

2019/20 Fare Proposal Update and Public Comment Summary

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WSF 2019/2020 Fares: Presentation Outline

- Fare Development Process Timeline
- Public Outreach Summary
- 2019/2020 Fare Proposal and Comments
- Updates Since June
- Next Steps



Fare Development Process Timeline

Milestone	Current Date
Ferries Team/WSF Staff Meetings	October and December 2018
WSTC Presentation	January 2019
Begin FAC-T Meetings	February 2019
WSTC Presentation	April 2019
Adopted Budget	Mid/Late April 2019
CR 101 Filing	NLT 5/1/19
Public Outreach on Fare Issues	May 2019
CR 102 Filing	June 14 – July 3, 2019
Fare Proposal to WSTC	June 18/19 2019
Public Comment	Late July/Early August
Public Hearing	August 6, 2019
CR 103 Filing	NLT 8/30/19
Fares Take Effect	Oct 1, 2019

Public Outreach Summary

April - May Public Input Meetings in ferry served communities

- Included 10 meetings with over 500 participants
- Input discussed at June 2019 Commission meeting

Emails to WSTC

- Received nearly 290 emails through August 2nd
 - Addressed both the fare proposal and ferry service concerns / ideas

Online Open House from June 26, 2019 to July 29, 2019

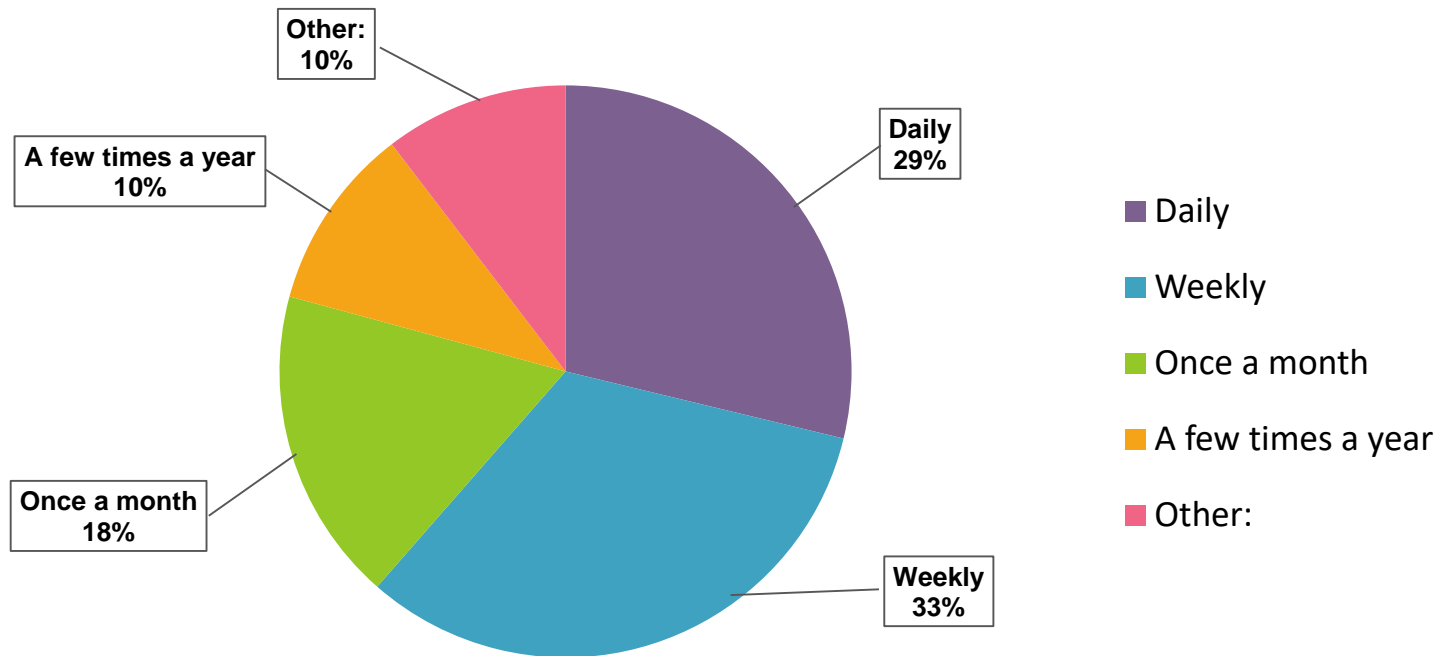
- Attracted over 1,600 survey responses, including nearly 1,000 comments.
 - Question 1 addressed policy topics
 - Questions 2-4 identified demographics
 - Question 5 allowed for additional comments

