

# Guemes Island Ferry **Community Meeting** Aug. 19, 2026, 3:00 p.m.



Public Works Department  
Skagit County

# Meeting Objectives

1. For participants to **gain an understanding of**:
  - a. outcomes of the Guemes Ferry Technical Advisory Group process, including recommendation to County Commissioners
  - b. the process used by the County to set ferry fares, including:
    - i. ferry revenue target methodology
    - ii. expenditures, revenue, & cost projection estimates
    - iii. cost reduction efforts, including survey
    - iv. how to participate in the public process
  - c. status of County projects and opportunities for input, including the Anacortes and Guemes Island parking lot designs,
  - d. budget challenges faced by Skagit County and impacts on the ferry division
2. For participants to **provide input on** proposed 2027 ferry fares



# Agenda

- Welcome/Introductions – *10 min*
- Outcomes of Guemes Island Ferry Replacement Technical Advisory Group (TAG) – *10 min*
- Status of County Projects – *10 min*
  - Parking Lots
  - Flap Replacement
  - 2027 Drydock
- 2027 Skagit County Budget Overview – *10 min*
- 2027 Fare Setting Process Overview – *15 min*
- Facilitated Q/A – *10 min*
- Public Input – *25 min*



# Q&A

- Please hold questions until after the presentations
- We will take questions from those in the audience first, then go to online attendees



## Introductions (county staff)

Michael See, Public Works Director

Tom Weller, P.E., County Engineer

Marie Lambert, Assistant Director/Controller

Jenn Rogers, Communications Manager

Rachel Rowe, Captain, Ferry Division Manager



# Introductions - Maul Foster Alongi Staff



MAUL  
FOSTER  
ALONGI



**Hilary Wilkinson | Facilitator**

Senior Communications  
Specialist



**Sam Humphreys | Facilitation  
Support**

Staff Planner



# Facilitator Ground Rules

- Silence cell phones & take calls outside room
- Keep side conversations to a minimum
- Work together to achieve meeting objectives
- Take space, make space
  - share your thoughts
  - make space for others to share theirs
  - do not speak over each other
- Listen to understand
- Respect the process the facilitator has designed
- Be respectful in your comments and body language



# Skagit County Ferry Replacement Project Technical Advisory Group (TAG) Update



Sandy McKean  
TAG Chair

# TAG Mission

(R20250207)

Advise the Board of County Commissioners on the preferred ferry replacement options for Guemes Island. This includes evaluating and comparing multiple design alternatives while considering factors such as:

- cost
- environmental impact,
- safety, and
- operational efficiency.

The goal is to provide well-researched recommendations for ferry solutions that best serve the community's needs.



# TAG Members

- Five (5) Residents of Guemes Island
- Four (4) Representatives of Skagit County citizens-at-large
  - Local vessel operations
  - Private marine delivery service
  - Shipbuilding
  - Naval architecture
- County Membership (non-voting)
  - Ferry Division Manager - Rachel Rowe
  - County Staff - limited logistical support
  - Consultants - Maul Foster & Alongi (coordination & facilitation)



# TAG Members

1. **Paul Bieker** – Naval Architect
2. **Allen Bush** – Guemes Island resident
3. **Becca Fong** – Guemes Island resident
4. **Corey Joyce** – Operator/Owner San Juan Marine Freight
5. **Sandy McKean** – Guemes Island resident, Chair
6. **Ryan Monahan** – Paccar (advanced powertrain electrification technology)
7. **Adam Paull** – Boat building
8. **Jonah Petrick** – Captain for Foss Maritime
9. **Tom Fouts** – Guemes Island resident



# TAG used nine (9) evaluation criteria to evaluate six (6) options

## EVALUATION CRITERIA

1. Upfront capital costs
2. Year-over-year maintenance costs and intervals
3. Reliability
4. Lifecycle costs
5. Complexity
6. Emissions
7. Energy consumption
8. Terminal impacts
9. Available funding sources

## PROPULSION OPTIONS

1. Plug in hybrid
2. Diesel hybrid parallel
3. Diesel Hybrid Series
4. Diesel Electric
5. Diesel Mechanical
6. Whatcom/Lummi Design



# Preliminary Results

|                      | 1              | 2                      | 3                    | 4               | 5                 | 6                        |
|----------------------|----------------|------------------------|----------------------|-----------------|-------------------|--------------------------|
| TAG member           | Plug In Hybrid | Diesel Hybrid Parallel | Diesel Hybrid Series | Diesel Electric | Diesel Mechanical | Whatcom/<br>Lummi Design |
| <i>Bush</i>          | 3.15           | 3.7                    | 3.85                 | 13.9            | 12.7              | 3.3                      |
| <i>Fong</i>          | 13.7           | 18.9                   | 19.25                | 13.6            | 19.4              | 16.3                     |
| <i>Fouts</i>         | 24.3           | 4.4                    | 23                   | 3.2             | 7                 | 11.8                     |
| <i>Joyce</i>         | 4              | 5                      | 9                    | 14              | 26                | 8                        |
| <i>McKean</i>        | 10.1           | 14.2                   | 23                   | 20.65           | 17.25             | 12.7                     |
| <i>Monahan</i>       | 20.8           | 22.35                  | 23.75                | 23.6            | 20.75             | 20.75                    |
| <i>Paull</i>         | 4              | 5                      | 9                    | 17              | 26                | 9                        |
| <i>Petrick</i>       | 4.9            | 18.3                   | 19.9                 | 17.9            | 20.6              | 18.4                     |
| <b>FINAL - TOTAL</b> | <b>84.95</b>   | <b>91.85</b>           | <b>130.75</b>        | <b>123.85</b>   | <b>149.7</b>      | <b>100.25</b>            |

This exercise was not meant to determine the final ranking – done to stimulate discussion





## Guemes Island Ferry Replacement Project



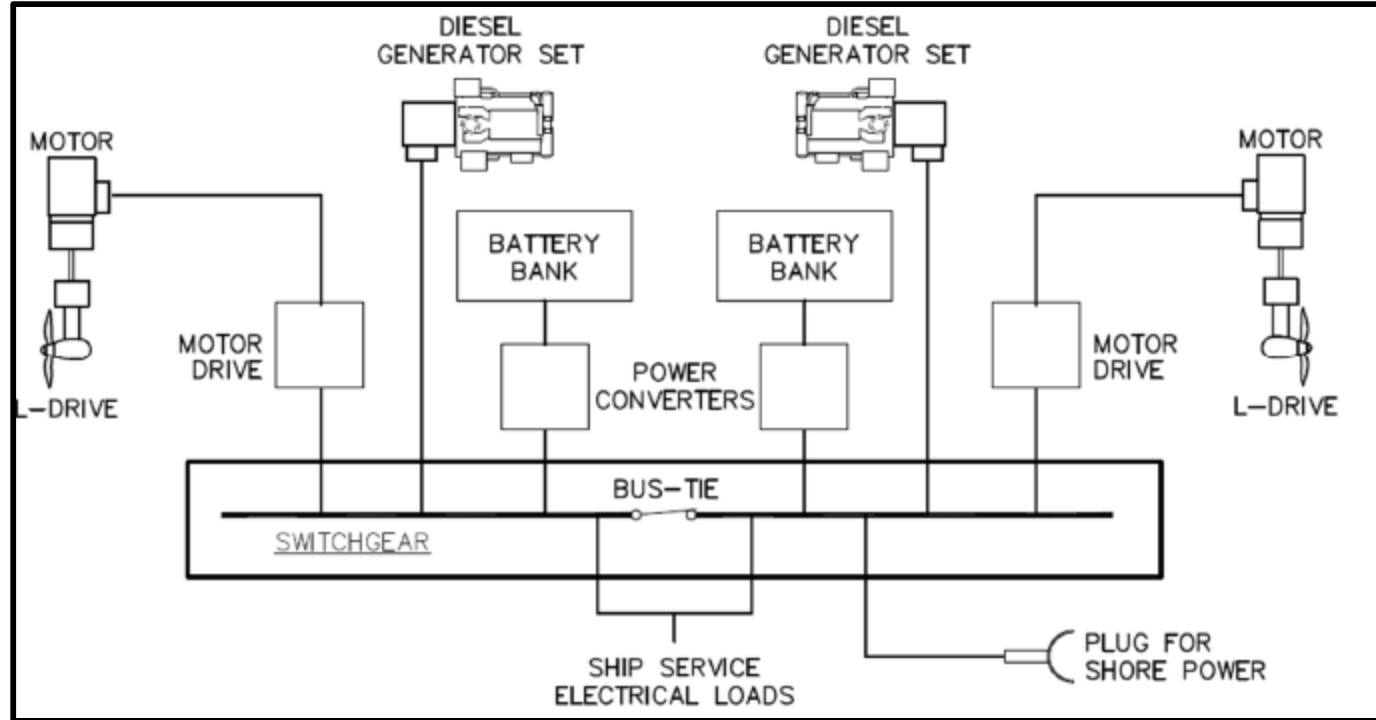
\*For Informational Purposes Only

Ryan Monahan  
presentation at 4/13  
TAG meeting . Key  
takeaways:

- Charging technology is changing fast
- 50% to 75% energy could come from electricity
- Much less expensive
- Little impact on terminal area



# Plug-In Hybrid



# Charging Options

- 360 kW Max Rating
- Cost ~ \$100,000
- Flexible Site Setup

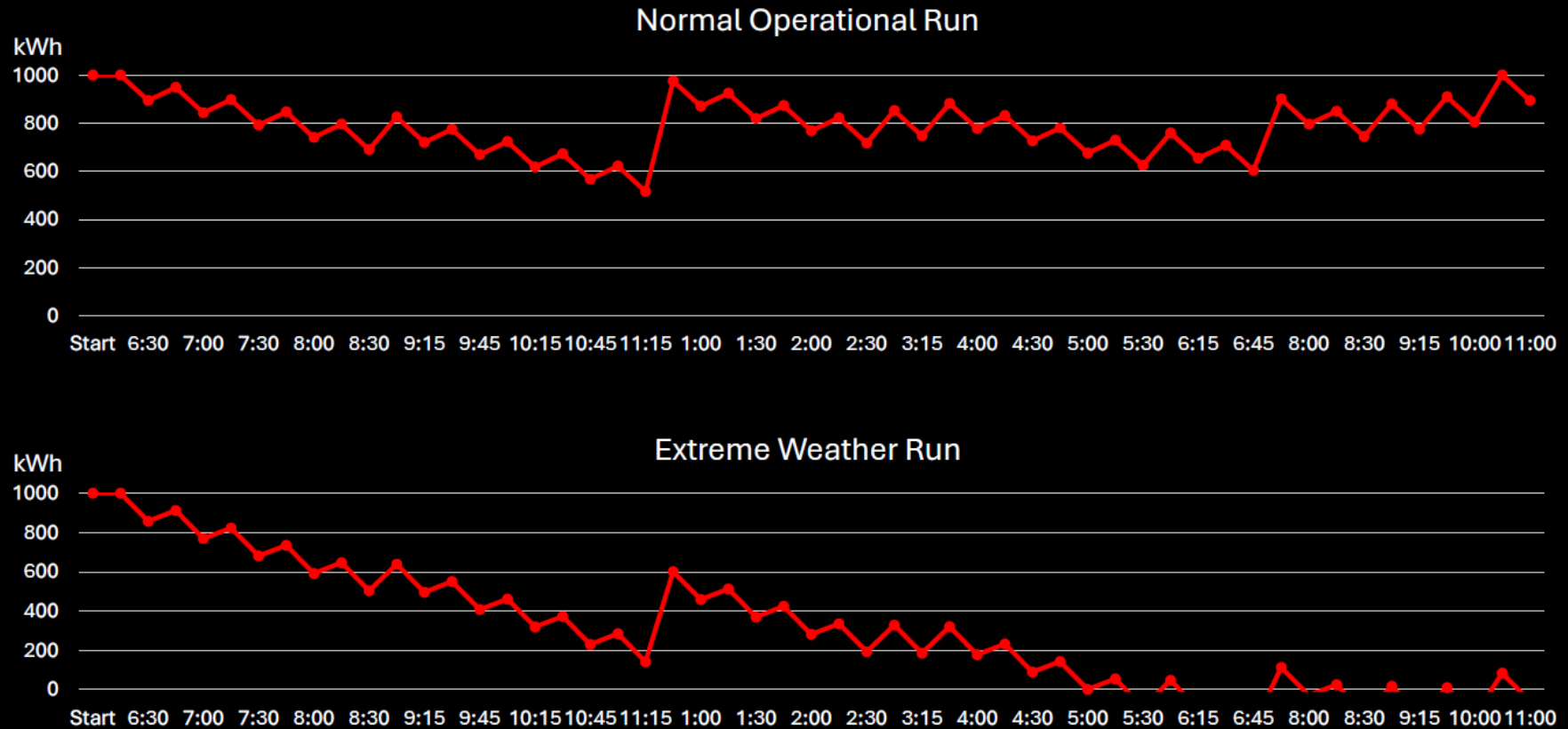


## ABB HVC 360 + ChargeDock



Charging station plug the crew would use

# Operational Performance



Charging requirements for both normal and bad weather day



# Final Results

- Plug-in Hybrid becomes the #1 propulsion option
- Diesel Mechanical is #2 propulsion option
- TAG divided – lots of debate

