

Review of WSF's 2023/24 Ferry Fare Development Process and Proposal

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Washington State Transportation Commission Meeting
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WSF Fare Development: Presentation Outline

- Ferry Fare Roles and Responsibilities
- Timeline of 2023/25 Fare-setting cycle
- Legislature's Budget Requirements
- Initial Public Outreach on 3 Alternatives
- Commission Decision on Single Alternative
- Public Outreach Plan



Ferry Fare Development Roles and Responsibilities

Roles and responsibilities

- WSTC adopts fares through a rulemaking process; fares are effective for approximately one year (**RCW 47.60.315**)
- WSF conducts a review of its fares and develops a fare proposal for submittal to the WSTC for their consideration (**RCW 47.60.290**)
- WSF develops fare proposals with input from ferry users, by review of the affected FACs, and data gathered from FROG surveys (**RCW 47.60.290**)



Timeline of 2023/24 Tariff Cycle

Milestone	Current Date
WSF FAC-T process and scheduling meeting	January
WSF initial presentation to the Commission on the tariff setting process	February 16
WSTC Files CR101 (Notice of intent to modify fares)	March 29
WSF FAC-T Meeting 1	April 11
Legislature's Fare Revenue Budget	April 23
WSF FAC-T Meeting 2	May 9
WSF update to the Commission	May 16
WSTC Online Open House	May 15 – June 13
WSF Online Public Meetings	May 23 – June 7
WSF Fare Proposal to WSTC @ Friday Harbor	June 21
WSTC CR102 (fare proposal) filing window	June 27
Public comment period on WSTC fare proposal	July
WSTC holds adoption hearing at PSRC Board Room on fare proposal	August 10
File CR 103P (final tariff changes)	By August 30
Fares Take Effect	October 1

Public and Advisory Group Engagement

- **Meetings this cycle:**
 - Ferry Advisory Committee on Tariff (FAC-T) Meetings
 - April 11: Overview of process and initial discussions about historical alternatives.
 - May 9: Focused on fare alternatives to meet the Legislature's fare revenue budget requirements.
 - WSF Public Meetings
 - May 23: Mukilteo/Clinton & Port Townsend/Coupeville
 - May 25: Seattle/Bainbridge
 - May 31: Anacortes/San Juan Islands
 - June 1: Edmonds/Kingston
 - June 6: Seattle/Bremerton
 - June 7: Fauntleroy/Vashon/Southworth & Point Defiance/Tahlequah

Tariff Guiding Principles

- Use a simplified approach
- Charge vehicles based on space occupied
- Encourage modal shift by treating passenger and vehicle fares differently
- Differentiate fares by route based on distance and travel sheds
- Offer discounts to frequent customers
- Generate necessary fare revenue
- Employ transportation demand management strategies



2023-25 Legislative Funding Target

- The 2023-25 Legislative Conference Budget assumed a 4% fare increase
- The revenue funding target for a 4% fare increase is approximately \$419 million for the 2023-25 biennium

How do we get there...

- There are many ways to meet the funding target set by the Legislature
- Two approaches historically used to meet these targets have been differential and non-differential fare setting
 - Differential fare setting applies the fare increase differently between passengers and vehicles.
 - Non-Differential fare setting applies the fare increase equally between passengers and vehicles

Legislature's Fare Revenue Requirement for 2023/25

March Forecast Base Fare Revenue for Operations compared to a 4% increase in Oct 2023/Oct 2024

	BASELINE – No Fare Increase		March Forecast – 4.0% INCREASE		DIFFERENCE	
	Revenue	Ridership	Revenue	Ridership	Revenue	Ridership
2023	\$170,995,000	18,726,000	\$177,169,000	18,726,000		
2024	\$193,279,000	21,397,000	\$204,470,000	21,290,000	\$11,191,000	(107,000)
2025	\$196,798,000	22,114,000	\$214,450,000	21,800,000	\$17,652,000	(314,000)
Total					\$28,843,000	(421,000)

- The transportation budget has \$28 million in additional operating revenue that will need to be generated with a general fare increase

Alternative 1 – 4% Applied to All Fares, October 2023 and 2024

Alternative 1 is a non-differential fare setting approach that meets the legislative revenue target by increasing all fares (passengers and vehicles) by 4% in October/October of each year.

Fare alternatives are being developed to be revenue neutral and to achieve the target set by the Legislature.

Alternative 2 – Increases vehicle fares at a higher rate than passenger fares

Alternative 2 assumes a 3.5% increase for passenger fares and 4.5% increase for vehicle fares on October 1, 2023, and October 1, 2024

Fare alternatives are being developed to be revenue neutral and to achieve the target set by the Legislature.

Option 3 – Multiride Passes

Vehicle and passenger fares increase by 4.25% on October 1, 2023, and October 1, 2024

Multiride passes increase by less than in Options 1 and 2 by increasing the existing discount by 1% (see next slides)

Fare alternatives are being developed to be revenue neutral and to achieve the target set by the Legislature.

WSF Spring Community Meetings

- 435 meeting participants; hundreds more viewed videos of the meetings
- 700+ comments in the meetings and via email

JOIN us FOR FERRY SYSTEM COMMUNITY MEETINGS

Spring 2023

Washington State Ferries is hosting a series of virtual meetings focused on route specific issues and projects ahead of peak summer service.