Letter from Kingston FAC opposing proposed fare increases

Letters supporting Low-Income Fare Pilot Project with change

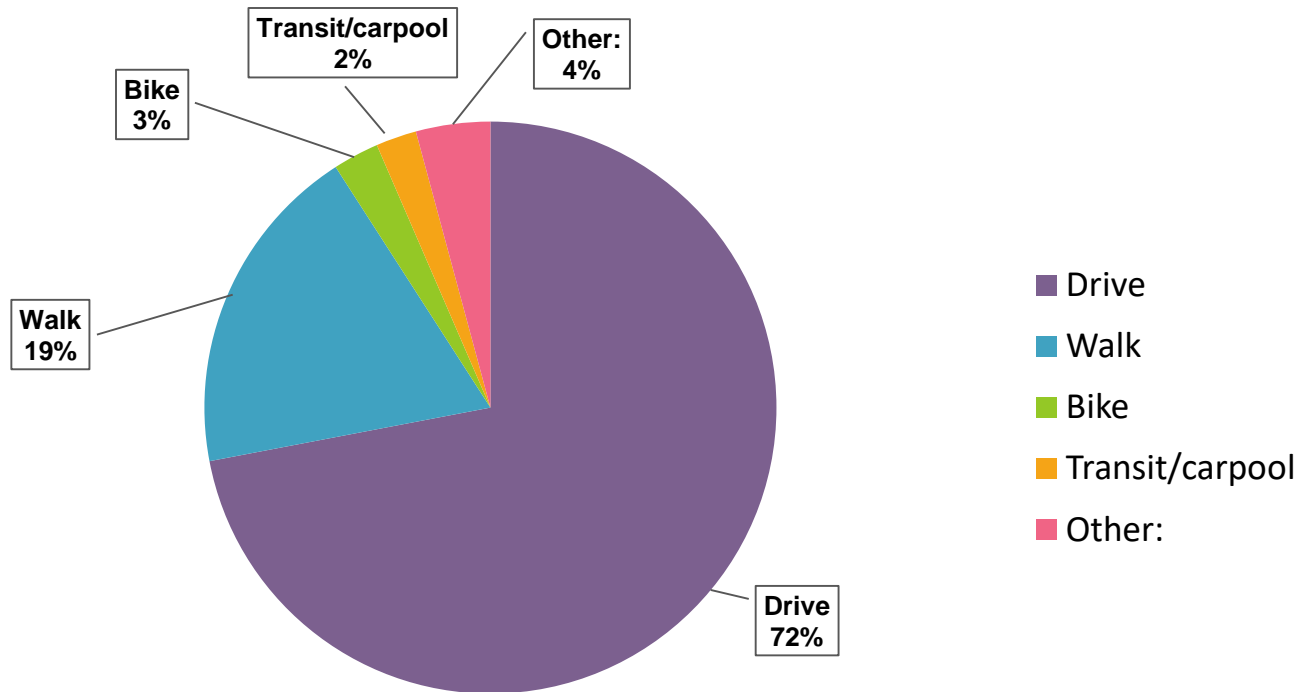
Online Open House Participant Summary

How often do you ride a WSF ferry? (Q2)