## Final Results

1. Plug-in Hybrid
2. Diesel Mechanical
3. Diesel Hybrid Series
4. Diesel Electrical
5. Diesel Hybrid Parallel
6. Lummi Ferry Design



# TAG RECOMMENDATION

- “Blended” Option
  - Unanimously adopted
- ➔ Maintain existing ferry at high level for next 10 years (EOL = 60 years in 2039)
- ➔ Start design of new Plug-in Hybrid in ~5 years (expected “sweet spot” for technology)

Additional notes:

- Plug-in Hybrid has a flaw.....technology is not yet mature
- Mechanical Diesel has a flaw.....once existing ferry is at end-of-life...THEN WHAT?
- Blended Option.....the 2 options solve each others flaw



# Ferry Capital Projects Update

Tom Weller, P.E.  
County Engineer  
Skagit County Public Works





# Ferry Parking Lot at Guemes Island

County Project No. FEMP-7

Thomas Weller, P.E.  
County Engineer / Public Works  
Skagit County  
August 19, 2026



# Why is this a project for Public Works?

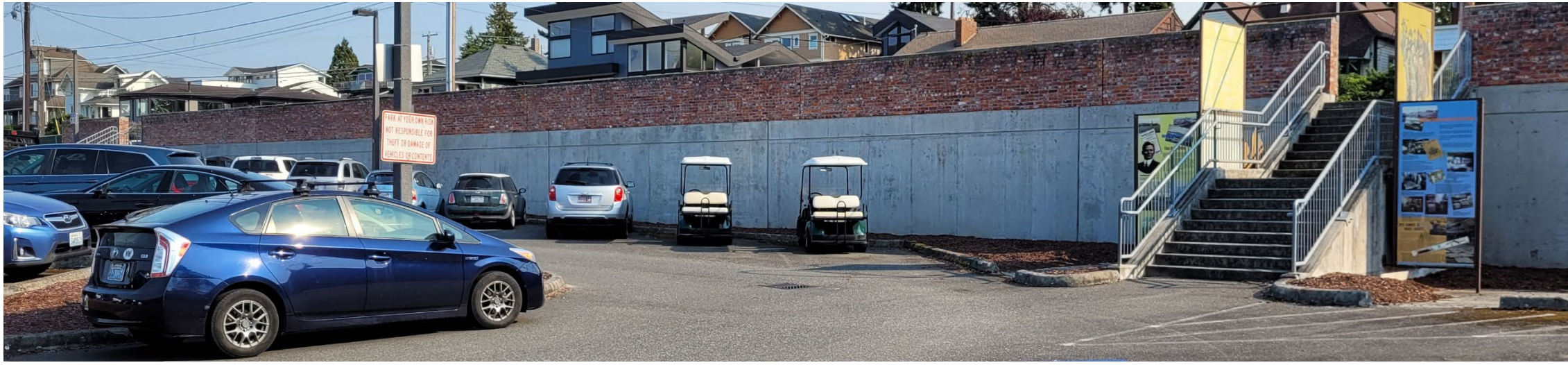
- Americans with Disabilities Act (ADA) non-compliance
- No stormwater runoff treatment
- King Tides impacts increasing
- Enhanced safety through parking efficiency
- Available grant funding for design



# Upcoming activities and next steps

- Continued support from the County Commissioners
- Onboarding the design consultant
- Solicit community feedback
- Pursue construction grant funding





# Ferry Parking Lot at Anacortes

County Project No. FEMP-9

Thomas Weller, P.E.  
County Engineer / Public Works  
Skagit County  
August 19, 2026



# Why is this a project for Public Works?

- Ferry Holding Lanes are inefficient for the available space
- Americans with Disabilities Act (ADA) non-compliance
- Parking geometry doesn't meet codes
- Pavement last resurfaced in 2005
- Enhanced safety through parking efficiency



# Upcoming activities and next steps

- Submitting Permits to City for approval
- Expanded Holding Lanes & Terminal Lot seal-coating and restriping in 2027
- Terminal Lot to be reconfigured with new ADA compliant sidewalk
- Existing ADA parking stalls, sidewalk, and crosswalk to be made ADA compliant
- The City has offered management of the parking lots - Anacortes



# Ferry Maintenance Projects Update

Rachel Rowe  
Ferry Division Manager  
Skagit County Public Works



# 2027 Spring Drydock



## Drydock Maintenance – Spring 2027 (by Mar. 31)

- Scope of Work
  - Routine hull maintenance, including bottom paint & new anodes
  - Additional routine maintenance tasks, including servicing machinery, removing & replacing one main engine, removing & reconditioning propellers, and renewing coatings on superstructure
  - Capital replacement of generator enclosure, upgrade of legacy steering controls, and replacement of wheelhouse navigation electronics
  - Other work required for USCG drydock credit

# 2026 Apron Flap Replacement Project – FETM25-1

## Scope of Work

- Replacing worn apron flaps and pins on Anacortes and Guemes bridge aprons
- Contractor: Combined Construction Total bid award - \$116,150
- Work window: Overnight – 5 working days
- Expected schedule: TBD
- Passenger-only service: Yes
- This is a maintenance project due to wear and tear of apron components



*Anacortes Apron Flaps*

# Skagit County Budget

Jenn Rogers  
Communications and Engagement Manager  
Skagit County Commissioner's Office



# Skagit County Budget

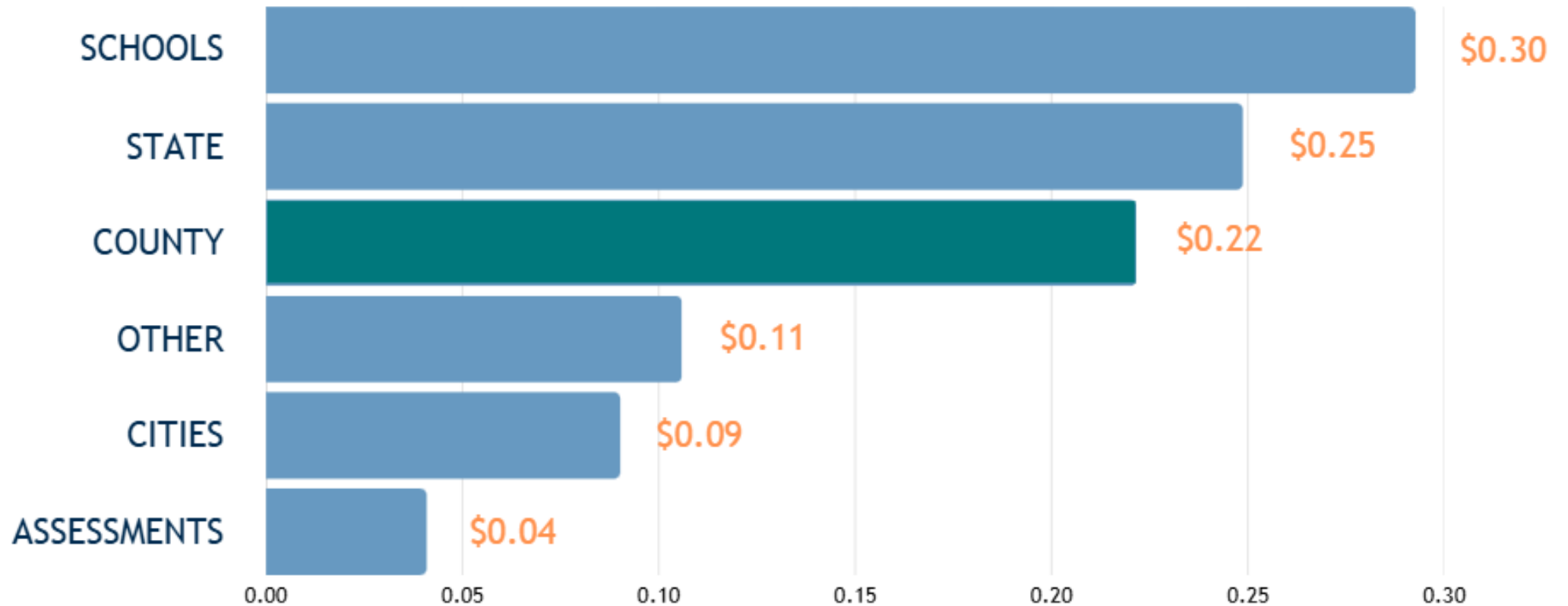
## *Current Picture*

- We have a projected deficit in the Skagit County General Fund of approximately \$10M for 2027.
  - This means if we adopted the 2027 budget with the same service levels as 2026, we would have a \$10M deficit in the General Fund, according to our revenue projections.
- Expenses for programs and services are rising much faster than our available revenues.
- Property taxes are capped at 1% increase each year, plus new construction.



