Title of Document:
Update from the Lummi Island Ferry Advisory Committee

Summary Statement or Legal Notice Language:
Update from the Lummi Island Ferry Advisory Committee

Committee Action:
9/11/2012: Reported
12/4/2012: Report on recommendations to implement an electronic ticketing system

Council Action:

Related County Contract #: Related File Numbers: Ordinance or Resolution Number:

Please Note: Once adopted and signed, ordinances and resolutions are available for viewing and printing on the County’s website at: www.co.whatcom.wa.us/council.
TO: Honorable Members of the Whatcom County Council

DATE: November 1\textsuperscript{st}, 2012 (Adopted by LIFAC on October 15th, 2012)

SUBJECT: RECOMMENDATION TO IMPLEMENT AN ELECTRONIC TICKETING SYSTEM (R12-01)

RECOMMENDATION

The LIFAC recommends that Public Works establish an electronic ticketing system, leveraging credit card and e-check payment processing technologies, to efficiently account for fare sales and waivers. An auditable process to account for all ferry passengers traveling to/from Lummi Island should be in use no later than July 1, 2013. The system deployed should be fully integrated with the County’s enterprise financial systems no later than January 1, 2015.

OUTCOME

Utilization of digital payment technologies will increase accountability and provide higher levels of convenience for ferry passengers. Electronic ticketing technologies will enhance business intelligence, reduce administrative workload, and improve transparency as actual usage will be readily reconcilable to ferry fare revenue.

BACKGROUND

Passengers of the Lummi Island ferry board by either purchasing a ticket or qualifying for a fare waiver.

Sales:
Cash or check is collected shortly after the passenger boards the ferry at Gooseberry Point. Information is manually tracked by staff using a generic ticket stub and carbon-copy receipts. Ridership data is handwritten on a piece of paper, submitted to the ferry coordinator, and manually keyed into an Excel spreadsheet. Ferry accounting data is later keyed into the County’s financial system.

Waivers:
Fares for Whatcom County personnel, tribal members, and their immediate family are waived. This recognized benefit is utilized throughout the course of the year. Other passengers’ fares will be reduced or waived at the discretion of ferry staff. There is currently no method for verifying the number of waivers granted each voyage.

No ridership data is collected on the return trip to Gooseberry Point making it impossible to compile accurate traffic statistics.
ANALYSIS

On a June 25th, LIFAC collected responses to a Request for Information (RFI) relating to the feasibility of an electronic ticketing system for the Whatcom County Ferry System. In a subsequent LIFAC meeting, stakeholders discussed the strengths and weaknesses of various electronic ticketing alternatives. Based on these activities, LIFAC recommends that County staff explore the following service options:

1) **Ridership Tracking:** Remote cash terminals or mobile handheld devices could be leveraged to track payment methods, as well as fare waivers, at a modest amount to the County. This equipment should generate a receipt for each passenger. Once collected remotely, data should be electronically imported into County’s financial system. Hardy equipment, resistant to the elements, with satellite communication capabilities is best suited for the operation. *Estimated implementation costs: $1,000 - $5,000; Maintenance & Support: $500-$1,500 per year.*

2) **Credit Cards:** Visa, Mastercard, American Express, Discover Card(s) could be readily accepted as an alternative form of payment on the vessel. Transaction processing fees will range between 2.25% - 7.50% depending on payment structure and other risk tolerance factors. *Implementation costs: $1,000 - $3,500; Projected Payment Processing Costs (assuming fees are absorbed by the County): $10,000 - $30,000.*

3) **Online Ticketing:** Enabling passengers to purchase their tickets in advance using a credit card or e-check on the web is a viable solution. Tickets could be sold in public venues and validated at the terminal using a bar code reader. The online system should be able to accommodate both single and multi-ride tickets. *Implementation costs: $1,000 - $15,000; Maintenance and Support: $1,000 - $2,500.*

CONCLUSION

LIFAC’s review activities found a number of viable solutions towards achieving the goal of electronic ticketing. LIFAC recommends that the County Council adopt the proposed recommendation and dedicate the appropriate level of resources necessary towards the implementation of an electronic ticketing solution in the FY2013-14 budget. The LIFAC is dedicated towards providing support towards this effort.

Mike McKenzie
LIFAC Chair