

Whatcom County Ferry Advisory Committee  
May 1, 2024  
Minutes

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

Present: Janice Catrell, Pam Gould, Diane Harper, Todd Lagestee, Carol Landt, Tom Philpot, Catherine Shornick

Absent: Richard Frye

County representatives present: Jon Scanlon (on Zoom), Whatcom County Council (CC); Roland Middleton, Public Works (PW); and Gary Poole, Senior Master.

### BUSINESS MEETING

Agenda: Stands, with update that only WCFAC members would be appointed to the ad hoc ferry outage committee this evening.

Minutes: April 11, 2024, Adopted

News from the ferry: Gary Poole reported that drydock plans are moving ahead for May 18<sup>th</sup> with hopes for June 15<sup>th</sup> return. Outages will occur on both the 18<sup>th</sup> and 19<sup>th</sup> for placing necessary floats and ramps. See the Whatcom County website for complete information.

Public Works update: Roland Middleton reported that road striping is scheduled for this summer, and some large-scale vehicles will be brought over for availability for maintenance during drydock. As requested, he brought large scale drawings (from James Lee, PW) that will be available at the library once the terminal ad hoc committee reviews them.

WCFAC Chair comments: Pam Gould said that since WCFAC can only talk among themselves during open meetings, the first part of the meeting will be committee work. She also reported on efforts made to work with PW and the CC on code changes, but the Council adopted the new codes on April 23, effective May 9. New fares are effective June 1; existing punchcards can be used through June and can be exchanged for credit toward new cards once available in June. Director Kosa of PW requested that WCFAC work on “assisting with planning for the major service outage” anticipated during construction of new terminals. [See Pam’s attached comments.]

### COMMITTEE WORK

Ad hoc code committee report on WC Code Chapter 10.34 Ferry Rates:

Diane Harper reviewed changes in the new fare structure, including recommendations by WCFAC that were largely bypassed. [See attached handout.]

As well, Diane reviewed the most significant changes to the Codes and their impacts [see attached handout]. She shared her disappointment that the Codes are poorly written after a missed opportunity to clean them up; that almost nothing WCFAC recommended was adopted, after an enormous amount

of work; and that a new annual, automatic fare increase or costs cut equal to the CPI increase will occur every January, which runs counter to the Council's adoption of a budget every two years. CPI has nothing to do with ferry operations, and fare increases are usually in whole dollar amounts; the Council seemed to indicate that if the CPI was small, they won't have to do it—which ignores that they adopted the wording "shall" so it is not optional. Gary Poole indicated that the work burden of annual increases (the first one in less than a year) will fall primarily to staff, not the ferry crew.

Ad hoc electric ferry and docks report: Tom Philpot reviewed a list of questions [see attached list], underscoring there will be many more questions to follow. Roland responded that:

- Terminal drawings are about 30% completed for permitting purposes; concept drawings (not final detailed design) are about 60% complete, and he will provide those as soon as available. Vessel structure (hull design, etc.) are more complete, but they are working on propulsion. Environmental concerns on design on being worked out.
- Shore power timing is up to PSE. It will be built into the terminals, and they are looking into where to store battery compartment on the island side. Some discussion followed regarding a new location for the Gooseberry terminal that should be completed by October 2046 when the current lease expires. Roland noted that the proposal to move the terminal is from the Lummi Nation.
- The Whatcom Chief may be able to come in and out for brief intervals during terminal construction particular points during construction after an initial period of around 7 or 8 weeks. Gary P. and James Lee (PW) are in frequent communication regarding this issue; permits must be completed (about a year out) and then more details can be ironed out. James indicated putting requirements on each phase of construction, which would provide windows for the Chief to come in. They are planning for the full six-month outage, but the goal is for a shorter time.
- The ad hoc committee may sit in on propulsion meetings; Roland will connect Tom P. with the right person to facilitate.

Ad hoc committee to work on extended service outage: It was suggested that WCFAC should appoint an ad hoc group to work with LICA on developing a larger community committee. First, Roland was asked about communication plans between the community and KPFF (as requested by KPFF on April 11). He noted that they would work off past successes such as setting up an open house, but he doesn't have a list of services and businesses—he'll look to island residents for guidance. Roland is essentially the collector and is not sure if that means a drop box, dedicated email, or such; he envisions surveys and conversations and noted PW has increased its social media presence including a podcast. As to PW's purview, Roland said they are looking at all public property on the island for purposes of stockpiling and parking vehicles; they will work to get the Chief in for periodic runs; and are looking at a landing craft through the Port of Bellingham. He affirmed that the outage 'has to happen' August 2027, with construction beginning July 1. PW can provide the mechanism but at this time there is no funding to assist with utilities/services that store vehicles on the island for six months.