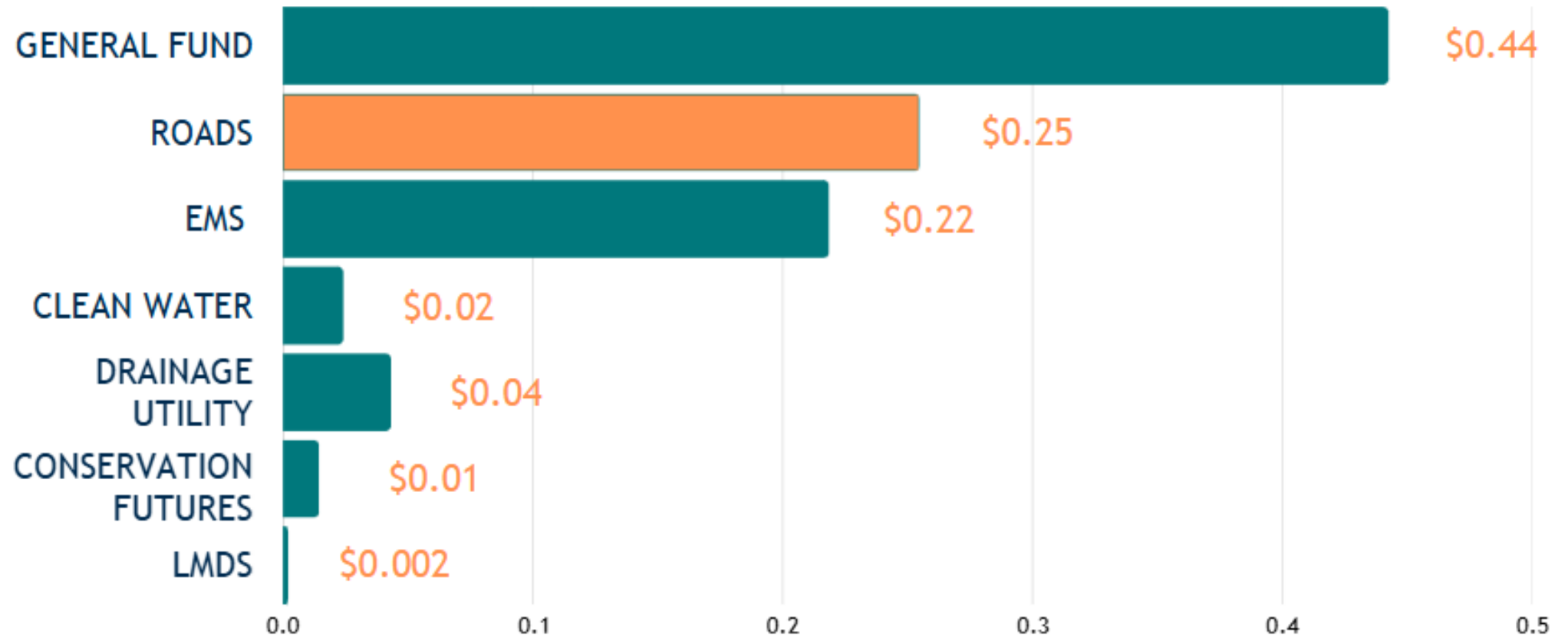
# Skagit County Budget

*Where do our property taxes go? For every one dollar...*



# Skagit County Budget

*Where do our property taxes go? For every one dollar...*



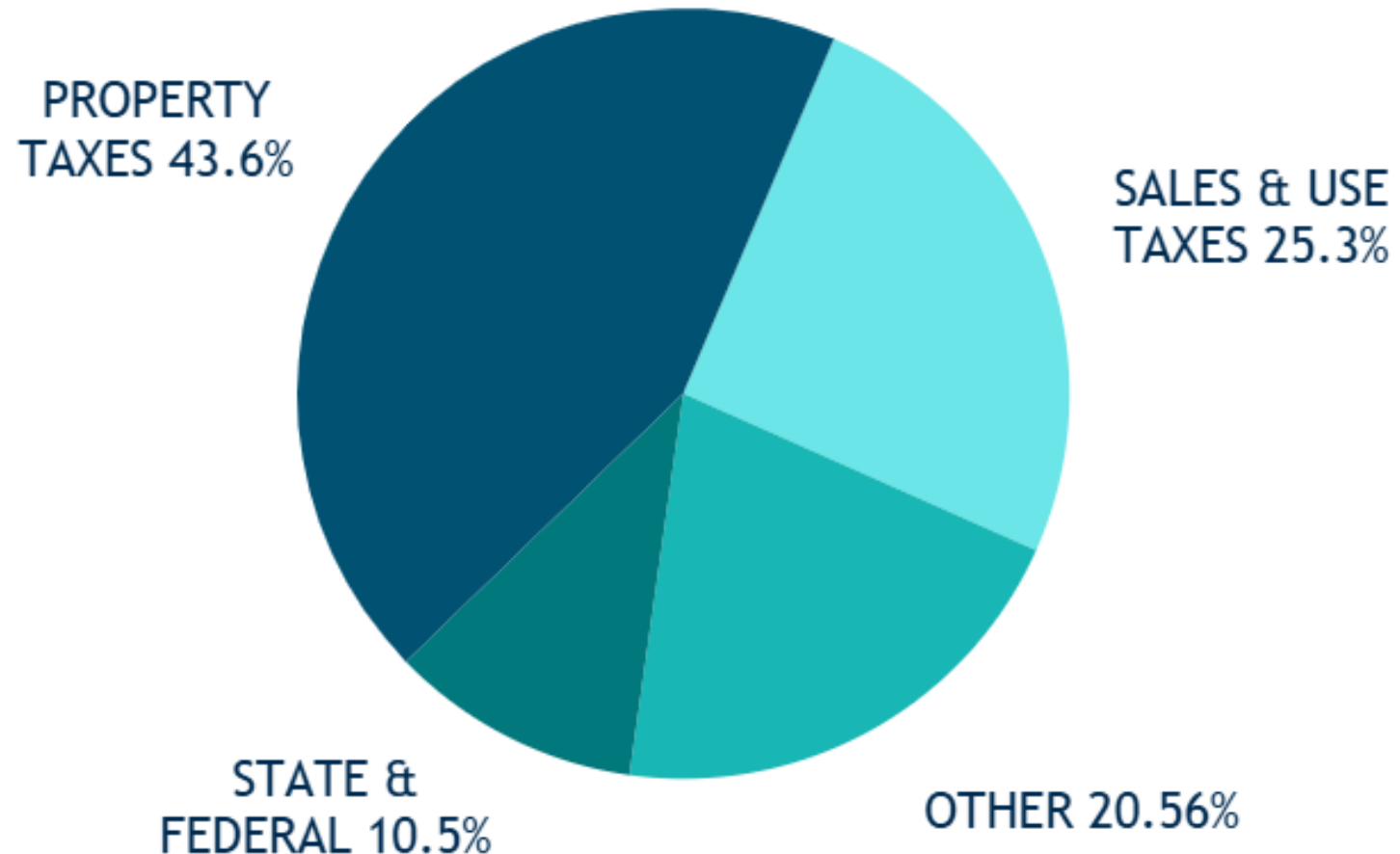
# Guemes Island Property Tax Statement

| 2026 Property Tax, Assessments, and Fees        |        |                   |
|-------------------------------------------------|--------|-------------------|
| Tax District                                    | Rate   | Amount            |
| FIRE DISTRICT 17                                | 0.5625 | \$388.82          |
| SKAGIT COUNTY                                   | 0.8821 | \$609.70          |
| COUNTY ROAD                                     | 1.2286 | \$849.21          |
| CEMETERY DISTRICT 3                             | 0.0294 | \$20.33           |
| HOSPITAL DISTRICT 2                             | 1.0212 | \$705.85          |
| CONSERVATION FUTURES FUND                       | 0.0304 | \$20.99           |
| MEDIC 1 SERVICES                                | 0.4568 | \$315.71          |
| STATE LEVY                                      | 2.2690 | \$1,568.31        |
| PORT DISTRICT 1                                 | 0.1539 | \$106.35          |
| SCHOOL DISTRICT 103                             | 1.6475 | \$1,138.78        |
| Special Assessment and Fees                     |        |                   |
| CLEAN WATER ASSESSMENT                          |        | \$53.00           |
| COUNTY DRAINAGE UTILITY FEE                     |        | \$123.60          |
| LANDOWNER CONTINGENCY FOREST FIRE               |        | \$6.00            |
| SKAGIT CONSERVATION DISTRICT                    |        | \$5.00            |
| STATE FIRE FUND                                 |        | \$17.00           |
| FIRE PATROL FEE                                 |        | \$0.50            |
| 2026 Property Tax, Assessments, and Fees Total: |        | <b>\$5,929.15</b> |



