



**WHATCOM COUNTY
EXECUTIVE ORDER 2024-01**

Corrected Version (Updating Fee Change Effective Date)

Amendment to the 2023 Unified Fee Schedule

WHEREAS, the 2023 Unified Fee Schedule was adopted by County Council through Ordinance No. 2022- 090; and

WHEREAS, upon a showing of sufficient justification, the County Executive is authorized by County Ordinances Nos. 2007-070 and No. 2022-090 to adjust fees set by the Unified Fee Schedule through Executive Order; and

WHEREAS, Whatcom County Code 10.34.030 provides that, "In any given year [that] the actual fare box recovery rate is below 55 percent, the difference shall be recovered in a future ferry user fee increase unless there is adequate excess ferry user fee revenue remaining in the ferry system fund collected during prior years"; and

WHEREAS, the past two years of annual fare box recovery has been less than 55%; and

WHEREAS, looking ahead, there is currently insufficient combined ferry fare box surplus and predicted revenue to support 2024 budgeted and 2025 predicted expenditures; and

WHEREAS, the forecasted shortfall in ferry user fee revenues require immediate action to move toward alignment with the Whatcom County Code 10.34.030 requirement that a 55 percent; and

WHEREAS, the County Executive finds that there is good cause and sufficient justification to adjust ferry fees set by the Unified Fee Schedule; and

WHEREAS, a rate-increases for vehicles and trucks and a reduction to discounts on multi-ride cards will immediately address a portion of the forecasted shortfall in ferry user fee revenues; and

WHEREAS, Whatcom County will continue to monitor, forecast and address current and projected shortfalls, which shortfalls may be addressed through future fare increases and other cost savings measures; and

NOW, THEREFORE, BY VIRTUE OF THE POWER VESTED IN ME BY THE HOME RULE CHARTER FOR WHATCOM COUNTY, I HEREBY ORDER, EFFECTIVE JUNE 1, 2024 THAT THE 2023 UNIFIED FEE SCHEDULE SHALL BE AMENDED TO INCLUDE THE FOLLOWING FEES TO BE LISTED UNDER THE HEADING OF PUBLIC WORKS:

See attachment, Exhibit A

FURTHER, THAT THIS ORDER DOES REPLACE EXECUTIVE ORDER 2024-01 ISSUED ON MARCH 27, 2024.

