



Washington State  
Transportation Commission

# 2015 WSF Fare Proposal

**Proposed Fare Changes Effective:**

**October 1, 2015**

**May 1, 2016**

# Fare Revenue Requirement

- The legislature establishes a fare revenue target when it passes its biennial budget
- The 2015-2017 Transportation Budget:
  - **\$357.2 million** fare revenue requirement for operations
  - Target was based on March 2015 forecast scenario that assumed a 2.5% fare increases in October 2015 and October 2016
  - Revenue requirement is **\$8.1 million** from new fares
- This proposal is projected to generate the revenue required for the 2015-2017 Biennial budget

# Proposal Summary

- Changes that would take effect on **October 1, 2015**:
  - 2.5% fare increase for vehicles and a 1% fare increase for passengers
  - The current over-height surcharge for vehicles less than 22 feet in length is eliminated
  - The over-height waiver currently in place for qualifying disability vehicles 22- to 30-feet long will be expanded to include any feature necessary to accommodate a disability on the vehicle that may add height, rather than limiting it to a lift or other mechanism
- Changes that would take effect on **May 1, 2016**:
  - 2.5% fare increase for vehicles and a 1% fare increase for passengers
  - The over-height fare threshold for vehicles 22- to 30-feet long will be reduced from the current 7 feet 6 inches, to 7 feet 2 inches

# Features of this Fare Proposal

1. Consistent with policy guidance in WTP 2035 and continues the implementation of near-term pricing strategies
2. Implements the projected 2.5% increases for vehicle fares while, also improving the Vehicle-Passenger Fare ratio
3. Better aligns pricing with available capacity on most WSF routes

## Progress on WSF/WSTC Near-Term Strategies

### Operational

Reservations	<input checked="" type="checkbox"/>	PT-Coupeville, International
	<input checked="" type="checkbox"/>	Anacortes-San Juan Islands
Fuel conservation	<input checked="" type="checkbox"/>	Developed Fuel Cost Mitigation Plan in 2010

### Pricing

Veh/Passenger ratio	<input checked="" type="checkbox"/>	Since 2013 differentiated fare increases
Reservations fees	<input checked="" type="checkbox"/>	No extra fee for reservations
Small car fare	<input checked="" type="checkbox"/>	Under 14-foot fare category added in 2011

**Source:** WSTC and WSF Joint Recommendations on Adaptive Management Strategies, 2009

# Timing Element of Proposal

The WSTC has previously followed the specific timing in this two-year proposal

- The earlier second increase provides additional revenue in the biennium, while limiting the overall increase in fares
- This proposal uses the additional revenue to allow for lower passenger fare increase in 2015 and 2016
- This would be the third 2-year proposal in a row that follows the October/May timing
  - **Tariff 2013.** Revenue from earlier 2<sup>nd</sup> year increase funded increasing the Youth Discount from 20% to 50%
  - **Tariff 2011.** Revenue from earlier 2<sup>nd</sup> year increase was necessary to make up for lower June 2011 revenue forecasts for the 2011-13 Biennium, due to economic recession

# Vehicle-Passenger Fare Ratio

## Proposal: Increase the Vehicle-Passenger Fare Ratio by raising passenger fares less than vehicle fares

- The WSTC first proposed differential fare increases in 2013:
  - Oct 2013 fare change: Vehicles 3.0%, Passengers 2.0%
  - May 2014 fare change: Vehicles 2.5%, Passengers 2.0%
- Growing the gap between vehicle and passenger fares is following the Washington Transportation Plan and the WSF/WSTC Joint Recommendations on Operational and Pricing Strategies
- This proposal would result in four consecutive years where passenger fares grew marginally slower than vehicles
- These small changes add up over time

# Vehicle-Passenger Fare Ratio

## Proposal addresses several policy goals

- Recognizes the higher cost of serving vehicles compared to passengers and the fact that vehicle capacity is much more constrained.
- Modest shift toward pricing that encourages walk-on and HOV customers
- Incenting customers to arrive as passengers improves overall vessel utilization – a key demand management goal
- Brings the ratio closer to the peak level in the early part of the 2000's
- The higher the Vehicle-Passenger fare ratio, the wider the price differential

Vehicle-Passenger Ratio	Peak	2014	2015	2016
Vashon Island	3.56	3.44	3.46	3.48
Mukilteo-Clinton	3.59	3.46	3.47	3.52
Central Sound	3.53	3.48	3.52	3.56
Fauntleroy-Southworth	3.57	3.44	3.51	3.56
Port Townsend-Coupeville	3.57	3.31	3.4	3.42
Anacortes-Orcas	3.46	2.93	2.97	3.01

**Note:** Ratio is the 1-way standard vehicle fare divided by the passenger full fare

# General Height Threshold

## Proposal:

Reduce Height Threshold from 7'6" to 7'2"  
(May 2016)

- Standard vehicle height has been defined as 7'6"
- Actual height limit on many vessels is between 7'0" and 7'6"
- Vehicles under 7'6" are being loaded in the tall space
- The height issue has become a more significant operational concern
  - More loading challenges
  - Reservations system complications
  - Communications challenges

Class	Lower Wing Height	Upper Wing Height
Jumbo	7'2"	9'0"
Jumbo Mark II	8'0"	9'0"
Issaquah	7'2"	7'1" (Chelan) - 7'6" (Others)
Super	7'4"	7'4" (Kaleetan) - 7'6" (Others)
Olympic	7'4"	8'0"
Kwa-di-Tabil	7'0"	N.A. (no upper wing)

# General Height Threshold Limit

## Proposal:

### Eliminate the Overheight Surcharge for Vehicles Under 22 Feet

- Majority of vehicles likely affected by threshold change are under 22 feet
- To mitigate the effects of the reduced threshold, proposal eliminates the overheight surcharge for vehicles under 22 feet
- The underheight 22-30 foot category defined using the lower threshold
- Reservations in the San Juan Islands and on Port Townsend-Coupeville will help mitigate risks associated with scarce overheight space
- May 2016 implementation allows more time for customers to adjust

# Disability Height Waiver

## Issue Description

WAC is too specific (limits waiver to wheelchair lifts) and does not cover the following situation:

An overheight vehicle is not equipped with a lift or mechanism, but the driver or passenger is disabled and the vehicle is otherwise specially accommodating the disability

## Proposal

Language would allow a wider range of vehicles to qualify for the waiver by changing “lift or mechanism” to any “feature” necessary to accommodate a disability.

# Questions?

For more information, please contact:

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