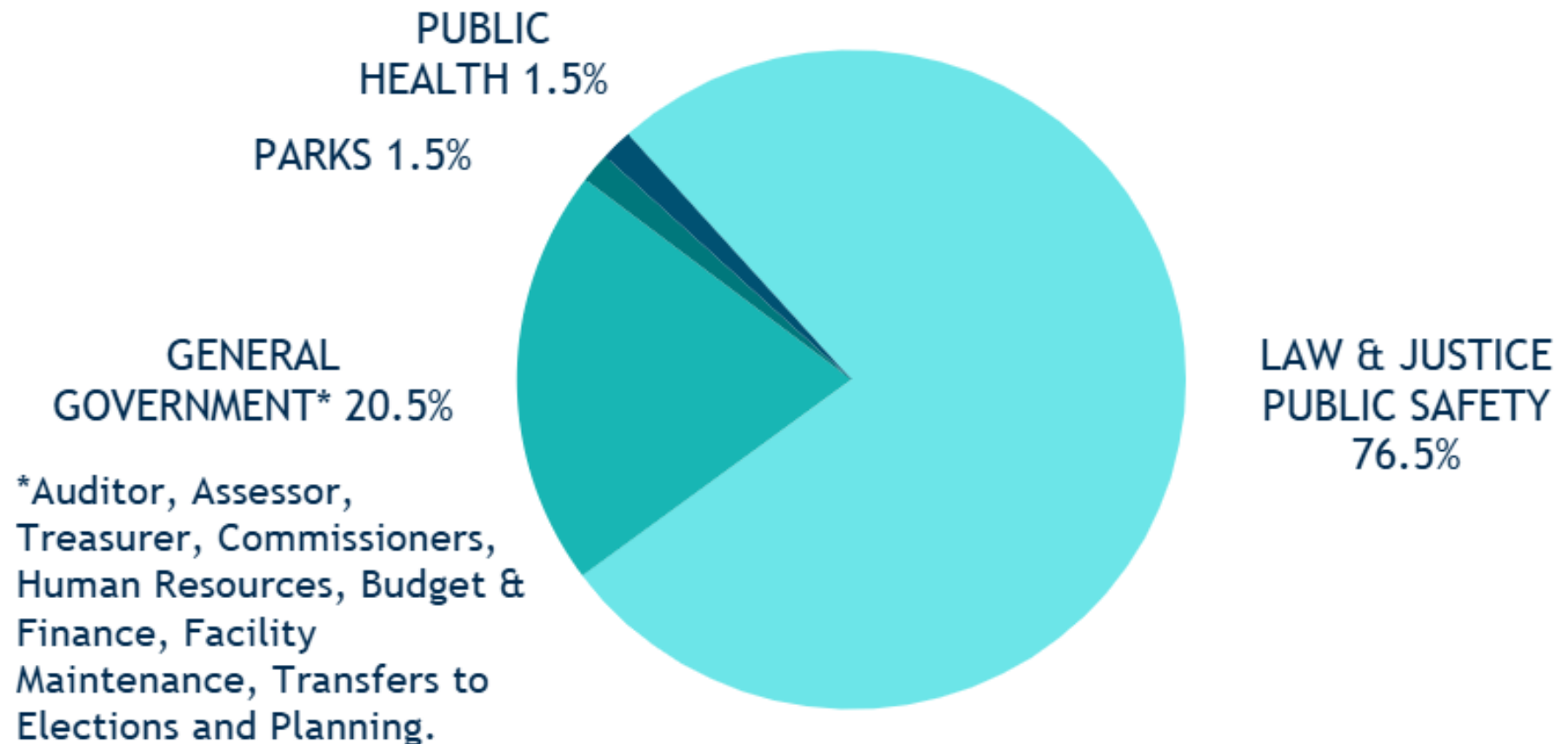
# Skagit County Budget

*Sources of General Fund Revenue (in 2025)*



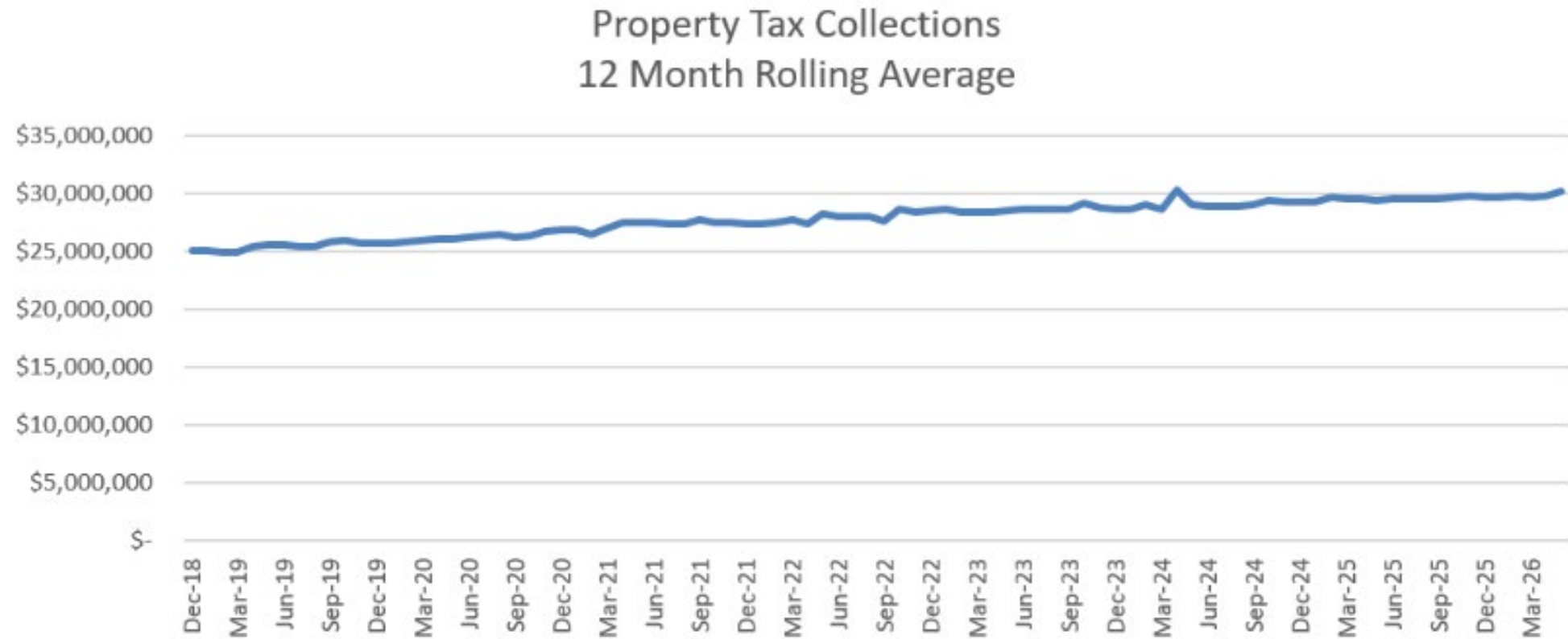
# Skagit County Budget

## *Uses of General Fund Revenue (in 2025)*



# Skagit County Budget

## *Revenue Summary*



*Property tax growth averaged 2.42% from 2020 - 2025*



# Skagit County Budget

## *How did we get here?*

- Not the result of a single decision, department, or economic event, rather reflects ongoing trend where expenditure growth outpaces sustainable revenue growth.
- Costs of goods and services rise 3% – 5% each year, while property taxes are limited to 1% overall increase per year, plus new construction.
- Since Initiative 747 was approved November 2001, inflation had a 101% increase while property tax growth limit has only been 28% over the same period.



# Skagit County Budget

## *What have we done so far?*

- Reduced expenses, increased revenue opportunities to reduce the overall projected deficit from \$19M to \$10M in the last year.
  - Hiring freeze, eliminated 94 positions, voluntary furloughs and retirement incentive program
  - Eliminated or reduced discretionary programs
  - Closing service counter and offices (ex. Assessor, Treasurer, and Auditor office closures in 2026)



# Skagit County Budget

## *2027 Budget Process*

- For the 2027 budget adoption process, County Commissioners have requested departments affected by the General Fund, including Public Works, to submit proposed reductions for consideration.
- These reductions will have an impact on the availability of community services and programs for the public.
- Commissioners are evaluating all options for reducing discretionary services and increasing revenue opportunities.



# Revenue Target Report Background & Timeline



Michael See  
Public Works Director

# Ferry Fare Revenue Target & 2027 Fare Proposal

*Revenue Target Goal – 65% Farebox Recovery by December 31, 2028*

## *Overview*

- No fare increases between 2015 & 2023
- Fare setting process – established in 2023
- Ferry O&M expenditures have increased by 81% since 2017
- Farebox revenue in 2025 met 39% of the recovery goal
- Budgeted farebox revenue in 2026 is \$1.9M
- Farebox revenue in 2027 needs to be \$2.5M to meet 55% target



## Timeline (subject to change)

| Milestone                                                                                                     | Target Date            |
|---------------------------------------------------------------------------------------------------------------|------------------------|
| Post 2026 Draft Revenue Target Report & 2027 Proposed Fare Schedule Online                                    | Aug. 4                 |
| Early Opportunity for Public Feedback                                                                         | Aug. 4 - 18            |
| Work Session with Board of Skagit County Commissioners<br>Discuss 2026 Draft Ferry Fare Revenue Target Report | Aug. 6; 9:30 a.m.      |
| Presentation to the Board of Skagit County Commissioners<br>2026 Ferry Fare Revenue Target Report             | Aug. 18; 8:30 a.m.     |
| Community Meeting                                                                                             | Aug. 19; 3-4:30 p.m. ← |
| Public Comment Period Prior to Public Hearing                                                                 | Sept. 3-22             |
| Public Hearing – Public Comment Closes at the Close of the Public Hearing                                     | Sept. 22; 8:30 a.m.    |
| Public Comment Evaluation/Final Resolution Prep                                                               | Sept. 23-Oct. 2        |
| Resolution on stand-alone agenda for request for motion for adoption                                          | Oct. 20; 8:30 a.m.     |
| File Application for Certification of Tolls with WSDOT (60 days prior to implementation)                      | Oct. 29                |
| New Fares (if approved) Take Effect                                                                           | Jan. 1, 2027           |



# **2026 Draft Ferry Fare Revenue Target Report 2027 Ferry Fare Proposal**

Rachel Rowe  
Ferry Division Manager  
Skagit County Public Works



# 2026 Draft Ferry Fare Revenue Target Report

## *2027 Fare Setting Methodology*

- Resolution R20230152 (signed by BCC July 27, 2023)
- Evaluation period - 2024 through 2028
- 5-year average methodology
- 65% fare recovery requirement by December 31, 2028
- Capital expenditures not included



# O&M Expenditures Vs. Capital Expenditures

## Definition of O&M Expenditures

### *GCC 1147 – Interagency Agreement Between WSDOT Local Programs & Skagit County*

- Routine cost of operating and maintaining the ferry, including salaries, benefits, fuel, supplies, utilities, repairs, inspection, advertising, taxes, small tools, land leases, rentals, postage, printing, etc.
- Routine anticipated replacement of piling, wing-wall facing, repairing docks, etc. which does not extend the useful life, nor increase the efficiency or capacity of an asset
- Routine dry-docking and associated repairs to maintain the vessel's certification
- Routine engine repair or rebuilding
- Other work not defined as capital and agreed to in writing by WSDOT

#### Excludes:

- Depreciation
- Interest
- Other work or repairs that are considered capital in nature



# O&M Expenditures Vs. Capital Expenditures

## Definition of ferry capital improvement projects

*WAC 136-400-030*

Definition of ferry capital improvement projects:

- 1) Purchase of a new vessel which replaces an existing vessel
- 2) Major vessel refurbishment (e.g., engines, structural steel, controls) that substantially extends the life of the vessel
- 3) Facility refurbishment/replacement (e.g., complete replacement, major rebuilding or redecking of a dock) that substantially extends the life of the facility
- 4) Installation of items that substantially improve ferry facilities or operations and/or
- 5) Construction of infrastructure that provides new or additional access or increases the capacity of terminal facilities



## 2027 Revenue Target – Page 2

Table 1 - Revenue Target Calculation Table

| Year                           | Actual         |              | Adjusted Budget | Projected    |              | Five-Year Average |
|--------------------------------|----------------|--------------|-----------------|--------------|--------------|-------------------|
|                                | 2024           | 2025         | 2026            | 2027         | 2028         |                   |
|                                | See Appendix D |              |                 | CPI – 3.26%  | CPI – 2.46%  |                   |
| O&M Expenditures               | \$ 2,892,256   | \$ 4,694,137 | \$ 5,005,064    | \$ 5,168,230 | \$ 5,295,368 | \$ 4,611,011      |
| MVFT                           | (\$ 62,400)    | (\$ 93,103)  | (\$ 114,406)    | (\$ 114,406) | (\$ 114,406) | (\$ 99,744)       |
| Deficit Reimbursement          | (\$ 269,830)   | (\$ 291,086) | (\$ 281,931)    | (\$ 281,931) | (\$ 281,931) | (\$ 281,342)      |
| Youth Ride Free Reimbursement  | (\$ 11,641)    | (\$ 14,774)  | (\$ 29,302)     | (\$ 30,000)  | (\$ 30,000)  | (\$ 23,143)       |
| Adjusted O&M                   | \$ 2,548,385   | \$ 4,295,174 | \$ 4,579,425)   | \$ 4,741,892 | \$ 4,869,031 | \$ 4,206,781      |
| 2027 Fare Recovery Goal        |                |              |                 |              |              | 60%               |
| 2027 Ferry Fare Revenue Target |                |              |                 |              |              | \$ 2,524,069      |



## 2026 Annualized Expenditures – Page 2

Figure 1 – Annualized Maintenance Expenditures

| Annualized Drydock & Non-drydock maintenance/repairs                          | 2027/2028 Est. | 2026 Adjusted |
|-------------------------------------------------------------------------------|----------------|---------------|
| 2027/2028 Planned Drydock/Pier-side Maint. (Total for 2 years) <sup>(1)</sup> | \$ 1,035,153   |               |
| Annualized Drydock/Pier-side Maint.                                           |                | \$ 517,576    |
| Average Non-Drydock Maintenance/Repair <sup>(2)</sup>                         |                | \$ 388,628    |
| Annualized Base Year Maintenance                                              |                | \$ 906,204    |

<sup>(1)</sup> Based on actual O&M cost for 2025 drydock (\$900,634) and YTD expenditures for pier side maintenance (\$134,519)

| <sup>(2)</sup> Annualized Non-Drydock Maintenance/Repair | 2024 Actual | 2025 Actual | Average    |
|----------------------------------------------------------|-------------|-------------|------------|
| Maintenance expenditures other than drydock              | \$ 244,042  | \$ 533,215  | \$ 388,628 |



## 2026 Base Year Expenditures – Page 3

Figure 2 – Base Year Expenditures

|                                                | Actual              |                     | Current Year<br>Adopted<br>Budget as of<br>6/30 | Projected           |                     |
|------------------------------------------------|---------------------|---------------------|-------------------------------------------------|---------------------|---------------------|
|                                                | 2024                | 2025                | 2026                                            | 2027                | 2028                |
| <b>Obj. 510 - Salaries &amp; Wages</b>         | \$ 1,171,006        | \$ 1,338,537        | \$ 1,564,402                                    |                     |                     |
| <b>Obj. 520 - Personnel Benefits</b>           | \$ 384,785          | \$ 482,100          | \$ 488,370                                      |                     |                     |
| <b>Obj. 530 - Supplies &amp; Consumables</b>   | \$ 255,441          | \$ 282,491          | \$ 482,223                                      |                     |                     |
| <b>Obj. 540 - Services &amp; Pass-throughs</b> | \$ 1,081,024        | \$ 2,591,009        | \$ 2,685,865                                    |                     |                     |
| Sub-Total                                      | \$ 2,892,256        | \$ 4,694,137        | \$ 5,220,860                                    |                     |                     |
| Haul-Out & Maintenance Expenditures            |                     |                     | (\$1,122,000)                                   |                     |                     |
| Without haul out & maintenance expenditures    |                     |                     | \$ 4,098,860                                    | \$ 4,232,483        | \$ 4,336,602        |
| Annualized repair, maintenance & haul out      |                     |                     | \$ 906,204                                      | \$ 935,747          | \$ 958,766          |
| Plus annualized haul out & maintenance         |                     |                     | \$ 5,005,064                                    | \$ 5,168,230        | \$ 5,295,368        |
| <b>Total</b>                                   | <b>\$ 2,892,256</b> | <b>\$ 4,694,137</b> | <b>\$ 5,005,064</b>                             | <b>\$ 5,168,230</b> | <b>\$ 5,295,368</b> |



# Recommendations for 2027

## Fare Increase of 14%

*Effective January 1, 2027*

Assumptions:

- 1) Ferry tickets sold will equal an average of 2024/2025 sales
- 2) Expected revenue is approximated per projected ticket sales
- 3) A 14% increase over 2026 fares is estimated to meet the revenue target
  - ✓ If ridership recovers from 2025 levels

Note: The fare increase of 14% is added to the O&M portion of the fare.