WCFAC members agreed to form an Island Access ad hoc committee, with Carol and Catherine volunteering and Pam attending as available. Community members have indicated interest in

participating, and representatives from organizations and businesses should be included. The ad hoc group will coordinate with LICA, which will be discussing their involvement in May, and will start working on a structure and partial roster to bring to the June 5<sup>th</sup> WCFAC meeting. It makes sense to have subcommittees as well. Todd L. encouraged partnership with the fire department, which has an incident command system in place and can provide a template with which PW should also help. The advantage of an island is a more easily identified populace for notifications as to planning. Roland confirmed that he and KPFF will be managing this special project (no option to hire outside/new professional), noting that if this isn't an emergency he's not sure what is.

Meeting day discussion: The first Wednesday conflicts with the Grange monthly meeting. Due to other constraints, the June 5<sup>th</sup> meeting will stand, at which time a 4<sup>th</sup> Wednesday of the month meeting time will be considered, with the anticipation of at least one town hall in June/July.

### OPEN SESSION

Ralph Steele expressed frustration regarding code changes, including that PW had said they didn't need a change to access ARPA funds. Farebox revenue has three definitions; Diane H. underscored that errors in the ordinance are problematic.

Bob Anderson voiced dismay that not one recommendation from WCFAC (other than one timing issue) was approved by the Council, and that there is a high level of frustration at the lack of collaboration. WCFAC deserves better; this is not a trusted relationship. PW admitted there was a crisis with the Road Fund, and instead put pressure on the fare box. WCFAC held five meetings with input, and not a bit was accepted. He is deeply disappointed in the Council.

### Upcoming

- June 5, WCFAC meeting

Meeting adjourned 7:45 PM.

### Attachments:

- WCFAC 4-11-24 Minutes Approved (note: submitted with attachments 5.2.24 for County site)
- P Gould comments May 1, 2024
- Ferry and terminal ad hoc report May 1, 2024
- D Harper old vs new fares 5-1-24
- D Harper WC Code April 23, 2024

Zoom recording hosted by Whatcom County:

<https://www.youtube.com/watch?v=h6luQoIW014>

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Submitted by C. Shornick

## Pam's comments for 5/1

Since our last WCFAC meeting I attended the PW and H comm meeting on 4/23 to discuss proposed new changes to the ferry rates code with Public Works for the first time. New proposals were discussed, and Public Works gave their rationale for changes proposed.

Following this meeting at the evening CC meeting, the open hearing on the Code was held. I spoke about a potential adjustment to dates and Catherine also spoke. The code was passed as written and will go into effect May 9, 2024.

The Executive order to raise Ferry rates is scheduled to go into effect June first with a one-month grace period for current punch cards, which can be exchanged for new ones where the remaining value of the card is applied to cost of a new card. New punch cards will be available for 10 & 20 trips with no difference in their multi trip discounts.

After reports from our two ad hoc committees, WCFAC committee members will discuss how we want to tackle planning for the extended passenger only service during new terminal construction, predicted to occur in approximately 3 years. This is a culmination of planning that started in 2015. On April 22<sup>nd</sup>, PW Dir. Kosa's advised WCFAC, quote:

“At this time, Public Works is requesting the Ferry Advisory Committee focus on assisting with planning for the major service outage. Your expertise and input are invaluable in helping us facilitate a plan to address the vehicle service outage during the construction of the terminals. Likewise, your recommendations on other items, such as transit solutions, levels of service, and alternative funding sources, are welcome. “

After the committee discussion we will open discussion to the community for this issue.

Following this work we have Open Session comments. Please sign up if you wish to speak either in person on the clipboard provided or on the chat section of zoom. Kim Boone for PW will be hosting zoom tonight.

Finally, as you may or may not be aware there is a pending Court Case involving outstanding PW Ferry system accounting issues. If these proceedings effect any current plans by PW they will notify us as usual on the county ferry site. If you have not signed up for automatic notifications from this system, I encourage you to do so.