DATED THIS 2 Day of April, 2024



Satpal Singh Sidhu, County Executive

Exhibit A

2024 ~~2023~~ Unified Fee Schedule

Public Works

Ferry & Docks

UFS	Description	2023 Rate	Rate Basis	Change	2024 Rate	Rate Basis	Authorization
2793	Passenger/Pedestrian	\$8.00	1 Round Trip	No Change	\$8.00	1 Round Trip WCC 10.34	Ordinance 2021-012
2794	Passenger/Pedestrian - Multiride	\$113.00	25 Round Trips	Change	\$132.00	20 25 Round Trips WCC 10.34	Exec. Order 2024-01
2795	Passenger/Pedestrian - Multiride Children under 12 w/Parent	N/A FREE	N/A 1-Round-Trip	Change	\$66.00	10 1 -Round Trips WCC 10.34	Exec. Order 2024-01
2796	Passenger/Pedestrian Resident School Children under 12 w/Parent and Children 12-18 to under 19 years Sept 1 through June 30	FREE	1 Round Trip	Change	FREE	1 Round Trip WCC 10.34	Ordinance 2021-012
2797	Needs Based Passenger/Pedestrian - Multiride (Senior/Disabled/Income)	\$28.00	10 Round Trips	Change	\$28.00	10 Round Trips WCC 10.34	Ordinance 2021-012
2798	Post-High School Full-time Students	\$70.00	25 Round Trips	Change	\$132.00	20 Round Trips WCC 10.34	Exec Order 2024-01
2799	Passenger/Pedestrian Lummi Tribe W/ID	FREE	Foot Passenger Only 1 Round Trip	Change	FREE	1 Round Trip WCC 10.34	Ordinance 2021-012
2800	Bicycle W/Rider	\$8.00	1 Round Trip	No Change	\$8.00	1 Round Trip WCC 10.34	Ordinance 2021-012
2802	Motorcycle W/Rider	\$9.00	1 Round Trip	No Change	\$9.00	1 Round Trip WCC 10.34	Ordinance 2021-012
2803	Motorcycle W/Rider - Multiride	\$165.00	25 Round Trips	Change	\$74.00	10 Round Trips WCC 10.34	Exec Order 2024-01
2804	Non-Commercial Passenger Vehicle W/Driver Lummi Tribe W/ID	N/A	N/A	Change	FREE	1 Round Trip WCC 10.34	Ordinance 2021-012
2806	Vehicle W/Driver < 11,000 lbs	\$14.00	1 Round Trip	Change	\$15.00	1 Round Trip WCC 10.34	Exec. Order 2024-01
2807	Vehicle W/Driver < 11,000 lbs - Multiride	\$112.00	10 Round Trips	Change	\$122.00	10 Round Trips WCC 10.34	Exec. Order 2024-01
2808	Vehicle W/Driver < 11,000 lbs - Multiride Needs	\$235.00	25 Round Trips	Change	\$244.00	20 25 Round Trips WCC 10.34	Exec. Order 2024-01
2809	Needs Based Vehicle W/Driver (Senior/Disabled/Income) < 11,000 lbs Multiride	\$52.00	10 Round Trips	Change	\$56.00	10 Round Trips WCC 10.34	Exec. Order 2024-01
2810	Vehicle W/Driver 11,001 - 20,000 lbs	\$33.00	1 Round Trip	Change	\$43.00	1 Round Trip WCC 10.34	Exec. Order 2024-01
2812	Vehicle W/Driver 11,001 - 20,000 lbs - MultiRide	\$282.00	10 Round Trips	Change	\$430.00	10 Round Trips WCC 10.34	Exec. Order 2024-01
2813	Vehicle W/Driver 20,001 - 36,000 lbs	\$76.00	1 Round Trip	Change	\$99.00	1 Round Trip WCC 10.34	Exec. Order 2024-01
2814	Vehicle W/Driver 20,001 - 36,000 lbs Multiride	\$648.00	10 Round Trips	Change	\$990.00	10 Round Trips WCC 10.34	Exec. Order 2024-01
2815	Vehicle W/Driver 36,001 - 50,000 lbs	\$146.00	1 Round Trip	Change	\$190.00	1 Round Trip WCC 10.34	Exec. Order 2024-01
2816	Vehicle W/Driver 36,001 - 50,000 lbs Multiride	\$1,243.00	10 Round Trips	Change	\$1,900.00	10 Round Trips WCC 10.34	Exec. Order 2024-01
2817	Trailer under 16 feet	\$21.00	1 Round Trip	Change	\$22.00	1 Round Trip WCC 10.34	Exec. Order 2024-01
2818	Trailer under 16 feet - Multiride	N/A	N/A	Change	\$110.00	5 Round Trips	Exec. Order 2024-01
2819 2818	Trailer 16 - 30 feet	\$39.00	1 Round Trip	Change	\$41.00	1 Round Trip WCC 10.34	Exec. Order 2024-01
2820	Trailer 16 - 30 Feet - Multiride	N/A	N/A	Change	\$205.00	5 Round Trips	Exec. Order 2024-01
2821 2820	Trailer over 30 Feet	\$71.00	1 Round Trip	Change	\$75.00	1 Round Trip WCC 10.34	Exec. Order 2024-01
2822	Special Trips after regularly scheduled runs	\$601.00	Per Trip Surcharge	Change	\$631.00	Per Trip Surcharge WCC 10.34	Exec. Order 2024-01



MEMORANDUM

TO: Whatcom County Council

FROM: Satpal S. Sidhu, County Executive

RE: Executive Order 2024-01 adjusting the Unified Fee Schedule – Corrected Version

DATE: April 2, 2024*

I want to inform Council and the Whatcom County Ferry Advisory Committee (WCFAC) that I have issued an Executive Order increasing fares for the Lummi Island ferry through changes to the Unified Fee Schedule. This fare hike is intended to ensure that the fare box contribution to the Ferry Fund is sufficient to cover its share through the end of this year.

The fare increase enacted through the Executive Order is very similar in structure to the fare changes proposed by WCFAC. However, it is expected to generate approximately one-third more revenue than the WCFAC proposal due to sharper cuts to multiride discounts. The new fares will take effect on June 1, 2024.* Below is a summary of the changes, and the details can be found in Exhibit A of the Executive Order (attached).

Background

In February of this year Public Works informed me that 2023 ferry farebox revenues missed their target by approximately \$200K. Simultaneously, revenues from the Motor Vehicle Fuel Tax and County Ferry Deficit Reimbursement allocation were off target by nearly \$300K combined. These significant and unexpected revenue shortfalls led me to consider using an Executive Order to adjust fares rather than waiting for the Council process to address the pending fund deficit.

At the March 5 Council meeting we brought this situation to the attention of Council and suggested two measures: the allocation of \$358K in ARPA funds to improve the fund balance and a fare increase to alter the farebox revenue trajectory. At the subsequent meeting, through Resolution No. 2024-014, Council requested that I take action to raise ferry fares in consultation with WCFAC and Public Works. The resulting Executive Order represents a compromise between our initial proposals and the WCFAC proposal.