## 2026 Current & 2027 Proposed Fares

| 2026 Current & 2027<br>Proposed Fares           | O&M Fares Do Not Include Surcharge |        |               |        | Posted Fares Include Surcharge |        |                      |        |                      |        |
|-------------------------------------------------|------------------------------------|--------|---------------|--------|--------------------------------|--------|----------------------|--------|----------------------|--------|
|                                                 | 2026 Current                       |        | 2027 Proposed |        | Surcharge                      |        | 2026 Current         |        | 2027 Proposed        |        |
|                                                 | O&M                                |        | O&M           |        | for Vessel Replacement         |        | Posted               |        | Posted               |        |
|                                                 | Non-Peak                           | Peak   | Non-Peak      | Peak   | Non-Peak                       | Peak   | Non-Peak             | Peak   | Non-Peak             | Peak   |
| PASSENGER (1)                                   |                                    |        |               |        |                                |        |                      |        |                      |        |
| Adult                                           | 5.75                               | 7.50   | 6.50          | 8.50   | 1.00                           | 1.00   | 6.75                 | 8.50   | 7.50                 | 9.50   |
| Senior/Disabled/Youth                           | 4.00                               | 4.50   | 4.50          | 5.25   | 0.50                           | 0.50   | 4.50                 | 5.00   | 5.00                 | 5.75   |
| Under 5                                         | Free                               | Free   | Free          | Free   |                                |        | Free                 | Free   | Free                 | Free   |
| Rider & Bicycle                                 | 7.50                               | 9.75   | 8.50          | 11.00  | 1.00                           | 1.00   | 8.50                 | 10.75  | 9.50                 | 12.00  |
| Riders & Bicycle senior/disabled/youth          | 6.00                               | 6.75   | 6.75          | 7.75   | 0.50                           | 0.50   | 6.50                 | 7.25   | 7.25                 | 8.25   |
| PASSENGER CONVENIENCE PASS (2)                  |                                    |        |               |        |                                |        |                      |        |                      |        |
| 25-Trip adult passengers                        | 143.75                             | 187.50 | 162.50        | 212.50 | 10.00                          | 10.00  | 153.75               | 197.50 | 172.50               | 222.50 |
| 25-Trip senior/disabled/youth                   | 100.00                             | 112.50 | 112.50        | 131.25 | 6.00                           | 6.00   | 106.00               | 118.50 | 118.50               | 137.25 |
| VEHICLE & DRIVER (1)                            |                                    |        |               |        |                                |        |                      |        |                      |        |
| Motorcycle & rider                              | 11.50                              | 15.50  | 13.00         | 17.75  | 1.00                           | 2.00   | 12.50                | 17.50  | 14.00                | 19.75  |
| Vehicle/driver under 22 feet                    | 19.50                              | 23.50  | 22.25         | 26.75  | 2.00                           | 3.00   | 21.50                | 26.50  | 24.25                | 29.75  |
| Vehicle/driver senior/disabled under 22 feet    | 15.50                              | 19.50  | 17.75         | 22.25  | 2.00                           | 2.00   | 17.50                | 21.50  | 19.75                | 24.25  |
| VEHICLE & DRIVER CONVENIENCE PASS (2)           |                                    |        |               |        |                                |        |                      |        |                      |        |
| 20-Trip under 22 feet                           | 390.00                             | 470.00 | 445.00        | 535.00 | 26.00                          | 26.00  | 416.00               | 496.00 | 471.00               | 561.00 |
| 20-Trip under 22 feet senior/disabled           | 310.00                             | 390.00 | 355.00        | 445.00 | 20.00                          | 20.00  | 330.00               | 410.00 | 375.00               | 465.00 |
| 20-Trip Motorcycle                              | 230.00                             | 310.00 | 260.00        | 355.00 | 15.00                          | 15.00  | 245.00               | 325.00 | 275.00               | 370.00 |
| VEHICLE & SENIOR/DISABLED NEEDS-BASED PASS (2)  |                                    |        |               |        |                                |        |                      |        |                      |        |
| 5-Trip needs based                              | 66.00                              | 83.00  | 75.50         | 94.50  | 5.00                           | 5.00   | 71.00                | 88.00  | 80.50                | 99.50  |
| OVERSIZED VEHICLE & DRIVER (1)                  |                                    |        |               |        |                                |        |                      |        |                      |        |
| Over 22 feet under 30 feet                      | 29.50                              | 36.00  | 33.75         | 41.00  | 4.00                           | 6.00   | 33.50                | 42.00  | 37.75                | 47.00  |
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| Under 50 feet                                   | 88.00                              | 105.25 | 100.25        | 120.00 | 11.00                          | 18.00  | 99.00                | 123.25 | 111.25               | 138.00 |
| Under 60 feet                                   | 125.50                             | 145.50 | 143.00        | 165.75 | 19.00                          | 23.00  | 144.50               | 168.50 | 162.00               | 188.75 |
| Each foot over 60                               | 20.75                              | 24.50  | 23.75         | 28.00  | 4.00                           | 4.00   | 24.75                | 28.50  | 27.75                | 32.00  |
| Over width charge                               |                                    |        |               |        |                                |        | Double Length Charge |        | Double Length Charge |        |
| OVERSIZED VEHICLE & DRIVER CONVENIENCE PASS (2) |                                    |        |               |        |                                |        |                      |        |                      |        |
| Over 22 feet under 30 feet                      | 147.50                             | 180.00 | 168.75        | 205.00 | 20.00                          | 30.00  | 167.50               | 210.00 | 188.75               | 235.00 |
| Under 40 feet                                   | 291.25                             | 347.50 | 332.50        | 396.25 | 40.00                          | 55.00  | 331.25               | 402.50 | 372.50               | 451.25 |
| Under 50 feet                                   | 440.00                             | 526.25 | 501.25        | 600.00 | 55.00                          | 90.00  | 495.00               | 616.25 | 556.25               | 690.00 |
| Under 60 feet                                   | 627.50                             | 727.50 | 715.00        | 828.75 | 95.00                          | 115.00 | 722.50               | 842.50 | 810.00               | 943.75 |

(1) For single-ride tickets: 14% fare increase applied to 2026 current O&M fare; rounded to the nearest quarter

(2) For multi-ride passes: the 2027 proposed fare is equal to the 2027 proposed O&M fare for that category multiplied by the number of trips, except needs-based pass has 15% discount applied



# 2027 Projections - Fare Increase (14%) & Est. Road Fund Contribution

2027 Fare Box Recovery Goal - 60% (\$2,524,069)

|                                                            |                     |
|------------------------------------------------------------|---------------------|
| Average Adjusted O&M Exp. (2024-2028)                      | \$ 4,206,781        |
| <u>Projected 2027 Fare Box Revenue (with 14% increase)</u> | <u>\$ 2,529,428</u> |
| 2027 Estimated Fare Box Recovery                           | 60.1%               |

## 2027 Road Fund Contribution

|                                                            |                       |
|------------------------------------------------------------|-----------------------|
| 2027 Budgeted O&M Expenditures                             | \$ 5,351,940          |
| Est. Motor Vehicle Fuel Tax (MFVT) & Deficit Reimbursement | \$ (421,176)          |
| Est. Youth Ride Free Reimbursement                         | \$ (30,000)           |
| <u>2026 Budgeted Fare Box Revenue</u>                      | <u>\$ (2,150,000)</u> |
| Road Fund Contribution Est.                                | \$ 2,750,224          |



# Comments

[ferrycomments@co.skagit.wa.us](mailto:ferrycomments@co.skagit.wa.us)



Skagit County  
Public Works Department  
Ferry Division

# **2026 Draft Ferry Fare Revenue Target Report Appendix Slides**

Rachel Rowe  
Ferry Division Manager



## 2026 Projections - Fare Increase (30%) & Est. Road Fund Contribution

2026 Fare Box Recovery Goal - 55% (\$2,319,876)

|                                                     |              |
|-----------------------------------------------------|--------------|
| 5-Year Average Adjusted O&M Exp. (2023-2027)        | \$ 4,217,956 |
| Projected 2026 Fare Box Revenue (with 30% increase) | \$ 2,345,969 |
| 2026 Estimated Fare Box Recovery                    | 55.6%        |

### 2026 Projected Road Fund Contribution

|                                                            |                |
|------------------------------------------------------------|----------------|
| 2026 Budgeted O&M Expenditures                             | \$ 4,820,897   |
| Est. Motor Vehicle Fuel Tax (MFVT) & Deficit Reimbursement | \$ (568,432)   |
| Est. Youth Ride Free Reimbursement                         | \$ (29,302)    |
| 2026 Budgeted Fare Box Revenue                             | \$ (1,900,000) |
| Road Fund Contribution Est.                                | \$ 2,323,163   |



## 2025 Summary – Page 9

2025 O&M expenditures under budget by 16%

|                       |              |
|-----------------------|--------------|
| 2025 Budget           | \$ 5,601,136 |
| 2025 O&M Expenditures | \$ 4,964,137 |
| Difference            | \$ (906,999) |

2025 revenue target shortfall - \$363,873

|                                          |              |
|------------------------------------------|--------------|
| 2025 Revenue Target (50%) <sup>(1)</sup> | \$ 1,818,971 |
| 2025 Fare Box Revenue                    | \$ 1,455,098 |
| Shortfall                                | \$ (363,873) |

<sup>(1)</sup> 2025 Revenue Target (and 30% fare increase) was based on a Five-Year Average of Adjusted O&M Expenditures, from 2022-2026, of \$3,637,941