WCFAC May 1, 2024 meeting - ad hoc presentation on New Vessel and Terminals

**Further questions for kpff from the April 11 WCFAC meeting:**

1. We have been told that the terminal and vessel drawings are 60% complete. We have requested those drawings and not received them. The county has requested 100% drawings by July 2024.
2. Future shore power has not yet been defined. This relates to the final propulsion selection.
3. We would like to know more from the county on the 6 month passenger only service about how the intermittent use of the Whatcom Chief could be accomplished.
4. We have been told that the propulsion of the vessel has not changed from the original 2020 drawings. That is Diesel or Battery Powered Propulsion. We have also been told that anything below decks in the design may change from those drawings. If and when any design changes are under consideration, we would like representatives on our ad hoc committee to be able to at the least view these proceedings on zoom.

**Communications:**

WCFAC needs to find a vehicle to disseminate more information to the community. Many people don't read the minutes of WCFAC meetings. But they inundate WCFAC with many questions, most of which we will be addressing. We have received many letters on the 6 months of interrupted car ferry service. We should work with LICA and their website to streamline the process of communication.

**Six month ferry outage July 2027 through February 2028**

This will be addressed by a new ad hoc committee formed tonight. It will field questions from islanders on key subjects such as:

- affordable parking and WTA/county provided shuttles.
- intermittant use of the Whatcom Chief to provide key services, ie propane, trash removal, etc.
- possible landing craft for other vehicle transportation.
- passenger only ferry and docks.

## Comparison of New Prices in Exec. Order 2024-01 with Current Prices

		\$1,394,000 2023 actual		Current 2024 with surcharges	full year fares \$1,650,578	WCFAC proposal \$306,000 net over 2024 <b>\$320,000</b>		
		\$1,331,000 w/o increase 2024						
% of all trips	Fare Class (does not include "free" ticket classes)	round trips/ ticket	2024 Inferred Est. Trips	2024 price per round trip	<b>Exec. Order 2024-01 New per Trip Price</b>	pass.veh . Ratio	punch- card discounts	change from today
	Passenger / Pedestrian							
13%	<b>Passenger/Pedestrian Cash</b>	1	18291	\$8.00	\$8.00	0.53		0%
17%	<b>Passenger/Pedestrian Multiride</b>	25	25002	\$4.52	\$6.60		18%	46%
1%	Needs Based Multiride (25->10)	10	1610	\$2.80	\$2.80		65%	0%
	Vehicle / Driver							
1%	Bicycle w/Rider	1	953	\$8.00	\$8.00	0.53		0%
0.1%	Motorcycle w/Driver	1	158	\$9.00	\$9.00	0.60		0%
0.1%	Motorcycle w/Driver Multiride	25	173	\$6.60	\$7.40		18%	12%
18%	<b>Vehicle &lt; 11k W/Driver Cash</b>	1	26400	\$14.00	\$15.00			7%
1%	Vehicle < 11k W/Driver Multiride	10	1832	\$11.20	\$12.20		19%	9%
43%	<b>*Vehicle &lt; 11k W/Driver Multiride</b>	25	65043	\$9.40	\$12.20		19%	30%
4%	Needs Based Vehicle W/Driver	10	5415	\$5.20	\$5.60		63%	8%
0.5%	Vehicle/Driver - small truck < 20,000	1	701	\$33.00	\$43.00	2.9		30%
0.4%	Vehicle - small truck Multiride	10	634	\$28.20	\$43.00			52%
0.2%	Vehicle/Driver - med truck < 36,000	1	354	\$76.00	\$99.00	6.6		30%
0.2%	Vehicle - med truck Multiride	10	327	\$64.80	\$99.00			53%
0.1%	Vehicle/Driver - large truck < 50,000	1	116	\$146.00	\$190.00	12.7		30%
0.1%	Vehicle - large truck Multiride	10	198	\$124.30	\$190.00			53%
	Trailer							
0.5%	Trailer < 16 feet	1	767	\$21.00	\$22.00	1.5		5%
0.0%	Trailer < 16 feet Multiride	5	45					
0.3%	Trailer 16-30 feet	1	404	\$39.00	\$41.00	2.7		5%
0.0%	Trailer 16-30 feet Multiride	5	0					
0.01%	Trailer > 30 feet	1	18	\$71.00	\$75.00	5.0		6%
100%	Special Trips after boat shut-down	1	7	\$ 601.00	\$631.00			5%
92.1%	projected \$1 per trip capital surcharge		\$141,422					
	Examples:			today	<b>Exec. Order 2024-01</b>			
	Two people in pas.veh. 25 (20 or 10 trip) ticket			\$13.92	\$18.80			35%
	Two people in pas.veh. "Cash"			\$22.00	\$23.00			5%
	Two people in pass.veh. needs-based			\$8.00	\$8.40			5%

### WCFAC Recommendation

\$70,343	Summer "cash" ticket surcharge
\$236,000	Price with 25% multiride discount
\$306,343	

# Major Changes in Whatcom County Code

## Chapter 10.34 Ferry Rates 4-23-2024

### 10.34.005 Definitions.

A. **“Fare Box Considered Revenue”** means the revenue from Ferry User Fees. Revenue from other funding sources will be only be included as Fare Box Considered Revenue if designated by resolution of the Whatcom County Council.