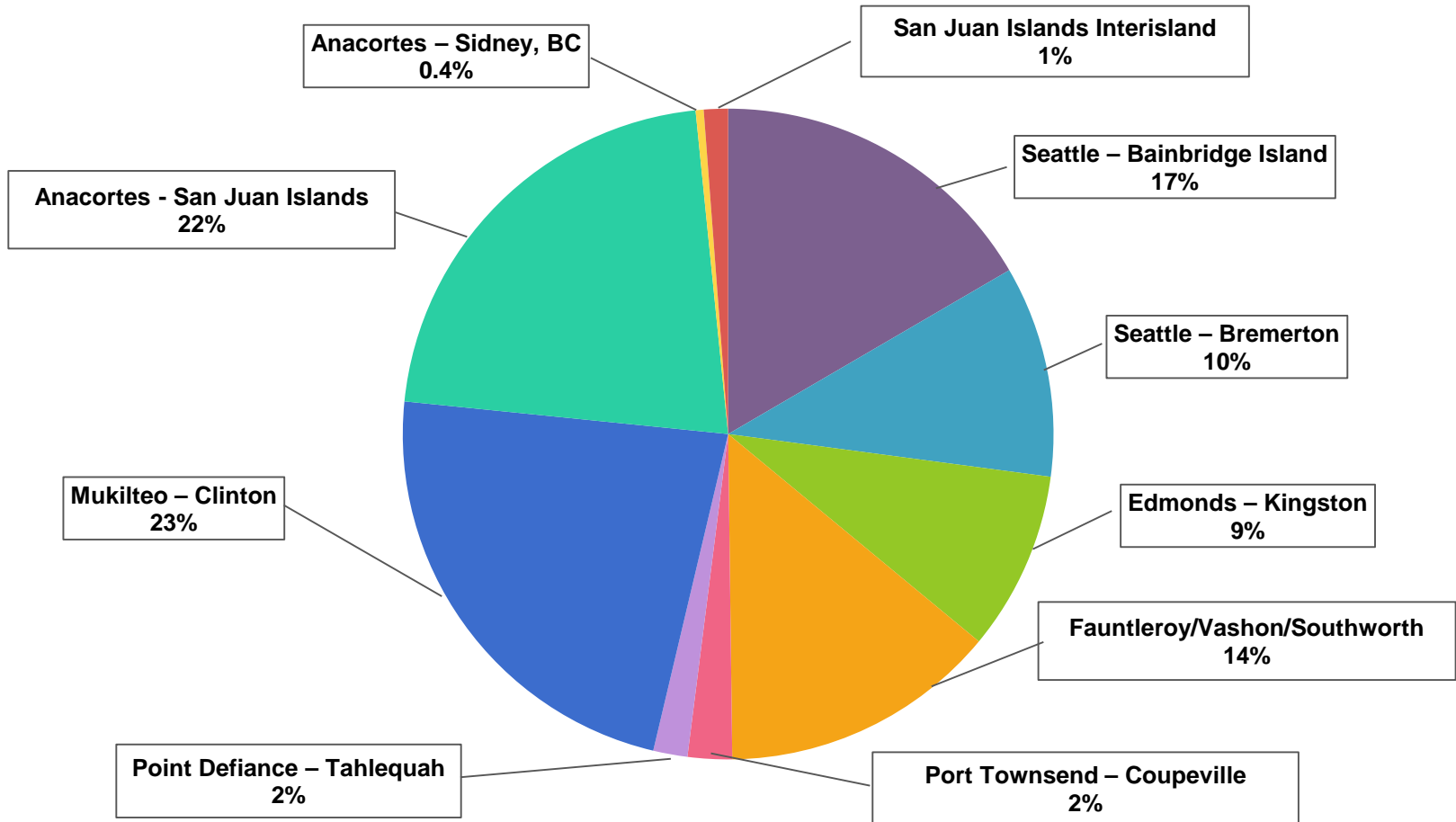
Online Open House Participant Summary

When you ride a ferry, what mode of transportation do you use most often? (Q3)



Online Open House Participant Summary

Which route do you ride most often? (Q4)



Online Open House Participant Summary

Q5. Do you have any other feedback to share regarding the ferry fare proposal?

- Nearly 2/3rds of survey respondents provided comments (~1,000).
- For fare increases and reservation no show fee increase, comments trended more negative than responses to questions about the proposal in Q1.
- Comments also addressed service concerns and ideas, alternative funding ideas, and fare ideas not addressed in the proposal.

