



# Washington State Transportation Commission

## Ferry Fare Hearing August 10, 2023

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### **August 10, 2023**

Chair Deborah Young opened the meeting at 9 a.m. with introductions by Commission members and staff, an overview of the agenda, and meeting protocols.

### **Agenda Item 2: Overview of 2023-2025 Ferry Fare Proposal**

#### **Presenters:**

- Todd Lamphere, Director of Finance and Administration, Washington State Ferries
- Aaron Halbert, Financial Analyst, Washington State Transportation Commission

Todd Lamphere provided an overview of Washington State Ferries' (WSF) process for developing its fare proposal that was presented to the Commission on June 21. WSF is required under law to develop a fare proposal that generates the amount of revenue required by the biennial transportation budget. The fare revenue target set for the 2023-2025 biennium by the Legislature is approximately \$418.6 million, which requires \$28.8 million in additional operating revenue that will need to be generated with a general fare increase. To meet this, WSF recommended the following as its fare proposal to the Commission on June 21:

- A 4.25 percent increase across all modes (passenger and vehicle) on October 1, 2023, and October 1, 2024. Increase the discount on multiride passes by 1 percentage point.

WSF's recommendation was based on input from ferry users, by review of the affected Ferry Advisory Committees, and from data gathered from Ferry Rider Opinion Group (FROG) surveys.

Aaron Halbert provided a recap of public input received by the Commission during the fare-setting process. An online survey the Commission hosted from May 15 to June 9 received more than 3,800 completed responses. Many surveyed were against raising fares before WSF has returned to full service capacity. Those surveyed favored an equal percentage increase for passengers and vehicles compared with treating passengers and vehicles differently.

Mr. Halbert reminded the Commission of the proposal it advanced on June 21. The Commission adopted WSF's fare proposal, but with the increased discount on multiride passes expiring on Sept. 30, 2025. That allows the Commission to explore a permanent policy change regarding multiride passes.

In response to legislative direction provided to the Commission in the 2023-25 Transportation Budget, the Commission's fare proposal would also amend the current regulation for the ferry fuel surcharge, requiring that a surcharge be reviewed and approved by the Commission before it can be implemented. When the rule was established in 2011, it was structured as an automatic charge when fuel prices exceeded a certain price.

Mr. Halbert summarized public input received during the public comment period following the Commission's fare proposal adoption. Input was received through email as well as through a FROG survey on the proposal. The main themes, in addition to frustration with the current levels of service, were affordability concerns, requests for greater discounts for seniors and frequent riders, and the desire for the state to invest more in the ferry system. There were also comments supporting the fare proposal, and in the FROG poll, 47% of respondents expressed somewhat or strong support of the Commission's fare proposal, compared with 40% who expressed somewhat or strong opposition to the fare proposal.

**Presentations:** [WSF Tariff Setting Process](#)  
[WSTC Summary – Fare Proposal](#)

For more detail on agenda item 2, please refer to the [TVW Meeting Recording](#), starting at 00:02:53, on the progress bar found at the bottom of the screen.

**Action:** None

**Follow-Up:** None at this time.

### **Agenda Item 3: Public Comment**

**Tom Thiersch, Jefferson County** – Pointed out that the current proposal targets a farebox recovery level of 58-60 percent, down from pre-pandemic farebox recovery levels (in the range of 70 percent). Riders are fortunate that the Legislature is not asking them to make up the difference and that the proposed fare rate increase is only 4.25 percent. Mr. Thiersch expressed support for continuing the multiride discount but urged the Commission to examine the discrepancy of the discount for various routes. Passengers on San Juan Island routes, for example, currently receive a 35 percent discount on the passes while passengers on other routes get a 20 percent discount.

**Joe Kunzler, Skagit County** – Would like to see senior citizens offered a fare-free day on a non-peak day (Tuesday or Wednesday) once a week if possible, and if not, once a month. Many seniors are on fixed incomes and must choose between necessities and the ferry fare. Mr. Kunzler expressed support for differential ferry rates that incentivize walking on the ferry vs. driving a vehicle.

**Presentation:** There was no associated presentation.

For more detail on agenda item 3, please refer to the [TVW Meeting Recording](#), starting at 00:55:45, on the progress bar found at the bottom of the screen.

**Action:** None.

**Follow-Up:** None at this time.

#### **Agenda Item 4: Commission Discussion & Action**

Commissioner Nicole Grant thanked the thousands of people who provided input on ferry fares through surveys and comments, adding it was important to hear the public's ideas, frustrations, and concerns. Though the ferry system is a jewel of the state, it's hard to hear about the lack of service riders face, the challenges that come with aging vessels, and the urgent need for new vessels. It is hoped that the increase in fares will help to stabilize the system and return the experience of riding the ferries to a positive one. She said WSF and legislative leadership are working to restore the system, and a vote for the ferry fare proposal supports that.

Commissioner Young said that the vote to raise fares by a larger percentage than in recent history is not an easy one, but there's hope that the ferry system is turning a corner. Capital funding provided by the Legislature brings hope that there will soon be contracts for new vessels, that increased funding for training will bring new staff aboard, and that there will be an increase in reliability this biennium. Riders' patience is appreciated, and the Commission hears the input they've been offering. There is optimism that the financial situation will be better in two years when the next fare-setting cycle begins.

**Presentations:** No associated presentation

For more detail on agenda item 4, please refer to the [TVW Meeting Recording](#), starting at 01:04:35, on the progress bar found at the bottom of the screen.

**Action:** Commissioner Grant made a motion to adopt the proposal for ferry fares and the fuel surcharge; Commissioner Roy Jennings seconded the motion. The motion passed 6-0 with Commissioner Kelly Fukai excused.

**Follow-Up:** The Commission staff will file the final CR-103 rule-making paperwork by Aug. 31 to enable WSF to implement the new fares on Oct. 1, 2023.

**Chair Young adjourned the meeting at 10:12 a.m.**

The Commission will be present at the Tri State Meeting in Eugene, OR, Sept. 12-13, and the next Commission meeting is in Vancouver, WA, on September 14, 2023.

# TRANSPORTATION COMMISSION

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DEBBIE YOUNG, Chair

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JIM RESTUCCI, Vice-Chair

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JC BALDWIN, Member

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ABSENT  
SHIV BATRA, Member

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NICOLE GRANT, Member

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KELLY FUKAI, Member

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ABSENT  
ROY JENNINGS, Member

ATTEST:

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REEMA GRIFFITH, Executive Director

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DATE OF APPROVAL