

RESOLUTION NO. _____

**RESOLUTION AMENDING RESOLUTION 20230152 AND ESTABLISHING THE 2026 FERRY
FARE SCHEDULE**

WHEREAS, Skagit County (“County”) owns and operates a vehicle and passenger ferry (herein “ferry”) between Anacortes, Washington, and Guemes Island, Washington; and

WHEREAS, on July 27, 2023, the Board of Skagit County Commissioners (“Board”) adopted Resolution R20230152, establishing the 2023/2024 Guemes Island Ferry fare schedule and ferry fare revenue target methodology; and

WHEREAS, on January 27, 2025, the Board adopted Resolution R20250015, amending Resolution R20230152, establishing the 2025 ferry fare schedule, effective through December 31, 2025; and

WHEREAS, **Exhibit A** of Resolution R20230152 establishes the ferry fare revenue target methodology, and it is the desire of the Board to implement fare increases to reach a 65% fare box revenue target phased over a 5-year period from August 15, 2023, through December 31, 2028; and

WHEREAS, the ferry fare target methodology further states that the Public Works Department shall prepare an annual report pursuant to the revenue target formula found in **Exhibit A** of Resolution R20230152, and will recommend a ferry rate schedule for the upcoming calendar year with an estimate of revenues based on those rates; and

WHEREAS, in accordance with Resolution R20230152 and R20250015, and the requirements contained therein, Public Works Department staff prepared the 2025 Ferry Fare Revenue Target Report; and

WHEREAS, the Board desires to further amend **Exhibit A** of R20230152 (as previously amended by R20250015); specifically the last paragraph under the heading “Ferry Fare Revenue Target” such that it will state, “The methodology establishes a 5-year average O&M expenditures projection using the past two years’ actual expenditures, the current year’s adopted budget, as of June 30, and the next two year’s projected expenditures using cost escalation factors”; and

WHEREAS, the Board desires to further amend **Exhibit B** of R20230152 (as previously amended by R20250015) to include the 2026 fare revenue target, and an estimate of revenues based on the 2026 fare schedule (and a copy of revised **Exhibit B** is attached and incorporated herein); and

WHEREAS, the Board desires to further amend **Exhibit C** of R20230152 (as previously amended by R20250015) to adopt the 2026 Guemes Island Ferry fare schedule, as described per attached revised **Exhibit C** (and incorporated herein), to establish the ferry fare schedule for 2026, to become effective January 1, 2026; and

WHEREAS, pursuant to Resolution R20250228, a public hearing was held on October 21, 2025, to solicit input on the 2025 Ferry Fare Revenue Target Report and the proposed 2026 Guemes Island Ferry fare proposal; and

WHEREAS, the amended 2026 Guemes Island Ferry fare schedule, attached as revised **Exhibit C** (and incorporated by reference), establishes the ferry fare schedule, to be effective January 1, 2026, through December 31, 2026, considering recommended input from the Public Works Department staff and the oral and written comments received; and

WHEREAS, it is the desire of the Board to adopt the 2026 Guemes Island Ferry fare schedule (as more particularly described per the attached revised **Exhibit C** and incorporated herein), effective January 1, 2026.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that **Exhibit C** per Resolution R20230152 and R20250015 is further amended and revised as per the attached **Exhibit C** (incorporated herein) and is adopted as the 2026 Guemes Island Ferry fare schedule, effective January 1, 2026; and

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that **Exhibit B** per Resolution R20230152 and R20250015 is further amended and revised as per the attached **Exhibit B** (incorporated herein) and is adopted as the 2026 fare revenue target, and an estimate of revenues based on the 2025 fare schedule, effective January 1, 2026; and

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY FURTHER ORDERED, that the 2026 Guemes Island Ferry fare schedule shall be in effect through December 31, 2026, before which time the Public Works Department shall prepare and submit a report for the upcoming calendar year with a recommended rate schedule for 2027, in accordance with **Exhibit A** (copy attached and incorporated herein) of R20230152 (as amended by R20250015).

DATED this ____ day of _____, 2025.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

Lisa Janicki, Chair

Ron Wesen, Commissioner

Peter Browning, Commissioner

Attest:

Clerk of the Board

Approved as to form:

Approved as to Content:

Civil Deputy Prosecuting Attorney

Department Head

EXHIBIT A

GUEMES ISLAND FERRY FARE REVENUE METHODOLOGY

Overview:

The Guemes Island Ferry 2023 Rate Study was conducted to evaluate the Guemes Island Ferry fare schedule and fare policies, and to provide a rate schedule for 2023/2024, as well as policy for setting future fare increases.

Ferry Fare Revenue Target:

It is the desire of the Board to implement fare increases to reach a 65% fare box revenue target phased over a 5-year period from August 15, 2023, through December 31, 2028, as follows:

- Implement the first fare increase in summer 2023, to be effective through December 2024. The recommended fare schedule is provided in Exhibit B.
- Adjust fares on an annual basis beginning in January 2025 to achieve a 65% fare box recovery by 2028. Such fare adjustments shall be made subject to an annual public hearing.
 - Update the 2028 5-year average annual O&M cost with new expenditure data and updated cost escalation rates.
 - Re-run the fare model to confirm the required fare adjustment to achieve the updated 2028 average O&M and establish new fare levels.