2019/2020 Fare Proposal:

- **General Fare Increase in October 2019 and May 2020**
 - Aligns second year general fare increase with timing of required new vessel capital surcharge implementation May 1, 2020.
 - Provides additional revenue to allow for lower general fare increases and spreading of Vehicle and Passenger Fares.
- **Increase Passenger Fares at 2.0% and Vehicle Fares at 2.5%**
 - Partially offsets the “reverse direction narrowing” in vehicle/passenger fares from the new capital surcharge.
- **Implement a \$0.25 Capital Surcharge**
 - Legislative direction to the WSTC to add a vessel capital surcharge to raise funding for one new vessel.
 - Funds from surcharge go into dedicated account for new vessels.
 - FROG data results indicate significant support for a surcharge
 - WSF recommended the 25 cent level to account for risk and to infuse critical revenue for vessel funding that is needed as the fleet ages
 - No fare can increase more than 10% due to the surcharge

2019/2020 Fare Proposal: Percentages & Timing (March Forecast)

	Fare Increase		Surcharge			Revenue Estimates			
	1st year	2nd year	1st year	2nd year		Operating	Base Capital Surcharge	New Vessel Capital Surcharge	
			Existing	Existing	New				
March Forecast (No Fare Increase)	0.0%	0.0%	\$0.25	\$0.25		\$398,280,000	\$8,430,000	N/A	
Legislative Operating Budget	2.5%	2.5%	\$0.25	\$0.25		\$407,850,000	\$8,380,000	N/A	
WSF Fare Proposal	Timing	October	May	October	May		\$407,970,000	\$8,330,000	\$4,910,000
	Passengers	2.0%	2.0%	\$0.25	\$0.25	\$0.25			
	Vehicles	2.5%	2.5%	\$0.25	\$0.25	\$0.25			

2019/2020 Fare Proposal: Comment Summary

- **General Fare Increase in October 2019 and May 2020**
- **Increase Passenger Fares at 2.0% and Vehicle Fares at 2.5%**
- **Implement a \$0.25 Capital Surcharge**

Survey Responses (Q1)

	Support		Neutral		Oppose		Responses
	Count	Row %	Count	Row %	Count	Row %	Count
<u>General fare increases of 2.5% for vehicles</u> in October 2019 and May 2020 to support operations costs	439	27.9%	157	10.0%	979	62.2%	1,575
<u>General fare increases of 2.0% for passengers</u> in October 2019 and May 2020 to support operations costs	404	25.9%	164	10.5%	990	63.5%	1,558
<u>A 25 cent capital surcharge</u> increase in May 2020 to support building new vessels	731	46.7%	194	12.4%	640	40.9%	1,565

2019/2020 Fare Proposal: Comment Summary

- **General Fare Increase in October 2019 and May 2020**
- **Increase Passenger Fares at 2.0% and Vehicle Fares at 2.5%**
- **Implement a \$0.25 Capital Surcharge**

Additional Input

- Email comments tally:
 - General Fare Increase: Support: 24 / Oppose: 153
 - Capital Surcharge: Support: 5 / \$0.15 in lieu of \$0.25: 6 / Oppose: 2
- Email and survey comments opposed fare increases. Primary reasons cited included:
 - Won't support without first seeing improvements to service and/or facilities.
 - Cumulative impacts of frequent fare increases too much for frequent users / local residents.
 - Funding should be less reliant on fares / fees
- Comments supported increase in vehicle / passenger fare differential.
- Capital Surcharge had more support than General Fare increases.

