

WSDOT Ferries Division Fare Setting Process and 2017/2018 Tariff Cycle

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Presentation Outline – WSF Fare Setting



- Process and timeline
- Actions taken last cycle
- Issues this cycle
- Fare, revenue, and ridership trends

Roles and responsibilities:

- The Transportation Commission is responsible for adopting fares through the rulemaking process. The Commission may adopt, by rules, fares that are effective for more or less than one year, and may increase fares by a percentage that exceeds the fiscal growth factor.
- WSF is responsible for conducting review of fares, and developing a fare proposal for submittal to the Commission for their consideration.
- The Ferry Advisory Committee on Tariff (FAC-T) was created in 2010 to provide guidance to WSF as it develops its fare proposal for the Commission. The FAC-T membership includes Ferry Advisory Committee chairs or their designees. Modal interests such as transit, freight and tourism are represented as well.

2017/18 Tariff Cycle – Timeline



Milestone	Current Date
FAC-T Kick off	November 2016
WSTC Presentation	January 2017
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Adopted Budget	April 2017
CR101 Filing	NLT 5/3/17
Fare Proposal to WSTC	May 2017
CR102 Filing	June 16-21
Public Comment	June/July
Public Hearing	July 25 th
CR103 Filing	NLT 8/31/17
Fares Take Effect	Oct 1, 2017

2017/18 Tariff Cycle – Timeline

- November 2016 – June 2017: FAC-T meetings
- Late April 2017: Conclusion of regular legislative session and establishment of fare revenue target
- NLT May 3, 2017: File CR 101 notifying the opening of the tariff WAC sections
- Mid/late May: WSF fare proposal to Commission
- NLT June 21, 2017: File CR 102 form with Commission fare proposal
- June/July 2017: Public comment period for Commission fare proposal
- July 25, 2017 or later: Commission holds adoption hearing on tariff proposal
- NLT August 31, 2017: File CR 103 with final amended tariff
- October 1, 2017: Adopted fares go into effect

2015/16 Tariff Cycle – Issues Addressed



Changes implemented last cycle:

- Average general fare increase of 2.5%
- Passenger/vehicle fare ratio – modest change of 1.5% spread in each of the 2015 and 2016 fare modifications
- General overheight limit – Overheight surcharge eliminated for vehicles below 22' in length in 2015, two-height based fares at the 22'-30' length category and modified height threshold from 7'6" to 7'2" in 2016
- Overheight exemptions for vehicles carrying disabled passengers clarified in WAC
- Fare increase in 2016 on May 1, instead of Oct 1 to generate revenue to offset the lower passenger fares and removal of the overheight surcharge for vehicles under 22' in length

Issues being reviewed this tariff cycle:

- Effectiveness of demand management strategies over the last few tariff cycles:
 - Spreading of passenger and vehicle fares
 - Under 14' vehicle fare
- Methodology for the driver portion of the oversize vehicle fares
- Fare categorization of unique 2- and 3-wheeled vehicles
- School group flat fee level and application to home school customers
- Cumulative impact of annual fare increases

Issues being reviewed this tariff cycle:

- International route market screen
- General fare increase (dependent upon legislative action)
- WAC language:
 - In-need organizations
 - Fire district fares
 - Commercial accounts
 - Changes to prohibit Wave2Go resale
 - Clarifications around capital surcharge

Next Generation ORCA – Regional Fare Strategies

- Initial feedback on proposed regional fare strategies for ngORCA – part of system design
 - Fare capping
 - Trip-based peak pricing
 - Eliminating Zone Fares (not applicable to WSF)
- These strategies are likely not part of the 2017 fare proposal.
- Initial FAC-T, public, and Commission response collected to report back to ngORCA team.
- In addition, WSF has committed to collecting feedback on becoming part of the regional transfer program