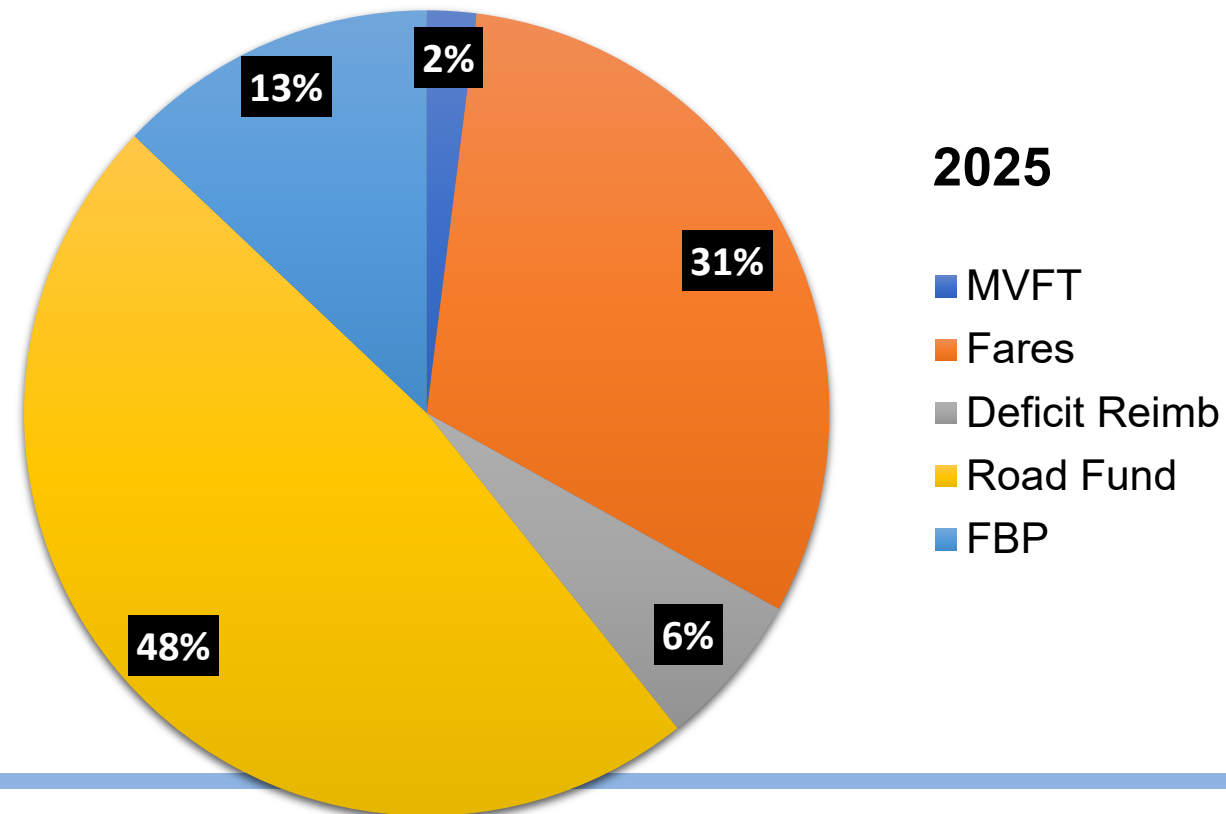
## 2025 Revenue Target – Page 4

| TABLE 2 - 2025 REVENUE TARGET           |              |
|-----------------------------------------|--------------|
| Ferry Fare Revenue Target               | \$ 1,818,971 |
| Fare Box Revenue                        | \$ 1,455,098 |
| Surplus/(Shortfall) from Revenue Target | \$ (363,873) |



## 2025 Ferry Funding Breakdown – Pages 5 & 6

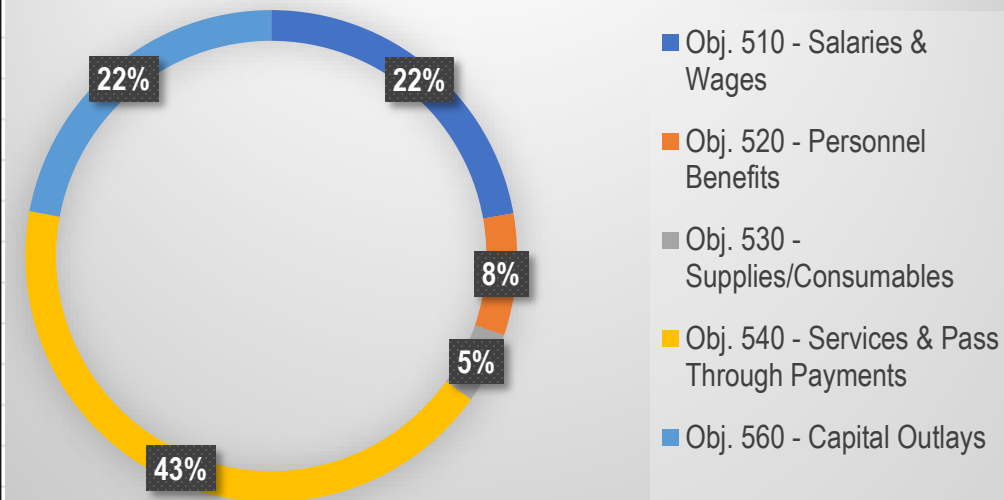
| TABLE 3 - ROAD FUND SUBSIDY 2025 |                |
|----------------------------------|----------------|
| O&M Expenditures                 | \$ 4,694,137   |
| Deficit Reimbursement            | \$ (291,086)   |
| Motor Vehicle Fuel Tax           | \$ (93,103)    |
| Youth Ride Free                  | \$ (14,774)    |
| Adjusted O&M Expenditures        | \$ 4,295,174   |
| Fare Box Revenue                 | \$ (1,455,098) |
| Subtotal                         | \$ 2,840,076   |
| FHWA FBP Funding                 | \$ (604,964)   |
| Road Fund Contribution           | \$ 2,235,112   |



# Ferry Division Expenditures – 2025

| Expenditures                                   | 2025 Actual     | 2025 Budgeted   | % Difference |
|------------------------------------------------|-----------------|-----------------|--------------|
| Obj. 510 - Salaries & Wages                    | \$ 1,338,537.09 | \$ 1,441,153.00 | -7%          |
| Obj. 520 - Personnel Benefits                  | \$ 482,100.43   | \$ 530,199.00   | -9%          |
| Obj. 530 - Supplies/Consumables                | \$ 282,491.57   | \$ 445,850.00   | -37%         |
| 3120 - Operating Supplies                      | \$ 101,972.34   | \$ 150,000.00   | -32%         |
| 3200 - Fuel                                    | \$ 159,964.08   | \$ 273,850.00   | -42%         |
| 3412 - Interfund Parts & Materials             | \$ 54.23        | \$ 2,000.00     | -97%         |
| 3510 - Small Tools & Minor Equipment           | \$ 20,500.92    | \$ 20,000.00    | 3%           |
| Obj. 540 - Services & Pass Through Payments    | \$ 2,591,008.81 | \$ 3,183,934.00 | -19%         |
| 4110 - Professional Services                   | \$ 294,086.66   | \$ 310,040.00   | -5%          |
| 4218 - Professional Services (Other)           | \$ 663.70       |                 |              |
| 4153 - Intergovernmental Professional Services | \$ -            | \$ 12,000.00    | -100%        |
| 4154 - Interfund Payment for Service           | \$ 13,978.48    |                 |              |
| 4155 - External Taxes & Ops Assessment         | \$ 33,144.50    | \$ 35,000.00    | -5%          |
| 4190 - Interfund Information Services          | \$ 98,644.52    | \$ 85,127.00    | 16%          |
| 4230 - Communications                          | \$ 11,501.27    | \$ 10,000.00    | 15%          |
| 4310 - Travel                                  | \$ 4,989.52     | \$ 8,018.00     | -38%         |
| 4361 - Meals                                   | \$ 580.46       | \$ 500.00       |              |
| 4410 - Advertising                             | \$ 731.68       | \$ 5,000.00     | -85%         |
| 4510 - Rentals                                 | \$ 463,803.50   | \$ 445,300.00   | 4%           |
| 4511 - Interfund Equipment Rental              | \$ 18,472.77    | \$ 15,000.00    | 23%          |
| 4610 - Insurance                               | \$ 99,341.00    | \$ 376,400.00   | -74%         |
| 4700 - Utilities                               | \$ 38,754.42    | \$ 35,000.00    | 11%          |
| 4810 - Repairs & Maintenance                   | \$ 1,433,848.72 | \$ 1,776,549.00 | -19%         |
| 4811 - Interfund Shop Labor                    | \$ 17,451.50    | \$ 5,000.00     | 249%         |
| 4910 - Miscellaneous                           | \$ 61,016.11    | \$ 65,000.00    | -6%          |
| O&M Total                                      | \$ 4,694,137.90 | \$ 5,601,136.00 | -16%         |
| Obj. 560 - Capital Outlays                     | \$ 1,330,090.15 | \$ 1,543,083.00 | -14%         |
| 6310 - Other Improvements                      |                 | \$ 200,000.00   |              |
| 6411 - Equipment > \$5,000                     | \$ 1,330,090.15 | \$ 1,343,083.00 | -1%          |
| Total <sup>(1)</sup>                           | \$ 6,024,228.05 | \$ 7,144,219.00 | -16%         |

## 2025 Expenditures



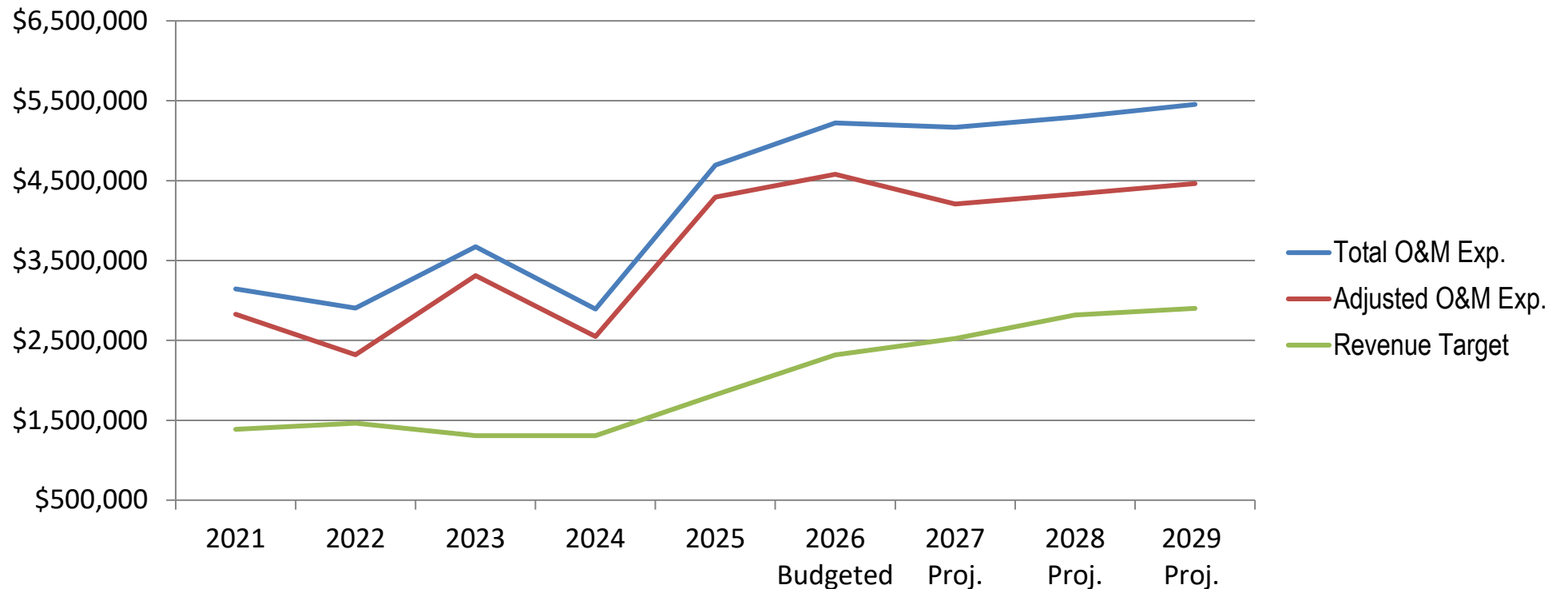
Source: Skagit County Cayenta Financial System Report Budget Monitoring 117-4 FY25