2019/2020 Fare Proposal: Other Options (March Forecast)

		Fare Increase		Surcharge			Revenue Estimates		
		1st year	2nd year	1st year Existing	2nd year Existing New		Operating	Base Capital Surcharge	New Vessel Capital Surcharge
October/October with Minimal Capital Surcharge Requirement	Timing	October	October	October	May		\$408,080,000	\$8,350,000	\$2,960,000
	Passengers	2.9%	2.5%	\$0.25	\$0.25	\$0.15			
	Vehicles	2.9%	2.5%	\$0.25	\$0.25	\$0.15			
October/October with Maximum Capital Surcharge Requirement	Timing	October	October	October	May		\$408,090,000	\$8,340,000	\$4,920,000
	Passengers	2.9%	2.9%	\$0.25	\$0.25	\$0.25			
	Vehicles	2.9%	2.9%	\$0.25	\$0.25	\$0.25			

2019/2020 Fare Proposal: Other Components

Anacortes/Sidney Fares

- Increase oversize vehicle fares 5% each year in excess of the general fare increase to better align with competitors' oversize vehicle fares.
- Increase all other fares in line with general fare increase

Low Income Fare Pilot

- Add language to the Ferry Passenger Tolls WAC to allow WSF to explore a low income fare pilot, conditional on legislative funding.

LOW INCOME FARE PILOT – Starting no earlier than January 1, 2020, special passenger fare rate(s) may be established for a pilot program offering a low-income fare on any ferry route for riders made eligible through an existing transit agency's low-income fare program. Enactment of this program is dependent upon legislative funding for the pilot project. If funded, Washington State Ferries' Assistant Secretary shall submit a proposed to carry out this pilot program and the Washington State Transportation Commission must review and approve the proposed fare schedule both the program and fare schedule before it is implemented. Once implemented, WSF shall provide at a minimum updates to the Commission every six months on the pilot. The pilot will conclude no longer than three years from its implementation.

2019/2020 Fare Proposal: Other Components (cont.)

Good to Go! Pilot

- Add language to the WAC to allow WSF to explore pilot methods to more efficiently collect fares and improve throughput at the tollbooth.

GOOD TO GO! PILOT – Special ferry toll rate(s) may be established for a pilot program of Good to Go! or similar fare collection infrastructure, technology, or ORCA replacement system on any ferry route. Washington State Ferries' Assistant Secretary shall design the program and submit a proposed program and fare schedule to the Washington State Transportation Commission. The Commission shall review, modify and approve the proposed fare schedule before it is implemented. Once implemented, WSF shall provide at a minimum updates to the Commission every six months on the pilot. The pilot will conclude no longer than three years from its implementation.

2019/2020 Fare Proposal: Comment Summary

- **Anacortes / Sidney Fares**
- **Low Income Fare Pilot**
- ***Good to Go!* Pilot**

Survey Responses (Q1):

	Support		Neutral		Oppose		Responses
	Count	Row %	Count	Row %	Count	Row %	Count
<u>A fare increase of 5% in October 2019 and May 2020 for oversized vehicles over 22' on the Anacortes/Sidney, BC route</u> to more closely align with competing routes	690	44.1%	338	21.6%	537	34.3%	1,565
<u>Authorization of possible pilot programs</u> for Good to Go! and low-income fares	967	61.4%	296	18.8%	313	19.9%	1,576

2019/2020 Fare Proposal: Comment Summary

- **Anacortes / Sidney Fares**
- **Low Income Fare Pilot**
- ***Good to Go!* Pilot**

Additional Input

- Email Comments Tally:
 - Low Income Fare Pilot: Support – 48 / Oppose 1
- Email and survey comments largely supportive of the low-income fare pilot, as well as the *Good to Go!* pilot.
 - Strongest interest in support of the low-income fare pilot, citing benefits for low-income students, workers, and families.
- Very little comment on the Anacortes / Sidney Fare proposal.

2019/2020 Fare Proposal:

Other Components (cont.)

Vehicle Reservations No Show Fee – Based on Applicable 14'-22' or Larger Vehicle

- Allow higher no-show fees up to 100% of the one-way fare for the applicable vehicle size (14'-22' fare or larger) to disincentivize no-shows.