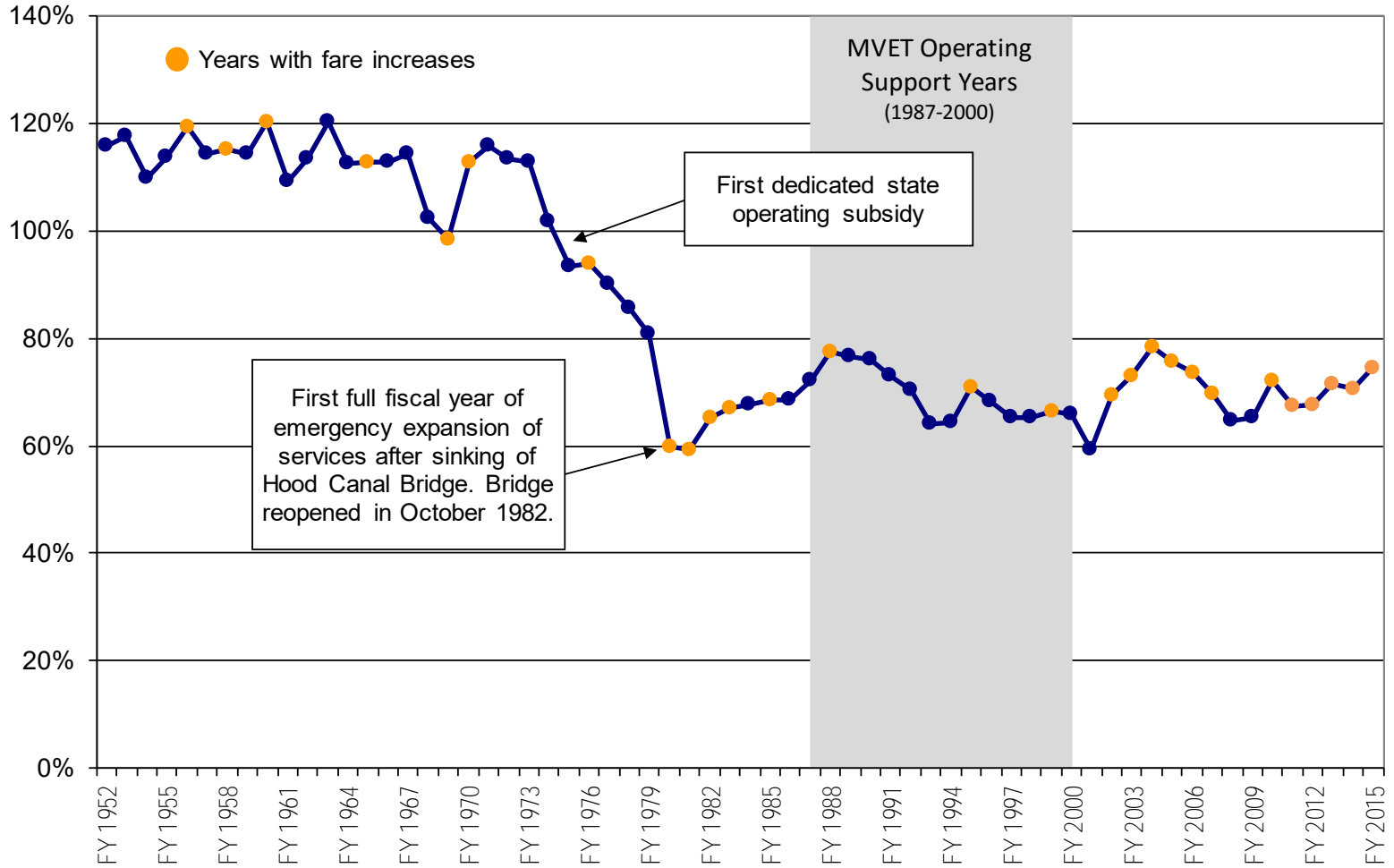
2017/18 Tariff Cycle:

