping this continued deficit speeding that provides little to no benefit.

Repectfully,

Ray Vardy

Sent from my Galaxy

From:	Sherry Tamone
To:	Commissioners
Subject:	Guemes Ferry fare increase
Date:	Tuesday, October 21, 2025 10:16:36 AM

Dear Commissioners
I am writing to strongly oppose the proposed fare increase for the Guemes Island ferry ridership.

I have paid property taxes on Guemes since 1992 and am currently a permanent resident since 2020 living at 5706 Edens Rd

The cost of living on Guemes has increased 300% for my family primarily in property taxes. Therefore our contribution towards the roadfund has also increased. The costs are forcing our family to reallocate our fixed income.

I would like the Commissioners to consider reallocating the guemes ferry budget to reduce expenditures and also consider opportunities to increase revenue other than increasing fares that burden the actual ferry users. I know there was a missed opportunity this last year to secure a portion of the WA state 40 million dollar grant that supports county ferries and other projects in the state. This could have been used to offset O&M expenses and reduce the costs to the riders.

The Commissioners have set a goal of obtaining 65% of the costs of running the ferry from fare revenue. That percentage is not in line with other county ferries nor is it realistic to expect the ridership to offset the costs of supporting their "road system" to that extent.

I would suggest that instead of increasing fares, we investigate other funding opportunities and also reduce the proposed budget. Some of the expenses that are reflected in the budget are not clear to me. I would appreciate a more detailed itemized proposed expense lust that clarifies and justifies the need for such a budget increase.

I am quite used to writing budgets for grants that I needed to support large scale research projects and I would never get funded with such a vague proposed budget. And I would also appreciate a more detailed expense report to establish all capital expenses and those assigned to O&M. Being that a large percentage of the expense burden is carried by the ridership, I think we have the right to know

The proposed 30% fare increase will have significant impacts on our community in the form of ridership (we see that already), building costs, and the ability for young families who may work off island to live here. It will also impact Anacortes businesses in that residenta will be taking less trips into Anacortes to swim at the pool, shop at the Market, and visit stores.

I urge you to vote no on the proposed resolution to increase ferry fares.

Sincerely
Sherry Tamone

From:	Stephen Orsini
To:	Ferry Comments
Subject:	Ferry 2026 Fare Target Report
Date:	Tuesday, October 21, 2025 2:15:33 PM

Not for Guemes Island

Recently, Skagit County announced a seniors' day celebration with assurances that its senior centers would not be closing as funding dries up. This action must have been reassuring to the aging population of Skagit County 65 and older. The same treatment does not, however, extend to the seniors on Guemes Island.

In the election of 2022, 60% of the nearly 700 registered voters of Guemes were seniors. By June, 2023, the County adopted a new methodology for calculating the fares on the Guemes Island Ferry. The first fare increase under this new projected budget system went into effect on August 15, 2023 for 2024 with an increase in most fare categories of 14%**.** The 20 trip Senior/Disabled car and driver pass had cost $156.00 and was increased about 14% to $177.25.

The new fare setting methodology produced a 30% compounding fare increase for 2025- except for the propane run to the island which went from $112.00 to $786.64, a 602% increase. The 20 trip Senior/Disabled car and driver went up 47% to $260. Meanwhile, the Countychose not to pay on-call time for the required crew of three for night emergency runs. This resulted in the loss of once reliable after-hours emergency service increasing the stress and cost, especially for seniors, who were instructed to buy helicopter insurance.

The County has published the latest 30% fare increaseeffective January, 2026. The multi-ride discounts have essentially been eliminated in the County's new, expensive, and quirky cell-phone based e-ticketing system. For 2026, the price of the Senior/Disabled 20 trip car and driver increases to peak season of $410.00, up from $156.00- a 163% increase in three years. The Propane run goes up another 31% to $1027.69, up 818% since 2023. Could be a cold winter for those seniors on Guemes.

Guemes Islanders do not set the cost, and never have, of the ferry operation. Skagit County does. The 0&M costs, which are the top line determinate of the fare box revenue target has increased in three years from $3,672,134 in 2023 to $5,474,429projected for $2026, a 49% increase. On page 10, the preliminary budgeted O&M expenditures for 2026 jumps to $6,102,809 up 66% since 2023. Such increases cannot be explained away as inflationary trends. The net result for the islanders is that every time we get near the end goal of attaining a 65% fare revenue target, the goal line is moved further away.

When the E-ticketing system was purchased, Public Works and the Ferry Management stated this addition would be a capital expense, as seen the prior years TIP Reports and 14 Year Ferry Reports, yet now we see a monthly O&M line item expense for ticketing of $7,000. This is just one transgression in the inflationary spiral of 0&M. Skagit County was the only ferry system in the State not qualifying for the 2025 disbursement of Federal Ferry Boat Funds. Meanwhile, the Lummi Ferry, the closest ferry operation to the Guemes Ferry, qualified for $875,000. Skagit County missed out on over $600,000 this year for failing to fill out the paperwork in 2022. Due to the same mistake, we will not be receiving the 2026 funds either. Skagit County then has left over $1.2 million on the table through this error.

In summary, the level of fare increases for 2026 cannot be sustained and the County will attain falling revenue in a climate of unbelievable O&M cost increases.

Sent from my iPhone

From:	Stephen Orsini
To:	Ferry Comments
Subject:	Ferry 2026 Fare Proposal
Date:	Tuesday, October 21, 2025 8:19:18 AM

Date: October 21, 2025
To: The Board of Skagit County Commissioners
Re: GIPAC Comments to proposed fare increase for 2026

The Guemes Island Planning Advisory Committee (GIPAC) is chartered with maintaining the goals of the Guemes Island Sub-Area Plan adopted in 2011 by Skagit County. Under the Transportation Element of the Plan, one of the principle policies relating to the Guemes Island Ferry is: "Provide affordable transportation services for senior citizens and handicapped individuals."

With this proposed increase, the third in three years, the Senior/Disabled (Sr./Dis.) 20 trip car and driver increases from $156.00 in early August, 2023 to $410.00 peak in 2026- an increase of 163%**.** This makes the Sr./Dis. car and driver pass one of the highest increases of the various fare categories. In addition, the adoption of the Anchor cell-phone based ticketing system represents a hardship for many seniors. This group is not inherently cell-phone literate plus the Anchor app is built on an archaic platform that remains sluggish and inconsistent. Because of the rules imposed by the County, the senior/disabled are forced out of their cars to purchase a paper ticket in the ticket office. This is the population most dependent on car transit and now faces the most financially ruinous and physically difficult fare payment process. This Anchor app replaced a system that efficiently performed credit card purchases at the driver's window. As the majority of the vehicle line-up for the ferry is up a hill with a14% grade, the Sr/Dis. driver is often forced to negotiate an ADA non-compliant access to reach the ticket office.

GIPAC is asking the County to reduce the extreme level of increase in the Sr/Dis. fares and re-institute the credit card payment system at the vehicle point of sale.

Thank you,
Guemes Island Planning Advisory Committee:
Kathy Malley, Michael Brown, Jep Burdock, Gabriel Murphy, Stephen Orsini, Allen Bush