The methodology establishes a 5-year average O&M expenditure projection using the past two years actual expenditures, the current year's adopted budget as of June 30, and the next two year's projected expenditures using cost escalation factors.

Additional assumptions:

Other tax revenue:

- Contributions from the Motor Vehicle Fuel Tax (MFVT) attributable to the ferry system, and the Washington State Department of Transportation (WSDOT) deficit reimbursement will be applied before the 65% revenue target is calculated.

Reporting Requirements:

During the annual preparation of the department's budget, Public Works will prepare and submit a report to the Board that calculates the County's ferry fare revenue target, pursuant to the above formula, and will recommend a ferry rate schedule for the upcoming calendar year with an estimate of revenues based on those rates. The first evaluation and report shall be prepared in summer 2024 in preparation for the January 1, 2025, fare adjustment.

EXHIBIT B
REVENUE TARGET CALCULATION

2026 Fare Revenue Target Calculation

| Revenue Target Calculation Table | | | | | | |
|----------------------------------|------------|-----------|-----------------|---------------|-----------|----------------------|
| | Actual (2) | | Adjusted Budget | Projected (2) | | Five Year Average |
| Year | 2023 | 2024 | 2025 | 2026 | 2027 | |
| O&M Expenditures | 3,672,133 | 2,893,135 | 5,301,597 | 5,474,429 | 5,631,545 | 4,594,568 |
| MVFT | 150,119 | 62,400 | 124,003 | 124,003 | 124,003 | 116,906 |
| Deficit Reimbursement (1) | 212,507 | 258,189 | 275,945 | 275,945 | 275,945 | 259,706 |
| Adjusted O&M (1) | 3,309,507 | 2,572,547 | 4,901,649 | 5,074,481 | 5,231,597 | 4,217,956 |
| Fare Recovery Requirement | | | | | | 55% |
| 2026 Ferry Fare Revenue Target | | | | | | 2,319,876 |

(1) 5-year average (2020-2024), used for 2025, 2026, and 2027 projected

(2) Cost escalation has been adjusted for recent inflation projections - Seattle area CPI

| | |
|--|-----------|
| Projected Revenue at Proposed 2026 Fare Levels | 2,345,969 |
| Fare Box Recovery | 55.6% |

2026 PROPOSED GUEMES ISLAND FERRY FARE SCHEDULE

Effective January 1, 2026, through December 31, 2026

| 2026 Guemes Island Ferry Fare Schedule | 2025 POSTED FARE | | 2026 PROPOSED POSTED FARE | |
|---|----------------------|--------|---------------------------|--------|
| FARES ^{(1) (2) (3)} | NON-PEAK | PEAK | NON-PEAK | PEAK |
| PASSENGER ^{(1) (2) (3)} | | | | |
| Adult | 5.50 | 6.75 | 6.75 | 8.50 |
| Senior (+65)/Disabled | 3.50 | 4.00 | 4.5 | 5.00 |
| Youth - 18 and under ⁽⁴⁾ | Free | Free | Free | Free |
| Rider & Bicycle | 6.75 | 8.50 | 8.50 | 10.75 |
| Riders & Bicycle senior/disabled | 5.00 | 5.75 | 6.50 | 7.25 |
| PASSENGER CONVENIENCE PASS ^{(1) (2) (3) (5)} | | | | |
| 25-trip adult passenger | 122.50 | 153.75 | 153.75 | 197.50 |
| 25-trip senior/disabled | 81.00 | 93.50 | 106.00 | 118.50 |
| VEHICLE (22 FT OR LESS INLCUDING OVERHANG) ^{(1) (2) (3)} | | | | |
| Motorcycle & rider | 9.75 | 14.00 | 12.50 | 17.50 |
| Vehicle/driver under 22 feet | 17.00 | 21.00 | 21.50 | 26.50 |
| Vehicle/driver senior/disabled under 22 feet | 14.00 | 17.00 | 17.50 | 21.50 |
| VEHICLE & DRIVER CONVENIENCE PASS ^{(1) (2) (3)} | | | | |
| 20-trip under 22 feet | 326.00 | 386.00 | 416.00 | 496.00 |
| 20-trip under 22 feet senior/disabled | 260.00 | 320.00 | 330.00 | 410.00 |
| 20-trip Motorcycle | 190.00 | 255.00 | 245.00 | 325.00 |
| VEHICLE NEEDS-BASED PASS ^{(1) (2) (3) (6)} | | | | |
| 5-trip Senior/Disabled (RCW 84.36.381) needs-based | 56.00 | 68.75 | 71.00 | 88.00 |
| OVERSIZED VEHICLES ^{(1) (2) (3)} | | | | |
| Over 22 feet under 30 feet | 26.75 | 33.75 | 28.75 | 35.75 |
| Under 40 feet | 52.75 | 64.50 | 60.00 | 71.25 |
| Under 50 feet | 78.75 | 99.00 | 88.00 | 103.50 |
| Under 60 feet | 115.50 | 135.00 | 117.50 | 132.50 |
| Each 10 foot over 60 | 20.00 | 22.75 | 20.50 | 22.25 |
| Over width charge (over 8 feet 6 inches) | Double Length Charge | | | |
| OVERSIZED VEHICLES 5-TRIP CONVENIENCE PASS ^{(1) (2) (3)} | | | | |
| Over 22 feet under 30 feet | 133.75 | 168.75 | 143.75 | 178.75 |
| Under 40 feet | 263.75 | 322.50 | 300.00 | 356.25 |
| Under 50 feet | 393.75 | 495.00 | 440.00 | 517.50 |
| Under 60 feet | 577.50 | 675.00 | 587.50 | 662.50 |