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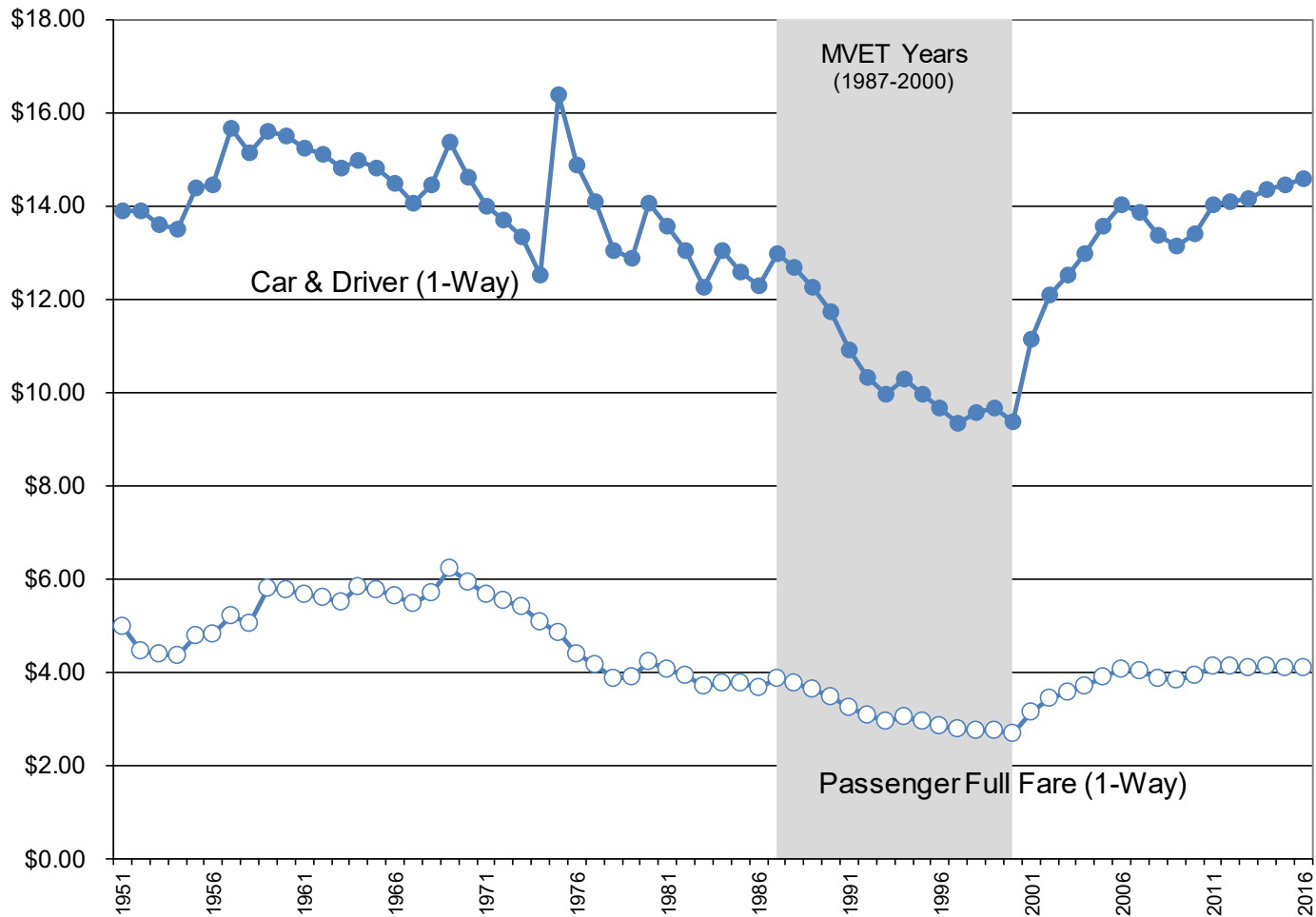