Implementing these two measures (Executive Order and ARPA) changes the financial picture, allowing us to be more confident in fund solvency through the end of 2024 and providing time to review and implement any code changes, explore alternative sources of revenue and cost reductions, and further analyze farebox revenue trends. As we approach the end of this year, we will have a clearer picture of the health of the Ferry Fund and ridership trends, and Council will be able to make a well-informed decision about the rate schedule going forward.

Fare Schedule Changes

- **Regular Vehicle & Driver Single Ticket.** The Executive Order raises the base fare for a single vehicle and driver (under 11,000 lbs) ticket to \$14 for total of \$15 with the capital surcharge. This represents a 7.1% increase and could generate approximately \$26,000 in additional revenue annually based on a 5% decline in 2023 ridership.
 - This is identical with the proposal presented by WCFAC.
- **Regular Vehicle & Driver Multiride Ticket Fares.** The Executive Order reduces the multiride discount on base fares for vehicle & driver (under 11,000 lbs) multiride tickets from approximately 35% to 20% – raising the base fare per ride from \$8.40 to \$11.20 (or \$12.20 with the capital surcharge). This change is the most significant fare schedule adjustment and it could generate approximately \$184,000 in additional revenue annually.
 - WCFAC also recommended reducing the vehicle & driver multiride discount but only to approximately 27% of the base fare, which would result in approximately two-thirds of the revenue from this particular change (\$120,000 instead of \$184,000).
- **Heavy Vehicle & Driver Single and Multiride Fares.** The Executive Order raises the base fare for all heavy vehicle categories (above 11,000 lbs) by 30% and eliminates multiride discounts for these categories. This change could generate approximately \$54,000 in additional revenue annually.
 - This is very similar to WCFAC's proposal, which increased rates from 29% to 36% for single-ride tickets and eliminated all multiride discounts across the heavy vehicle categories. WCFAC's proposed changes could have generated approximately \$57,000.
- **Pedestrian/Passenger Multiride Fares.** The Executive Order maintains the current base fare for pedestrian/passenger tickets at \$7 but reduces the multiride discount on base fares for this category from approximately 50% to 20%. The reduced discount raises the base fare per ride from \$3.52 to \$5.60 (or \$6.60 with the capital surcharge). This change could generate approximately \$54,000 in additional revenue annually.
 - WCFAC also recommended maintaining the current base fare and reducing the pedestrian/passenger multiride discount but only to approximately 34% of the base fare, which would result in approximately half the revenue from this particular change (\$28,000).
- **Trailer Fares.** The Executive Order increases base fares for trailers by \$1, \$2 and \$5 for the three length categories respectively. The current policy of no multiride discount is maintained. These changes could generate approximately \$1,500 in additional revenue annually.
 - WCFAC did not make a recommendation with regard to rates on trailers.
- **Emergency Trips After Shut Down.** The Executive Order increases the base fare for special after-hour trips by \$30 for a base fare of \$630 per trip. These trips are rare and the proposed change may result in approximately \$200 in additional revenue annually.
 - WCFAC made an identical recommendation for after-hour trips.
- **Multiride Ticket Book Size.** Public Works will be reducing the largest book size of multiride tickets from 25 to 20 for the pedestrian and driver & vehicle categories. The purpose of this adjustment is to keep the one-off cost per book in the same ballpark as the current multiride books. For example, if a 25-ticket driver & vehicle book costs \$235 today, under the new fare schedule a 20-ticket book will cost \$244.

Key Considerations

The fare adjustments will likely result in some changes in ferry user habits, and ridership may decline as a result. Our estimates concerning revenue generation represent our best guesses based on current information and include an allowance for impacts to ridership. As implemented, we expect the ARPA allocation together with this fare increase will allow us to achieve a farebox surplus of \$100K-\$200K in the farebox at yearend. Positive changes to the Motor Vehicle Fuel Tax allocation and County Ferry Deficit Reimbursement may further improve this position. However, there remain concerns that the farebox's downward trajectory, temporarily alleviated by the ARPA infusion, will not be fully corrected without additional measures.

Next Steps

I want to be clear that this Executive Order is a stopgap measure to ensure solvency in the Ferry Fund. I understand that some may have preferred to wait until a more perfect fare schedule was developed. However, it's important to understand that the new fare schedule is not a permanent solution and that it does not address the structural financial challenges facing the Ferry Fund over the next several years.

I look forward to working with Council to establish a clear and sustainable fare policy through code revisions. At the end of this year we will have a better sense of ridership trends and revenue needs. If revenue trends and/or code revisions lead to a different and improved financial situation at the end of the year, then the Council will have the opportunity to adjust ferry fares accordingly with the support of the ferry advisory committee. We will also be looking for pathways to control and lower expenses, but it will take time to identify, vet and implement such cost-saving measures.

**This memo has been updated to reflect a corrected version of Executive Order 2024-01. The effective date for the new fare schedule was changed to June 1.*