# Trends - Historical & Current Farebox Recovery Methodology – Page 6

TABLE 6 - Variation between O&M, adjusted O&M, and revenue target

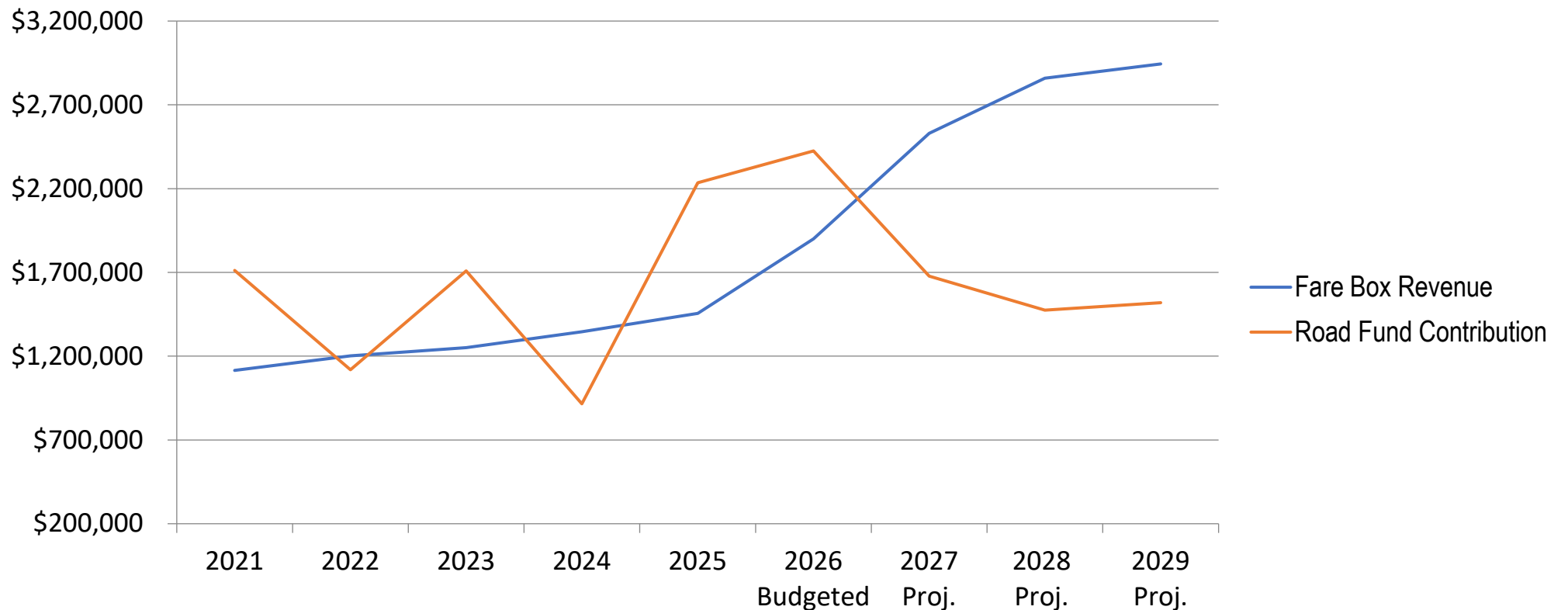
|                   | 2021        | 2022        | 2023        | 2024        | 2025        | 2026 Budgeted | 2027 Proj.  | 2028 Proj.  | 2029 Proj.  |
|-------------------|-------------|-------------|-------------|-------------|-------------|---------------|-------------|-------------|-------------|
| Total O&M Exp.    | \$3,144,332 | \$2,904,594 | \$3,672,134 | \$2,892,256 | \$4,694,137 | \$5,220,860   | \$5,168,230 | \$5,295,368 | \$5,454,229 |
| Adjusted O&M Exp. | \$2,826,710 | \$2,319,930 | \$3,309,507 | \$2,548,385 | \$4,295,174 | \$4,579,425   | \$4,206,781 | \$4,332,985 | \$4,462,974 |
| Revenue Target    | \$1,386,935 | \$1,463,031 | \$1,307,220 | \$1,307,220 | \$1,818,971 | \$2,319,876   | \$2,524,069 | \$2,816,440 | \$2,900,933 |



# Trends – Fare Box Revenue Vs. Road Fund Contribution – Page 7

Table 7: Five-Year Trend of Fare Box Revenue Vs. Road Fund Contribution

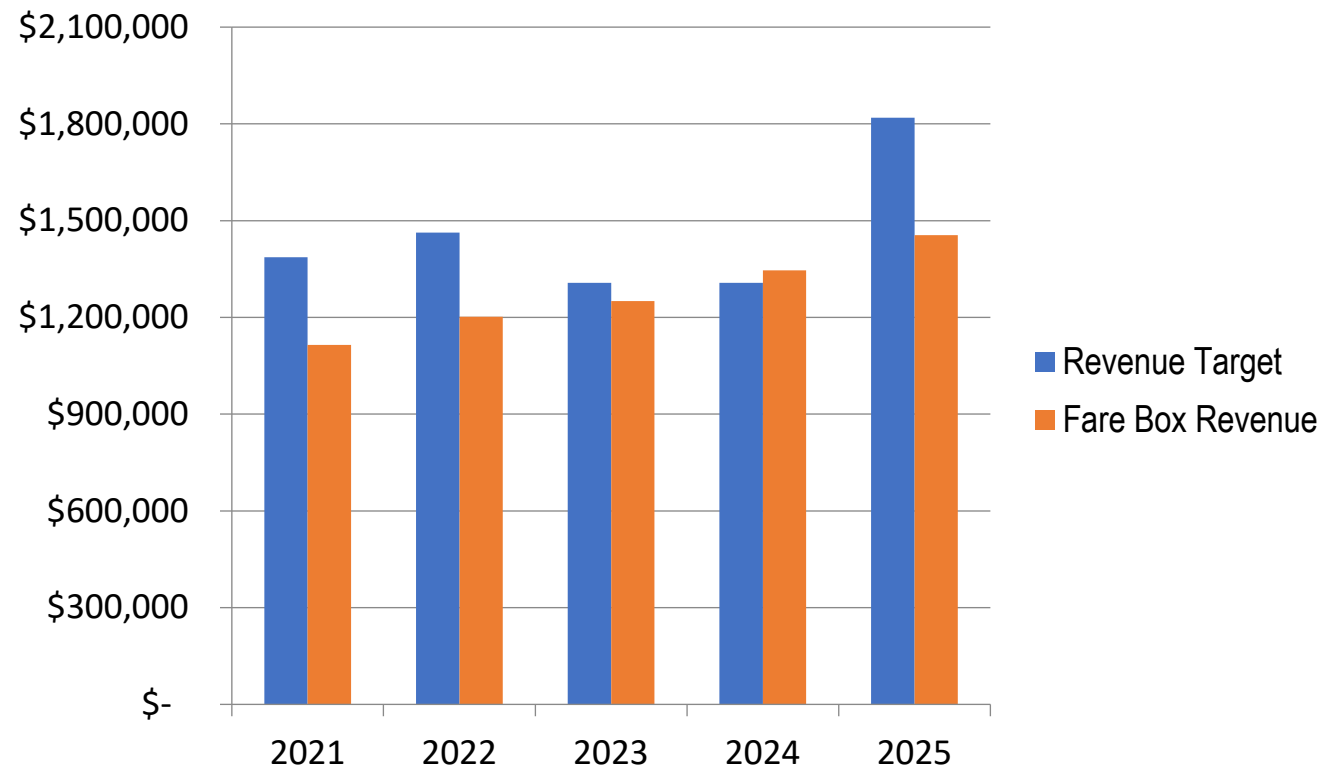
|                        | 2021         | 2022         | 2023         | 2024         | 2025         | 2026 Budgeted | 2027 Proj.   | 2028 Proj.   | 2029 Proj.   |
|------------------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|
| Fare Box Revenue       | \$ 1,115,037 | \$ 1,201,719 | \$ 1,250,681 | \$ 1,346,019 | \$ 1,455,098 | \$ 1,900,000  | \$ 2,529,428 | \$ 2,858,253 | \$ 2,944,001 |
| Road Fund Contribution | \$ 1,711,318 | \$ 1,118,211 | \$ 1,708,086 | \$ 915,636   | \$ 2,235,112 | \$ 2,424,810  | \$ 1,677,354 | \$ 1,474,732 | \$ 1,518,973 |



# Revenue Target Variance – Page 7

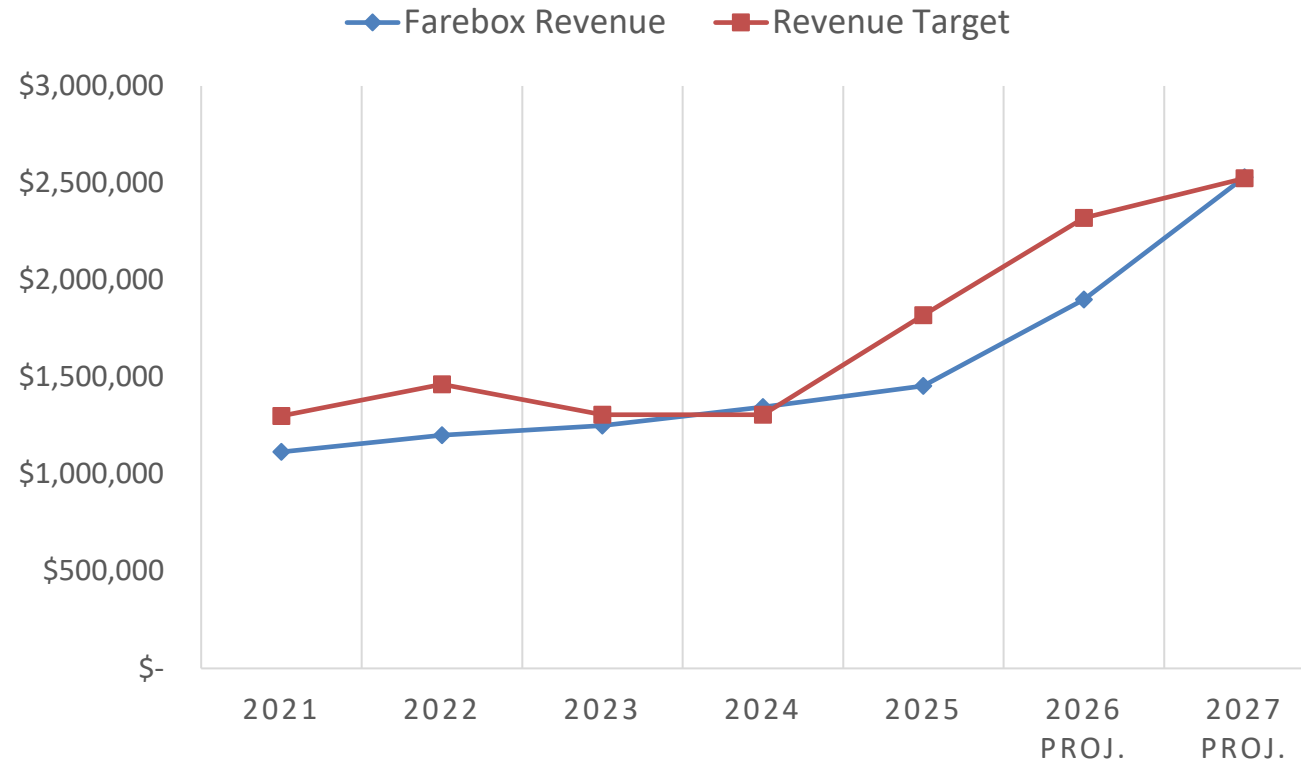
Table 8 - Revenue Target Variance

|                  | 2021         | 2022         | 2023         | 2024         | 2025         |
|------------------|--------------|--------------|--------------|--------------|--------------|
| Revenue Target   | \$ 1,386,935 | \$ 1,463,031 | \$ 1,307,220 | \$ 1,307,220 | \$ 1,818,971 |
| Fare Box Revenue | \$ 1,115,037 | \$ 1,201,719 | \$ 1,250,681 | \$ 1,346,019 | \$ 1,455,098 |
| Variance         | \$ (271,898) | \$ (261,312) | \$ (56,539)  | \$ 38,799    | \$ (363,873) |



# Revenue 2021 - 2027

| Fare Box Revenue 2021-2027 |              |              |              |              |              |              |              |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                            | 2021         | 2022         | 2023         | 2024         | 2025         | 2026 Proj.   | 2027 Proj.   |
| Farebox Revenue            | \$ 1,115,037 | \$ 1,200,489 | \$ 1,250,681 | \$ 1,346,019 | \$ 1,455,098 | \$ 1,900,000 | \$ 2,529,869 |
| Revenue Target             | \$ 1,386,935 | \$ 1,463,031 | \$ 1,307,220 | \$ 1,307,220 | \$ 1,818,971 | \$ 2,319,876 | \$ 2,524,174 |