Historic WSF Farebox Recovery Rate

Ratio of Operating Revenue to Operating Costs



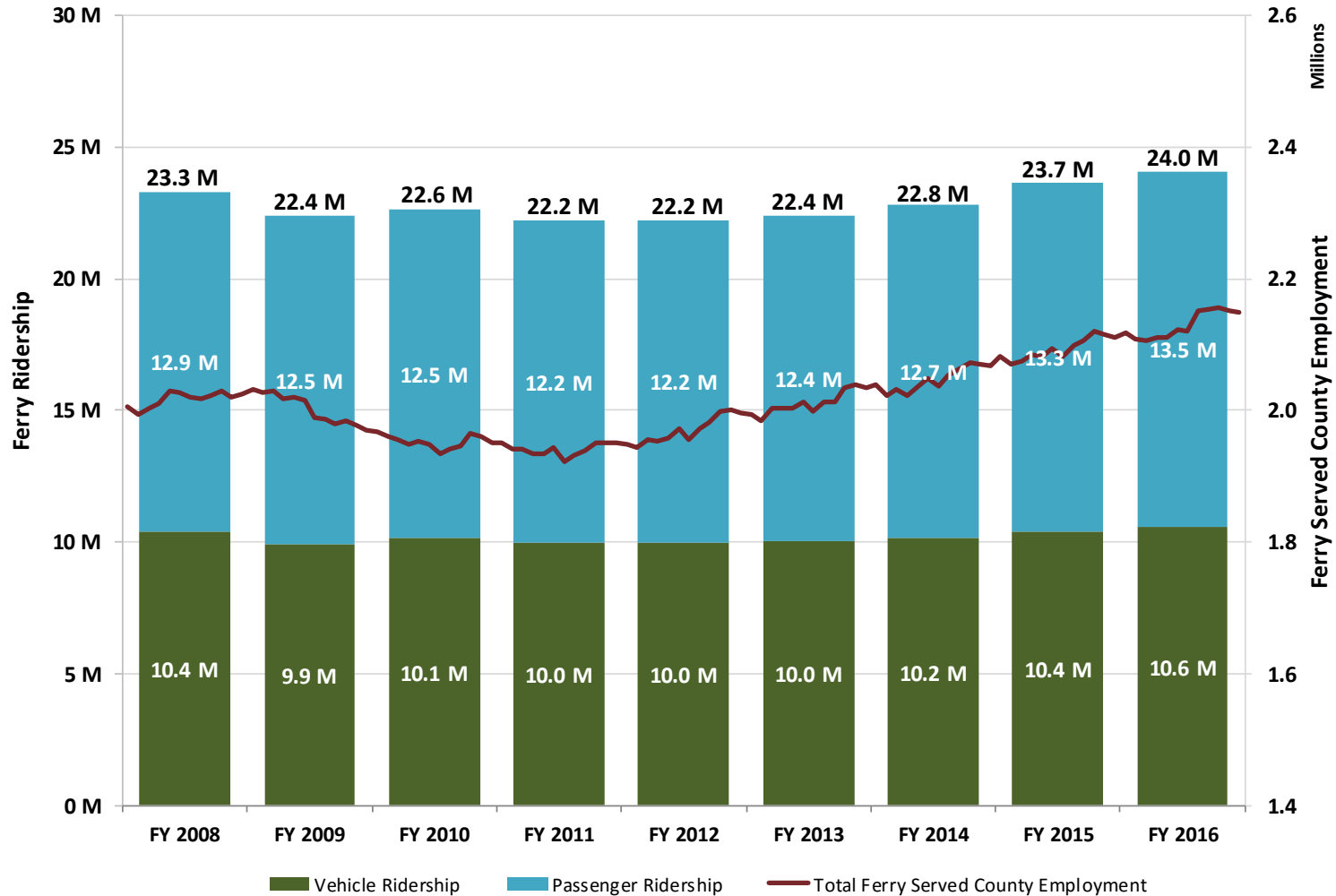
2017/18 Tariff Cycle: One-Way Central Sound Fares