Community Meeting Schedule
All meetings start at 6pm

- Mukilteo/Clinton and Port Townsend/Coupeville - Tues, May 23
- Seattle/Bainbridge - Thurs, May 25
- San Juan Islands/Anacortes - Wed, May 31
- Edmonds/Kingston - Thurs, June 1
- Seattle/Bremerton - Tues, June 6
- Fauntleroy/Vashon/Southworth (Triangle Route) and Point Defiance/Tahlequah - Wed, June 7

Prior registration is required. To register go to our Community Participation page by following the QR code below or go to:
<https://wsdot.wa.gov/travel/washington-state-ferries/about-us/community-participation>

REGISTER TODAY

? Questions?
Contact us:
wsfcomms@wsdot.wa.gov

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Tariff Outreach Key Themes

- Support for lessening the burden of fare increases for regular/frequent ferry riders
- Widespread frustration about fare increases for routes that are not yet fully restored to full service, or are only recently restored

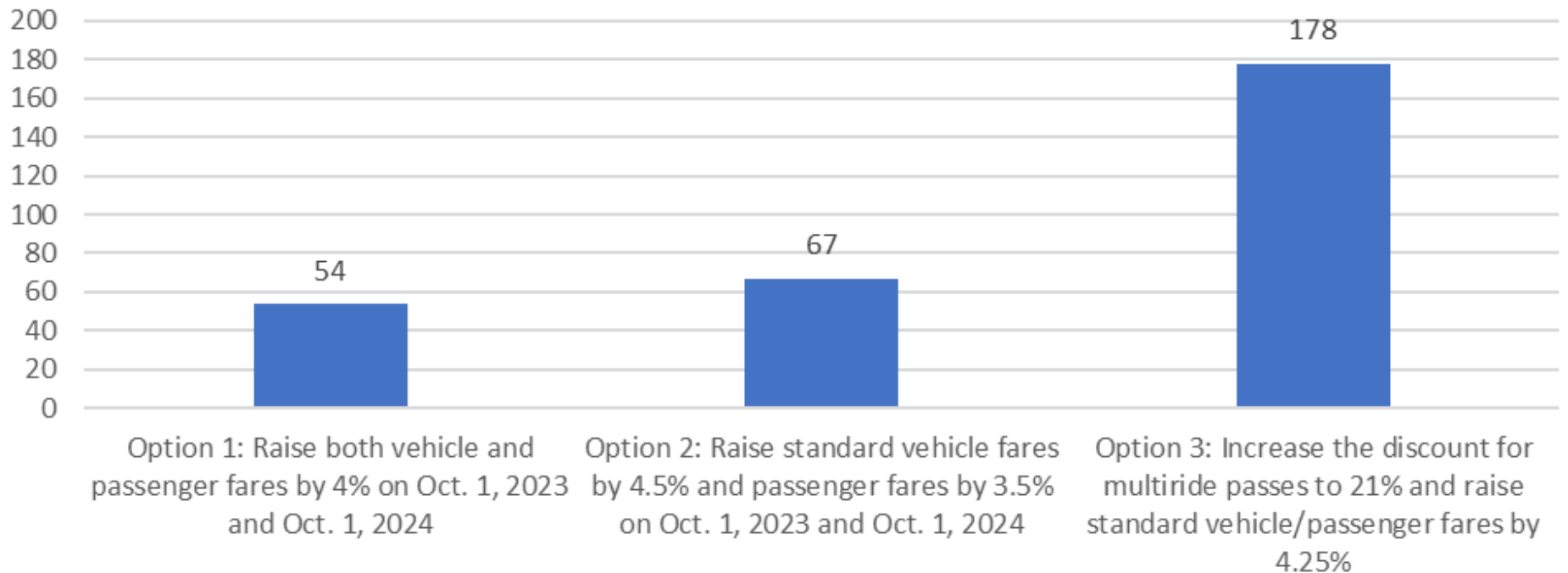
“For two years we’ve been paying for three boat service but getting two boats [with] poor service. Now you want to increase the rates?”

“I just don’t understand how increasing fares is going to solve the crew availability and ferry breakdowns”

“Is it possible to tie fare increases to route restoration? I'm having a hard time wanting to support any fare increases when I have inconsistent experiences with being able to get to work on time or get home in a timely manner.”

Poll Results

Spring Community Meeting Tariff Poll Summary



WSF Recommended Fare Proposal

		October 1, 2023	October 1, 2024	Comment
Option 1 – Non Differential	Passengers	4%	4%	Baseline scenario to meet legislative requirements Multiride discount 20%
	Vehicles	4%	4%	
Option 2 - Differential	Passengers	3.5%	3.5%	Encouraging walk on passengers given limited deck space Multiride discount 20%
	Vehicles	4.5%	4.5%	
Option 3 - Multiride	Passengers	4.25%	4.25%	Passengers and vehicles increase at the same rate and increase the Multiride discount by 1%
	Vehicles	4.25%	4.25%	

Fare alternatives are being developed to be revenue neutral and to achieve the target set by the Legislature.

Questions

For more information on the 2023/2025 Ferry Fare
Development Process,
please contact:

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