E. **“Non-Capital Emergency Repairs”** (NCER) means any emergency maintenance or repair to the terminal structures, and which costs shall be included as part of the Ferry System’s operating expenditures.

F. “Total Operating Expenses” (TOE) means all Ferry System expenses that are not Capital Costs. TOE includes the vessel rental rate, all daily running expenses, all actual regular and routine maintenance, all NCER expenses, and all administrative expenses associated with the use and operation ~~of all physical elements~~ of the ferry system. Consistent with past practice, the monthly Tidelands lease or its replacement will continue to be considered part of the Total Operating Expenses calculation at the value of its annual cash payments regardless of implementing the Governmental Accounting Standards Board’s Statement No. 87 requiring lease accounting changes for financial reporting.

G “Adjusted Total Operating Expenses” (ATOE) is the amount of Total Operating Expenses (TOE) minus adjustments defined in 10.34.05 (G)(1-6) and then used in the calculation of the Fare Box Recovery Goal. Beginning January 1st 2024, the ATOE amount shall be determined by subtracting the following amounts from the TOE:

(6) **Actual NCER expenditures, up to \$150,000 in a calendar year.**

N. **“Ferry Fund Reserve Target”** is defined as 50% of the average prior three years’ ATOE and will be comprised of 55% Fare Box Considered Revenue and 45% County funds. The Ferry Fund shall contain the full Ferry Fund Reserve Target by 2034.

### 10.34.020 Interpretation of rate schedule.

**G. and I. and P.** *Free passage shall be granted to the Whatcom County Fire District 11 for departmental business... AND Whatcom County employees on official Whatcom County Public Works or Sheriff’s Department business also get free passage... AND mortuary vehicles picking up and transporting bodies get free passage...*

*HOWEVER Ferry Passage trips as defined in the collective bargaining agreement between Whatcom County and the IBU and MMP RULE 23 will be tracked...and \$10 per trip will be deducted from the total operating expenses.(instead of being credited to fare revenue)*

M. Rate changes adopted by ordinance or executive order shall be implemented no sooner than 60 days ...Multi-ride cards are only valid if they are fully intact, less punches used. With the exception of needs-based multi-ride cards, **no multi-ride card shall have a discount greater than 20% applied to its corresponding single ride fare....** Multi-ride cards purchased prior to the most current fare change are valid for **30 calendar days after the rate change takes effect. The remaining value (original value divided by original number of trips times the remaining unpunched trips) of multi-ride cards purchased at the previous rate...shall be used as a credit towards purchasing the current fare multi-ride card.**

#### **10.34.030 Use of ferry user fee revenues.**

.....beginning January 1, 2024, the **Cumulative Fare Box Reserve's adequacy shall be evaluated, in part by comparison against the annual Ferry Fund Reserve Target with the goal of fully funding the Ferry Fund Reserve Target by 2034.**

**At a minimum, fares or expenditures shall be adjusted each year for inflation per the Consumer Price Index (CPI-U). All CPI-U related fare changes shall go into effect in January of the following year.**

The 55 percent Fare Box Recovery Rate shall be applied to the Adjusted Total Operating Expenses (ATOE) to determine the Fare Box Recovery Goal. **The remaining 45% of the ATOE shall be funded through other county funding sources, which include but are not limited to road taxes.**

.... Beginning January 1, 2024, the **annual Ferry Fund Reserve Target will be subtracted from the Cumulative Fare Box Reserve before determining if a Cumulative Fare Box Reserve surplus or deficit exists.** A Cumulative Fare Box Reserve deficit indicates that insufficient Fare Box Considered Revenue has been collected over the years and shall be corrected by increasing future Fare Box Considered Revenues and/or decreasing TOE. A Cumulative Fare Box Reserve surplus indicates that Fare Box Considered Revenues have exceeded the amount required by the Fare Box Recovery Goal and the Ferry Fund Reserve Target. When a cumulative surplus exists, the surplus shall be evaluated with other available information to determine if a future fare decrease is warranted.