Note: Fares are adjusted for inflation

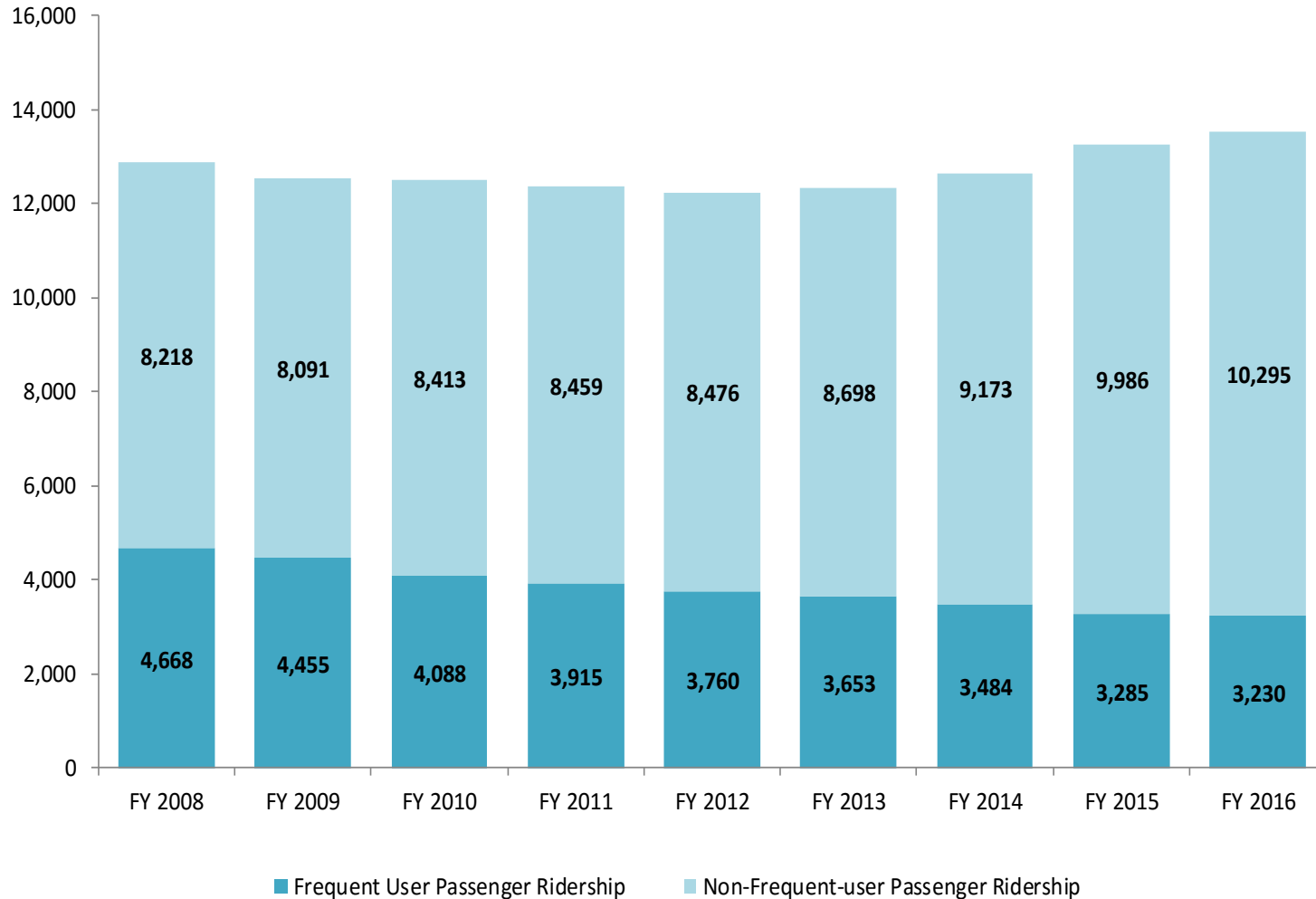
2017/18 Tariff Cycle:

