

Whatcom County Ferry Advisory Committee
Minutes, February 22, 2024

Call to Order, Pam Gould, Chair

Roll Call

- **Present:** Janice Catrell, Rich Frye, Pam Gould, Diane Harper, Carol Landt, Thomas Philpot, Catherine Shornick.
- **Absent:** Todd Lagestee

Business Meeting:

- Welcome to County Councilmember, Ben Elenbaas
- Agenda Amendments: None
- Adopted minutes for February 8 and February 22.
- Chair relayed information from Sr. Master Gary Poole: Since the upcoming drydock is a month long, the heavy pedestrian dock will be used on the island side, and perhaps one on mainland as well. Full drydock is no longer available in Bellingham, so it is necessary to go to Seattle.

Committee Work:

- **Introduction of Resolution Requesting Council Approval of the Interpretation and Retroactive Application of Accounting of WCC Chapter 10.34.030 – Use of Ferry Rates.** (See attachment; this information was previously discussed at WCFAC and provided to County Council and the County Executive's office at Jon Scanlon's request.) Codes ad hoc member Janice Holmes described the tidelands lease agreement with the Lummi Nation, noting that the annual cost has increased from approximately \$200K to \$287K, and per county charter should not have been paid from the Fare Box. This Resolution acknowledges that \$1.7M was incorrectly paid and funds should be returned to the Ferry System Fund, although there are various ways in which that could occur. Further, Janice believes this absolves any need for a fare increase at this time. Diane Harper moved, Tom Philpott seconded motion that WCFAC adopt the resolution and forward to County Council with a request for them to adopt; brief additional discussion; motion passed. Chair reported that the County Executive acknowledged ten years may be needed to repay. (Ben Elenbaas offered a point of order.)
- **Introduction of Whatcom County Code Chapter 10.34 Ferry Rates, Proposal from the ad hoc Codes Committee.** (See attachments) Draft proposal first introduced to WCFAC and community February 8th, followed by special meeting on February 22nd. Proposal was updated with housekeeping-type amendments as well as policy changes. Diane Harper reviewed definition clarifications, ER&R issues, and regular and routine expenses. A stable fare system can accommodate for ups and downs over time but needs a cap on major/emergency repairs. Vessel rental fees have also increased dramatically; similarly, fares cannot carry that full weight. Ultimately, a limit should be placed on what fares can cover rather than on what Road Fund will cover, and clarification is needed as to what triggers fare reviews. Attendees had

some questions and appreciated the work accomplished. WCFAC will formally vote on adoption during March 14 meeting.

- Amendment offered: Rich Frye reviewed and proposed amendment (see attachment) regarding use of a statistical distribution to define regular and routine expenses, particularly as the current ferry ages. Diane Harper moved, Carol Landt seconded, motion to adopt new definition into TOE to include, “expenses greater than a coefficient of 2”. Discussion included questions of actual numbers. It may be best to examine later and longer, since it could be a perfect solution but is complicated. Motion withdrawn, with commitment to study and recommend to Public Works to consider.
- Amendment offered: Diane Harper moved, Tom Philpott seconded, adding “not to be applied to the cumulative fare box reserve balance as of the adopting date of this ordinance,” or “not to be applied through 2025”, as a practical matter. Motion did not carry. (Ben Elenbaas offered procedural advice.)

Proposed codes changes are largely completed and WCFAC will vote on March 14th whether to recommend to County Council.

- **Finance and Ferry Rates Review and Discussion.** (See PowerPoint presentation) The County Executive has requested a 15% fare increase. Diane Harper explained fare rebalancing and presented scenarios to leave pedestrian fares the same and either increase everything else the same percentage or apply the same discount to all punchcards; or to decrease pedestrian fares 33 to 40%, and apply the same discount to all punchcards. Discussion occurred regarding fares thrown out of balance with previous across-the-board increases; addressing fares vs the amount of space used on the ferry; and summer surcharges on single trip purchases. Opinions were expressed that there is no legal basis for an increase and county is not following the ferry code, and although there’s been an understatement of the fare box balance and there is no crisis, it is important to be collaborative and realistic about rising costs.
- **Appoint ad hoc Electric Ferry and New Docks Committee.** Public Works (PW) and consultants KPFF are already working and holding regular meetings; it’s important to stay informed as to those discussions. Tom Philpott and Janice Cattrell from WCFAC, and community members David Parker, Kurt Esvoldt and Jim Dickinson were appointed to participate and report back to WCFAC. This ad hoc committee is also tasked with assembling questions in preparation of the April 11th meeting with WCFAC, community, PW and KPFF.

Open Session

- Peter Earle (see handout) proposed a formal proposal from the committee that **WCFAC and the County Council be provided with a financial analysis of the Fare Box as it current exists without the inclusion of costs associated with the rebuilds of the dolphins in 2022 and 2023.**
 - Rich Frye moved, Tom Philpott seconded; brief discussion occurred; motion approved.

- Peter Earle proposed a request that **WCFAC advise the County Council to request a formal legal opinion from the Council’s attorney, currently Royce Buckingham, of the legality under Chapter 10.34 of including the \$800,000 dolphin rebuilds from 2022 and 2023 in the fare box given the4 clear and unambiguous meaning of the words “regular and routine” contained in that ordinance.**
 - Tom Philpott moved, Janice Cattrell seconded a motion to request; discussion occurred regarding timing and value; motion failed. (Ben Elenbaas offered procedural guidance)
- Bob Anderson offered support for WCFAC’s work and messages going forward.
- Janice Holmes voiced anger and dismay at lack of effort from PW to assist with upcoming month-long drydock impacts, which is enormous for Islanders. Parking rates as high as \$850 have been quoted for the month. This is an obvious situation for government-to-government resolution. Some ideas include using the island shuttle on the mainland to safe and secure parking, or PW could work with WTA bus system to coordinate schedules.
- Jim Dickinson (see attachment) suggested that the Trek ferry be brought in during drydock, which would work with both docks, avoid hiring a passenger ferry and shuttle bus, mitigate steep pedestrian access issues, and allow for continuation of car and driver revenue. Suggestion was made to talk to Gary Poole.

Committee Schedule

- March 14: Final WCFAC vote and recommendation to Public Works on Whatcom County Code Chapter 10.34 Ferry Rates
- March 14: Public Works accountant Randy Rydel presents Ferry Finances
- April 11: Public Works and KPFF Consultants present introduction to new ferry and infrastructure: constraints, issues, and costs

Meeting formally adjourned, 8:42 PM.

Recording available at <https://www.youtube.com/watch?v=NqOPCCKXJyQ>

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Respectfully submitted, C. Shornick

Attachments:

- Resolution Requesting Council Approval of the Interpretation and Retroactive Application of Accounting of WCC Chapter 10.34.030 – Use of Ferry Rates
- Codes, Finance and Ferry Rates Review, PowerPoint presentation
- WCFAC ad hoc codes committee DRAFT with commentary, dated 2.20.24 (spreadsheet)
- WCFAC ad hoc codes committee final draft
- Three Fare Structures Compared to Current Fares, D. Harper
- Metric for Defining “Regular and Routine”, Rich Frye
- Public Comment, Peter Earle, Proposals
- Public Comment, Jim Dickinson, The Trek