

Whatcom County Ferry Advisory Committee
July 24, 2024, 6 p.m.

Bold text indicates Committee decision expected. Asterisk* indicates attachment.

6:00 p.m. CALL TO ORDER – Pam Gould, Chair

ROLL CALL

- | | | |
|------------------|-----------------|-----------------------|
| · Janice Catrell | · Diane Harper | · Thomas Philpot |
| · Richard Frye | · Todd Lagestee | · Catherine Shornick |
| · Pam Gould | · Carol Landt | · Uninc area position |

FLAG SALUTE and MOMENT OF SILENCE

BUSINESS MEETING:

- Welcome to committee members, county staff and community, in person and on Zoom
- Accept Agenda
- Adopt Minutes, June 5, 2024*
- Jon Scanlon, County Council
- Report from Comm. Members that attended 7/23 remarks from Dir. Kosa about the cost of the Lummi Island ferry replacement and modernization project

6:20 OPEN SESSION: Attendees, then, if possible, Zoom attendees

6:45 COMMITTEE WORK:

- Diane Harper: costs of implementing fare change, and annual ferry operation reports*
- ad hoc Access Committee, update
- ad hoc Ferry and Terminal Committee, update

7:45 ADJOURN

COMMITTEE SCHEDULE:

- August 28, 2024, WCFAC meeting with introduction of new ferry systems manager and Public Works assistant Director-Laura Frolich

Location: The Gathering Place – 3913 Legoe Bay Road, Lummi Island

Zoom meeting hosted by an island volunteer:

<https://us06web.zoom.us/j/85694722058>

PLEASE NOTE: Full remote access and recording may not be available.

Financial Information Requests from WCFAC to Public Works

Report on cost of changing fares:

In the past, LIFAC chair Rhayma Blake was told that a change in fares added about \$40,000 in operational expense - paid 55% by fares and 45% by the Road Fund. Although no details were given at that time, we know that current costs would include re-programming for the handheld credit card machines, printing punch cards and receipt books, physical signs at the ferry, employee hours to exchange past punch cards, and miscellaneous other costs.

It would be useful to be able to look at the total costs of revising fares before implementing another fare change. Recognizing that there may continue to be some costs associated with the June fare change, the majority of the expenses will have occurred by September 1st. We should ask the County Executive and Public Works to compile the costs of this current fare change and report the interim total in September along with the total expected increase in income from the fare change. The question to be asked is whether it would be better to have a bi-annual schedule as is the rest of the county budget instead of adding this as an annual operational expense to fares and Road Fund.

Request for the Ferry Operations Reports for 2022 and 2023:

Public Works generated an annual report showing the history and projecting ahead one to three years on the income and expenses and Ferry Fund balance each year 2012-2021. There hasn't been a report since October of 2022, which reported on 2021 and used the data through August of 2022 to project the totals for 2022. The full report can be found in the archive center. <https://wa-whatcomcounty.civicplus.com/archive.aspx> (scroll down to Public Works Ferry Operations Reports)

With the spring 2023 recognition that one of the two sources of ferry funding from the state had not been properly included, it meant that the history presented in prior reports was incorrect. The correction was a large lump sum increase in 2023 to what we are now calling the Cumulative Fare Box Reserve as presented in graphs in 2023 and 2024 by Randy Rydel of Public Works. However, those graphs didn't provide the complete record of 2022 and 2023 that the annual Ferry Operations Reports would do. Randy sent us the complete accounting records for these years, but the formal Income Statement, Appendix A, on the last page of prior reports has some categories combined and is not something that my personal data summaries can replicate.

- A minimum report for 2022 would update that Income Summary page plus include pages similar to pages 5, 6, and 7 of the 2021 report that summarized revenues and expenses (no need to include projections for future years) and Ferry Fund Balance. If at least those four pages could be published as the 2022 Report, it would provide a continuity of record.
- A minimum report for 2023 would include those four pages, but similar to the 2021 report, it would be useful to show an interim projection of 2024 plus 2025 and 2026. In addition, of particular interest is page 11 in the 2021 report - an Analysis of Vessel Rental Rate projecting ahead for three years. Given that the recent lengthy drydock included items that Director Kosa expected would decrease drydock costs in 2025, this page would be informative. Finally, updating the Summary of Ridership Statistics found on page 13 of the 2021 report would get us well past the COVID year recovery. If those six pages were published as the Report for 2023 in September or October, it would provide the bridge into the corrected allocation of state funds for future reports. It would also be useful when the Council considers ferry budget and fares this fall.

Whatcom County Ferry Advisory Committee
June 5, 2024
Minutes

6:00 p.m. CALL TO ORDER – Pam Gould, Chair

Present: Richard Frye Pam Gould, Diane Harper, Todd Lagestee, Carol Landt, Catherine Shornick

Absent: Janice Catrell, Tom Philpot

County representatives present: Jon Scanlon, County Council, and Gary Poole, Senior Master.

BUSINESS MEETING

Agenda: Stands, with minor addition from D. Harper

Minutes: May 1, 2024, Adopted

News from the ferry: Gary Poole reported that drydock work is successfully progressing. The No. 1 engine was replaced, and the Coast Guard is pleased. The ferry should be in the water on the 14th for sea trials, with an anticipated return of service on June 15th. See the Whatcom County website for complete information.