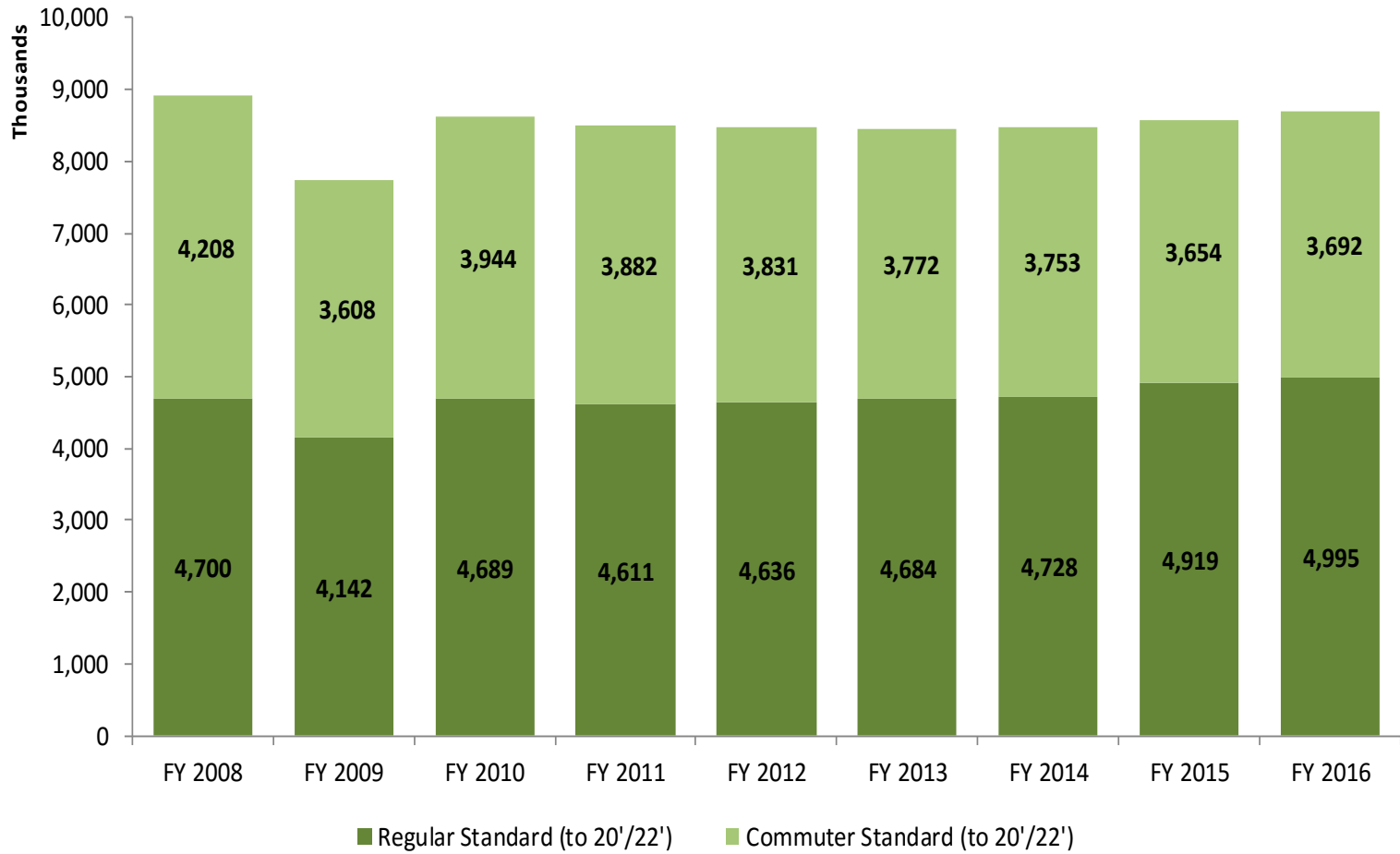
Ridership



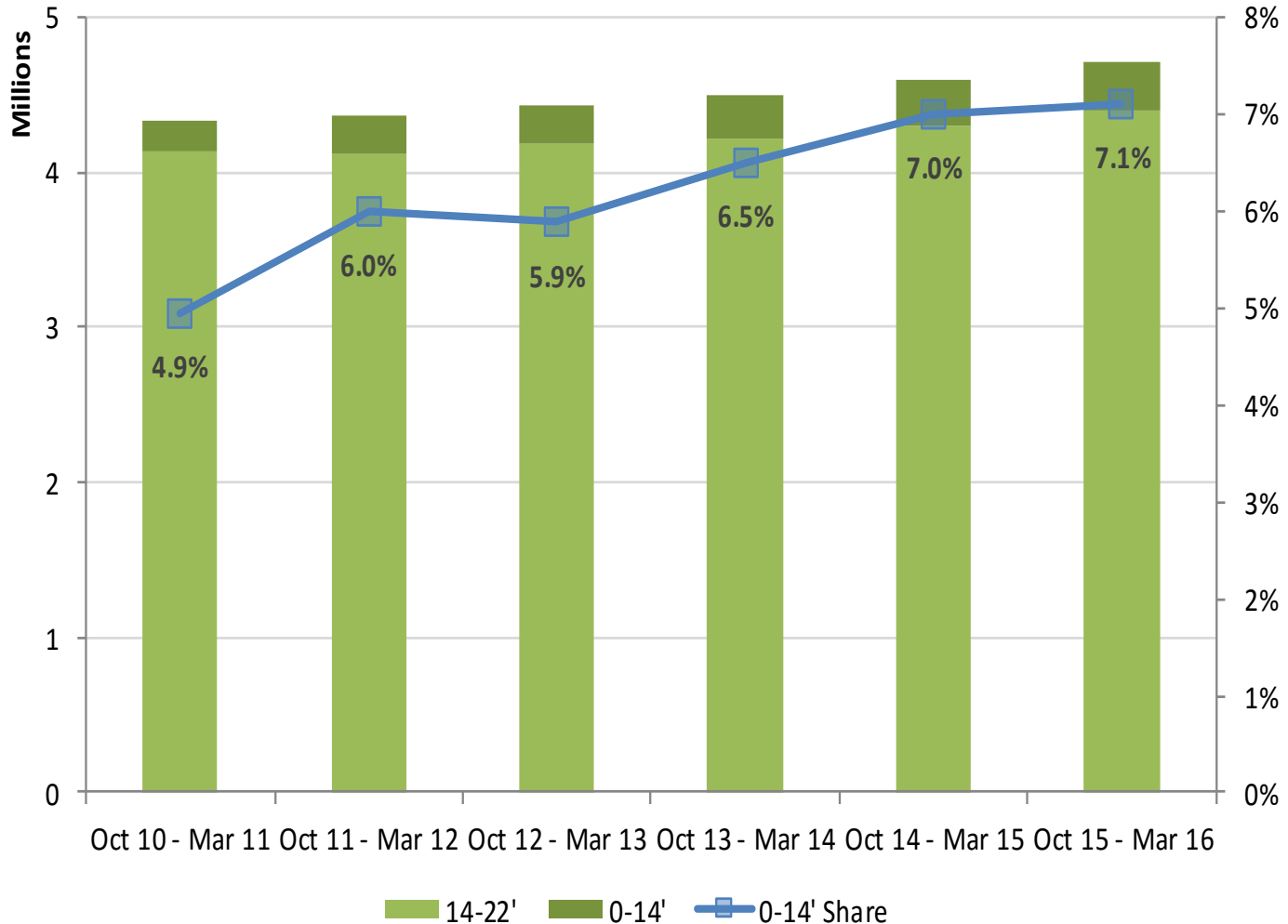
2017/18 Tariff Cycle:

Passenger Ridership





2017/18 Tariff Cycle: 0-14' Vehicle Share over Time



Questions?



For more information, please contact:

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