Vehicle Size	One-Way Price - Sr/Disability		
	Ana-Lop	Ana-Sh/Or	Ana-FH
Motorcycle	\$ 5.70	\$ 6.43	\$ 7.23
Under 14'	\$ 10.80	\$ 13.68	\$ 16.85
14 to Under 22'	\$ 14.45	\$ 18.03	\$ 22.05
22 to under 30', Under 7'2	\$ 23.38	\$ 28.70	\$ 34.75
22 to under 30', Over 7'2	\$ 50.10	\$ 60.80	\$ 72.88
30 to under 40'	\$ 67.93	\$ 82.18	\$ 98.30
40 to under 50'	\$ 85.75	\$ 103.58	\$ 123.73
50 to under 60'	\$ 103.58	\$ 124.98	\$ 149.15
60 to under 70'	\$ 121.40	\$ 146.35	\$ 174.58
70 to under 80'	\$ 139.23	\$ 167.75	\$ 199.98

2019/2020 Fare Proposal: Other Components (cont.)

Transfers Within San Juan Islands

- Change transfer use period from “24hr period” to “end of the service day” to reduce misuse of interisland vehicle transfers.
- Update WAC to allow oversize transfers to be made available for a stopover at an intermediate island with the purchase of the full fare to the furthest destination from Anacortes.

Disability Language Change

- Clarify WAC language to ensure disabled drivers and attendants are consistently charged the appropriate fare.
- Update outdated language in the passenger ferry toll WAC that should be aligned with current ADA language and guidance.

Vehicles Under/Over 7’2”

- Clarify which fare should be charged for a vehicle 22’ to under 30’ long and exactly 7’2”, and align with other fare cutoffs.

2019/2020 Fare Proposal: Comment Summary

- **Vehicle Reservations No Show Fee**
 - Based on Applicable 14’-22’ or Larger Vehicle
- **Other Regulatory Changes**
 - Transfers Within San Juan Islands
 - Disability Language Change
 - Vehicles Under / Over 7’2”

On-line Survey Responses (Q1)

	Support		Neutral		Oppose		Responses
	Count	Row %	Count	Row %	Count	Row %	Count
<u>Increasing reservation no show fees</u> to further discourage no shows	874	55.7%	265	16.9%	430	27.4%	1,569
<u>Other described changes</u> to regulatory language	266	18.9%	810	57.4%	335	23.7%	1,411

2019/2020 Fare Proposal: Comment Summary

- **Vehicle Reservations No Show Fee**
 - **Based on Applicable 14'-22' or Larger Vehicle**
- **Other Regulatory Changes**
 - **Transfers Within San Juan Islands**
 - **Disability Language Change**
 - **Vehicles Under / Over 7'2"**

Additional Input

- **Email Comments Tally:**
 - Reservations No-show Fee: Support: 1 / Oppose: 12
- **Contrary to the survey results from Q1, email and survey comments largely opposed an increase in the vehicle reservations no show fee.**
 - **Primary reason for opposition was impact on residents in ferry-served communities seeking to ensure access for time-sensitive trips.**
 - **Possible confusion on how much the fee would increase with proposed language.**

2019/2020 Fare Proposal: Updates Since June 18/19 Presentation

Fare Revenue for Operations – June Forecast:

- The Commission fare proposal was modeled for the June 2019 fare revenue forecasts.
- The June forecast projected \$408,020,000 for operations from the Commission fare proposal
- This meets the legislature’s fare revenue for operations requirement of \$407,850,000.

Fare Revenue for New Vessel Capital Surcharge – June Forecast:

- Department of Licensing forecasts slightly higher revenues from fee bill, slightly lowering vessel capital surcharge requirements for the target biennia 2021-2023 and 2023-2025.
- Minor drop in vessel capital surcharge about 12 to 13 percent (from the 13 to 15 cent/rider range to 11 to 12 cents/rider).

Timing of Anacortes to San Juan Islands Oversized Transfer:

- WSF would like to implement this for May 2020 instead of October 2019.
- Language to make transfer expiration “end of service day” instead of 24-hours remain for October 2019

Next Steps

TODAY → August 6, 2019:

- Commission holds adoption hearing on fare proposal
- Commission takes action on final fare proposal
- By August 29, 2019: File CR 103 with final fare proposal
- October 1, 2019: Adopted fare proposal takes effect

Questions?

For additional information on the
2019/20 Fare Comments, please contact:

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