## 2026 Current & 2027 Proposed Fares

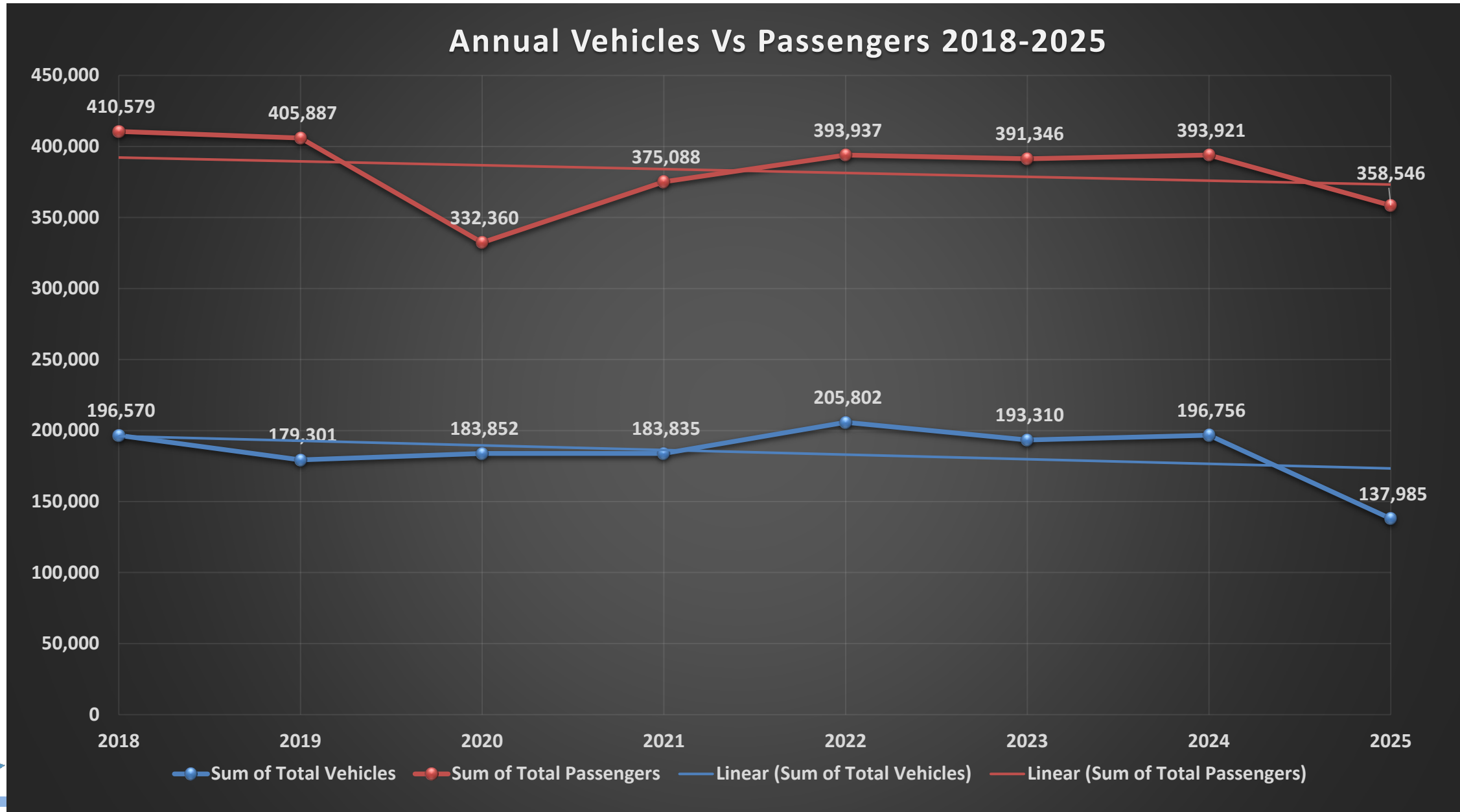
| 2026 Current & 2027<br>Proposed Fares           | O&M Fares Do Not Include Surcharge |        |               |        | Posted Fares Include Surcharge |        |                      |        |                      |        |
|-------------------------------------------------|------------------------------------|--------|---------------|--------|--------------------------------|--------|----------------------|--------|----------------------|--------|
|                                                 | 2026 Current                       |        | 2027 Proposed |        | Surcharge                      |        | 2026 Current         |        | 2027 Proposed        |        |
|                                                 | O&M                                |        | O&M           |        | for Vessel Replacement         |        | Posted               |        | Posted               |        |
|                                                 | Non-Peak                           | Peak   | Non-Peak      | Peak   | Non-Peak                       | Peak   | Non-Peak             | Peak   | Non-Peak             | Peak   |
| PASSENGER (1)                                   |                                    |        |               |        |                                |        |                      |        |                      |        |
| Adult                                           | 5.75                               | 7.50   | 6.50          | 8.50   | 1.00                           | 1.00   | 6.75                 | 8.50   | 7.50                 | 9.50   |
| Senior/Disabled/Youth                           | 4.00                               | 4.50   | 4.50          | 5.25   | 0.50                           | 0.50   | 4.50                 | 5.00   | 5.00                 | 5.75   |
| Under 5                                         | Free                               | Free   | Free          | Free   |                                |        | Free                 | Free   | Free                 | Free   |
| Rider & Bicycle                                 | 7.50                               | 9.75   | 8.50          | 11.00  | 1.00                           | 1.00   | 8.50                 | 10.75  | 9.50                 | 12.00  |
| Riders & Bicycle senior/disabled/youth          | 6.00                               | 6.75   | 6.75          | 7.75   | 0.50                           | 0.50   | 6.50                 | 7.25   | 7.25                 | 8.25   |
| PASSENGER CONVENIENCE PASS (2)                  |                                    |        |               |        |                                |        |                      |        |                      |        |
| 25-Trip adult passengers                        | 143.75                             | 187.50 | 162.50        | 212.50 | 10.00                          | 10.00  | 153.75               | 197.50 | 172.50               | 222.50 |
| 25-Trip senior/disabled/youth                   | 100.00                             | 112.50 | 112.50        | 131.25 | 6.00                           | 6.00   | 106.00               | 118.50 | 118.50               | 137.25 |
| VEHICLE & DRIVER (1)                            |                                    |        |               |        |                                |        |                      |        |                      |        |
| Motorcycle & rider                              | 11.50                              | 15.50  | 13.00         | 17.75  | 1.00                           | 2.00   | 12.50                | 17.50  | 14.00                | 19.75  |
| Vehicle/driver under 22 feet                    | 19.50                              | 23.50  | 22.25         | 26.75  | 2.00                           | 3.00   | 21.50                | 26.50  | 24.25                | 29.75  |
| Vehicle/driver senior/disabled under 22 feet    | 15.50                              | 19.50  | 17.75         | 22.25  | 2.00                           | 2.00   | 17.50                | 21.50  | 19.75                | 24.25  |
| VEHICLE & DRIVER CONVENIENCE PASS (2)           |                                    |        |               |        |                                |        |                      |        |                      |        |
| 20-Trip under 22 feet                           | 390.00                             | 470.00 | 445.00        | 535.00 | 26.00                          | 26.00  | 416.00               | 496.00 | 471.00               | 561.00 |
| 20-Trip under 22 feet senior/disabled           | 310.00                             | 390.00 | 355.00        | 445.00 | 20.00                          | 20.00  | 330.00               | 410.00 | 375.00               | 465.00 |
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| Each foot over 60                               | 20.75                              | 24.50  | 23.75         | 28.00  | 4.00                           | 4.00   | 24.75                | 28.50  | 27.75                | 32.00  |
| Over width charge                               |                                    |        |               |        |                                |        | Double Length Charge |        | Double Length Charge |        |
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| Over 22 feet under 30 feet                      | 147.50                             | 180.00 | 168.75        | 205.00 | 20.00                          | 30.00  | 167.50               | 210.00 | 188.75               | 235.00 |
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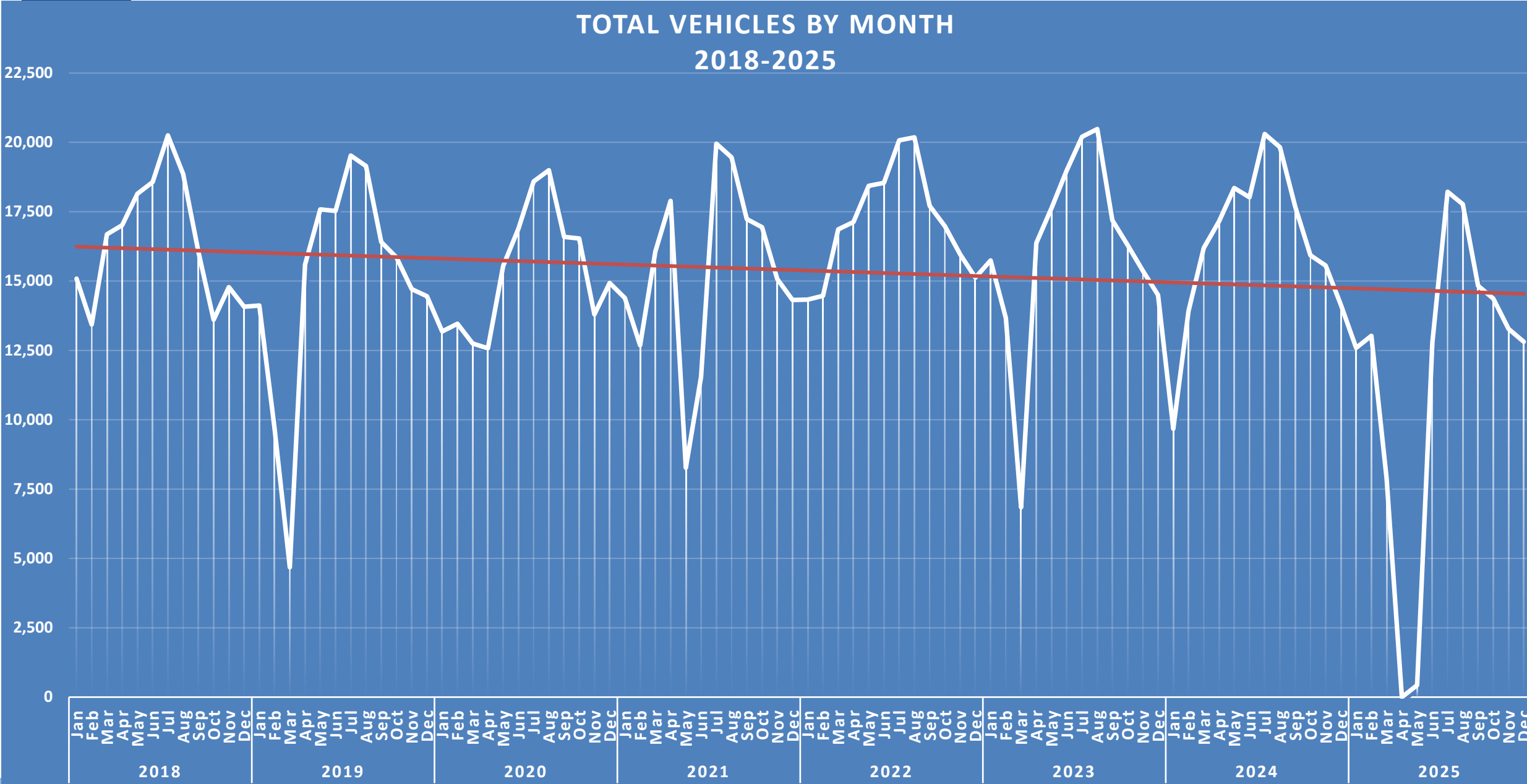
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# Ridership 2021 - 2025



# Ridership 2018 - 2025



# Ridership 2018 - 2025