Jon Scanlon, County Council: Jon chairs the Council’s Public Works and Health Committee and is the alternate to Ben Elenbass as rep to WCFAC. Jon noted he enjoyed riding the passenger ferry to get a taste of drydock (as well, he recently learned much from riding along with a sheriff deputy). Public Works (PW) director Liz Kosa reported an estimated cost increase to \$80M+ for the new vessel and terminals, to which some Council members reacted with questions about alternatives, including a passenger-only ferry. Such a change would be enormous to the community; however, Director Kosa indicated that PW is not going in that direction not only due to lifestyle, but also because PW needs the vehicle ferry to maintain island roads. Council expects a report from KPFF on July 9th regarding updated cost projections. Dir. Kosa is working down a list of other options to reduce costs such as other funding models, a county wide ferry district, networking with other counties that run ferries, and reducing level of service. Jon is committed to seeing that work through; he requested that when sending questions or responses to him or any other Council member, to utilize the full Council email so all Council members and staff receive them.

Some discussion occurred regarding who could set up a ferry district. Diane H. reported that the Council could do so, and will provide Jon with info. It’s unlikely any such action would occur before November elections. Jon is happy to talk with Jim Dickensen about his many ideas to save funds, and Diane will provide a list of cost-cutting ideas and recommendations from 2011. Charles Bailey asked if there was some way to mitigate eelgrass issues or find other ways to avoid the dramatic physical, emotional and political impacts of a passenger-only ferry during a lengthy construction period for the terminal. Others pointed to decisions made several years ago that included no mention of eelgrass, exorbitant costs, or a very lengthy drydock; as well, ridership patterns have changed since a larger ferry was decided upon. When combined with climate impacts anticipated on Gooseberry Point in next 20 years, it is important

to consider all possibilities. Jon will talk to PW and looks forward to hearing if and how KPFF can save money while maintaining the grants already awarded.

WCFAC Chair comments: Pam Gould reported hearing about cost estimates up to \$87M, but whether the new ferry comes through or not, the Lummi Island docks have reached the end of their lifespan and need replacing, which will likely necessitate a 4-month car ferry outage. There are several ways the island could lose ferry service including mechanical failure or natural disaster, so the ad hoc access committee is moving ahead with its work with LICA to collect information through a survey and input from islanders; members will be at the Saturday market, a survey is under development, and summer interns will be working on a community health aspects. Plans are underway for an open house and there may be a mailing to be sure all islanders are aware of plans for a lengthy passenger-only ferry and to solicit as much information as possible on issues to address.

COMMITTEE WORK

Ad hoc committee report, ferry and terminals: Kurt Esveldt reported on meetings with Dir. Kosa and project engineers and planners [see handout]. Information was provided to Dir. Kosa to review standard procedures that would allow for bringing in the Whatcom Chief on weekends in or 12-hour intervals. Updated vessel drawings have not been provided. Kurt hopes WCFAC ad hoc will be part of the ongoing process and that all options and variations will be considered. Some discussion occurred regarding diesel and electric generator systems, design and vessel options, and costs.

Jon S. acknowledged other at least two other enormous cost events for PW and pointed to the need for good oversight; Pam reported that Dir. Kosa said these are likely to impact other projects as well. Some discussion covered the Road Fund, including increased pressure as unincorporated areas diminish.

Meeting day discussion: Committee unanimously approved moving WCFAC meetings to the 4th Wednesday of the month; the next meeting will be July 24th.

Term lengths: Diane described current WCFAC term rotations that will result in only three members carrying forward after January 2025. Committee voted unanimously to send letter to Council to adjust all terms so no more than three members leave in a given year to allow for continuity of experience. Jon asked that WCFAC suggest specific language to the Council and include Mandy in communications.

Open House: WCFAC is hoping that the new Assistant Director PW, Laura Frolich, and others will attend a reception on July 24th (yet to be verified).

OPEN SESSION

Bob Anderson voiced the need for genuine communication to encourage creativity; it's important to move forward together with good, direct and honest communication to get things accomplished [see attachment].

Jim Dickensen expressed concern for fuel estimates under the current design. Pam noted that Gary and PW are looking into options.

Cris Colburn asked Jon S. if the Go-Fund-Me effort on the island to support legal action against the county is a conflict of interest for WCFAC. Jon reflected that generally committee members are permitted to donate to whatever causes they wish to, even though it may not always be the wisest choice; the proper avenue may be for the Chair to contact the county prosecutor civil division to clarify.

Upcoming

- July 24, WCFAC meeting and tentative open house

Meeting adjourned 7:37 PM.

Attachments:

- WCFAC 5.1.24 Minutes Approved (note: submitted with attachments 6.11.24 for County site)
- Ferry and terminal ad hoc report June 5, 2024
- Bob Anderson, open session comments

Zoom recording provided by LICA volunteers Bill Sager, Jesse Powell, and Alan Krum:

<https://www.youtube.com/watch?v=jKTVeiniThQ>

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Submitted by C. Shornick