| MISCELLANEOUS | 2025 Current 2026 Proposed |
|---|------------------------------|
| Operating Hours Extra Run ⁽⁷⁾ | 582.70 761.25 |
| Hazardous Materials (HAZMAT) Run ⁽⁸⁾ | 786.64 1,027.69 |
| After-Hours Private Charter ⁽⁹⁾ | 2,560.84 3,345.40 |
| After-Hours Emergency Services ⁽¹⁰⁾ | Actual Cost |

- (1) All tickets (including convenience passes) are valid through December 31, 2026. Non-peak tickets cannot be used during the peak season (May 20 – September 30).
- (2) No refunds. For questions, contact pw@co.skagit.wa.us.
- (3) Posted fares include capital vessel replacement surcharge.
- (4) Includes youth traveling on school bus and youth traveling with bicycle.
- (5) Bicycle free with passenger convenience pass.
- (6) Needs-based passes must be purchased in person at 1800 Continental Place, Mount Vernon, ahead of sailing. Eligibility: 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.
- (7) The rate for an extra run during operating hours is \$761.25 (in year 2026). This run is typically offered immediately following the 11:15 a.m. sailing, if available as determined by Ferry Division Manager or his/her designee. Advanced reservations are required, and service is not guaranteed. To request advanced reservations, call the ferry terminal main office at (360) 293-6433 or email pw@co.skagit.wa.us.
- (8) The rate for the hazardous materials (HAZMAT) run is \$1,027.69 (in year 2026), which covers one trip to Anacortes and one return trip from Guemes Island. This fare may be split by multiple companies onboard and applies regardless of how many trucks are traveling.
- (9) Private charter after-hours ferry service is dependent on the availability of the vessel and crew, and service is not guaranteed. When the ferry is available, as determined by Ferry Division Manager or his/her designee, the after-hours charter fare is \$3,345.40, with a 3-hour maximum. Advance reservation for this service is highly encouraged. This fare does not apply to after-hours emergency services dispatched by 911.
- (10) Emergency services dispatched by 911, Sheriff, Fire, or Utility Dispatch for after-hours ferry service (outside the published sailing schedule), is dependent on the availability of the vessel and crew, and service is not guaranteed. When the ferry is available, as determined by Ferry Division Manager or his/her designee, the fare will be actual hourly costs plus indirect Cost Allocation for Road Funds (Admin Fee). Actual costs include hourly overtime salaries, wages, benefits, fuel, supplies, consumables, and fixed costs associated with operating the ferry system. Fuel, supplies, consumables, and fixed costs will be based on the cost per hour calculation from the 2025 preliminary budget as follows.

2026 Cost Per Hour

Operating supplies - \$25.74

Fuel - \$46.99

Fixed costs - \$687.37

Wages & benefits – TBD

After-hours emergency services have a base cost of \$760.10 for 2026. In addition to this base fee, actual salaries, benefits, and an administrative fee of 18.24% (2025 rate) will apply. The administrative fee will be automatically adjusted on January 1 each year, in alignment with the most current version of the Skagit County Central Services Cost Allocation Plan, as certified by the County Auditor.

Note, after-hours ferry service is not guaranteed. If the request for services is cancelled by 911 or Sheriff/Fire Dispatch, or if the ferry is unavailable, an invoice will be generated for any costs incurred up until cancellation or notice of unavailability.

In accordance with Resolution R20120140, the hours of operation for the Guemes Island Ferry are:

Peak Season (May 20 through September 30)

| | |
|-----------------|-------------------------|
| Monday-Thursday | 6:30 a.m. to 8:30 p.m. |
| Friday-Saturday | 6:30 a.m. to 11:00 p.m. |
| Sunday | 8:00 a.m. to 10:00 p.m. |

Non-Peak Season (October 1 through May 19)

| | |
|-----------------|-------------------------|
| Monday-Thursday | 6:30 a.m. to 8:30 p.m. |
| Friday-Saturday | 6:30 a.m. to 11:00 p.m. |
| Sunday | 8:00 a.m. to 8:00 p.m. |

After-hours service is defined as any services requested outside the hours of operation listed above. These times coincide with the published sailing schedule.