LUMMI ISLAND FERRY ADVISORY COMMITTEE (LIFAC)

Fourteenth Meeting

April 1, 2014

CALL TO ORDER
Committee Chair Mike McKenzie called the meeting to order at 6:30 p.m. in the Lummi Island Library, Bellingham, Washington.

ROLL CALL
Absent: Open Position

FLAG SALUTE

MINUTES CONSENT
1. Approve minutes of March 4, 2013 LIFAC Meeting.
2. Approve minutes of April 1, 2013 LIFAC Meeting.

ANNOUNCEMENTS / SPECIAL PRESENTATIONS

Mike McKenzie, Chair –
• After the March 25th Public Works, Health and Safety County Council Committee Meeting (AB2014-133: Discussion of contingency planning for potential interruptions of Ferry Service for Lummi Island), McKenzie and Antholt met in the foyer with the Director of PW, H & S Frank Abart. McKenzie will defer this discussion until the part of the meeting when James Lee from PW talks.
• McKenzie talked about the open position of LIFAC, saying that he had talked with the County Clerk Jill Nixon about this. She sent him documents restating the original terms of service for the committee members which indicate that the 2-year terms run through 2014 and the 3-year terms run through 2015. Current members can apply for a second term without going through the appointment process again. Point was made that Antholt had distributed this list at the last meeting. McKenzie commented that Rhayma Blake had taken an application, checked with the PLIC members and was interested in applying for the open position. There had been no formal application at that time. Rhayma had indicated that she would be interested in being on or leading a committee on long range planning because that was her primary interest. Busch asked if the open position was for an off-island resident did it have to be replaced with an off-island resident. McKenzie responded that Jill Nixon explained the original documents say that there must be at least 4 island residents but there can be no more than 5, so this off-island position can be replace by an island resident. Antholt commented that Rhayma said that she was interested and that that Jeff Campbell said he was interested and looking at it.
• McKenzie recognized that Whatcom County Councilmember Barbara Brenner was attending tonight’s LIFAC Meeting. Councilmember Brenner represents District 1 to include Lummi Island and is the Chair of the Public Works, Health and Safety Committee.
Mary Ross – Comments on Fare Model and Skagit County Ferry Operations

- The following documents were passed out by Mary and are attached or referenced for review:
  1. Written copy of Mary’s report (attached)
  2. Guemes Island Ferry 2013 Operations Status Report
  3. Guemes Island Ferry Draft 2014 Fare Revenue Target Report,
     ▪ [http://linetime.info/Draft%202014%20Ferry%20Fare%20Revenue%20Target%20Report.pdf](http://linetime.info/Draft%202014%20Ferry%20Fare%20Revenue%20Target%20Report.pdf)
  4. M/V Guemes O.N. 601686 Ferry Replacement Plan
  5. Whatcom County Public Works Ferry Operations Report Fiscal Year 2013

- Mary read her comments to the Committee.
- Mary makes the following recommendations for PLIC:
  1. “that LIFAC or Whatcom County look closer into how Skagit County operates its ferry system and see if there might be some lessons on how to cut operations expenses, facilitate better communications between all stakeholders, obtain the data needed to determine how to structure fares to meet specific budget goals, and make ferry fare more affordable.”
  2. “to look at Whatcom County’s Public Works Ferry Operations Report Fiscal Year 2013 posted on the ferry Web site yesterday. Comparing to Skagit County’s 2013 Ferry Operations report would be a good place to start”

- Mary makes the following personal recommendations:
  1. Look at how Skagit collects and records Passenger and Vehicle Data and see if it can work here.
  2. Look at how Skagit Reports to Stakeholders via detailed published on line reports, newsletters, on island meetings with public, and regularly scheduled meetings with their ferry committee and see if it is a model worth aspiring to here.
  3. Look at how Skagit provides all of these services for $700,000 less annually and meets its 65/35 split charging $3.50 for a passenger, and $10.00 for a vehicle during peak season, and less during the off season.
  4. Examine why Whatcom County ferry operations costs have been going up every year while Skagit’s costs have had fluctuations sometimes up; sometimes down; but not going up, up, and up.

- Questions and comments:
  1. Antholt confirmed that only one of the documents presented represented the efforts of all of Whatcom County.
2. McKenzie commented that he wanted to speak to the Committee about working in concert with PLIC and possibly even LIKA (?) in terms of having a public meeting with the County on the Island.

James Lee – Public Works Bridges and Ferries
- McKenzie introduced James by reminding the Committee that James had attended his first LIFAC Meeting in February. PW Director Frank Abart has appointed James as kind of an interim direct contact for LIFAC and general ferry issues. James gave the following updates:
  - James also brought copies of the Whatcom County Ferry Operations Report for 2013 that Mary had.
  - He commented that the convenience fees for credit card payment of ferry fares had been passed by the Council a few weeks ago and there are no real changes. The charges have been in effect since January 2014. The charges will be made per the resolution and would remain as such for about 6 months until enough data has been obtained to make a different decision.
  - Three weeks ago James, Carl Hendricks (Lead Bridge Inspector), and Christina Shoettaler (sp) (newest Engineer in the group) met with Skagit County in Skagit County. They had a 3 hour meeting with Rachel Rowh (sp), the Ferry Manager for Skagit County. There are enough similarities between their program and ours that both counties are working on dolphin replacements using the same consulting firm from Seattle to do the design work. It was a really good opportunity to chat with Skagit representatives. Another of the big issues being dealt with by both is the credit card issues and how the pursers are using the equipment on the boat. Skagit is hoping to move ahead with an i-phone app. They are looking at a system similar to “Square” which can’t be used per the State Auditor. Whatcom sill stay in contact about this.
  - James commented about the strong currents that affected the Guemes passage and did not think this was an issue for Lummi.
  - James commented that he had read the Guemes Ferry Replacement Plan and also found it interesting on how Skagit calculated the ferry passenger trips. Also noting that the trips are shorter and the daily operating period is shorter, that if there is a big discrepancy on how the trips are being recorded it should be looked at.
  - Skagit and Whatcom also both seem to be working together to coordinate the use of the Ferry Trek to provide vehicle/passenger service during the dry dock periods. Elliot Bay Design Group is doing a quick feasibility study to identify and fatal flaws that will identify this as a no-go. They might consider one contracting effort for both counties. Skagit dry dock is in October and very similar to Whatcom.
  - The dolphin replacement project is moving ahead and they will probably know by the middle to latter this month, based on the permits, whether or not it will move forward this summer. Brown asked if they were considering relocating the dolphins farther out to accommodate a larger ferry. James responded by saying they were considering replacing the 4 timber dolphins.
on the Gooseberry point side as the first phase of the work. They would move
the mid-ship dolphins in a little bit and the outer dolphins out a little bit to
give the captains a little larger target area in rougher weather. He hopes to
bring a copy of the plan to the next meeting for folks to review.

- Antholt asked about the Ferry Trek being for rent and/or for sale. James
  commented that the owner would be open to the concept of selling the ferry
  or renting which he thinks is option being looked at. Skagit County has already
  investigated enough to know the owner would have to modify the nose of
  the ferry so that it would match the ferry landings. The ferry owner has
  agreed that he would have to round the nose. If Whatcom County comes
  back with a similar requirement that it would be interesting to see where we
  would go from there. The owner had talked with the Coast Guard and the
  modifications would be pretty much a non-issue. James again commented
  that there may be some benefit to having one procurement process for both
  of the counties.

- Questions:
  - McKenzie commented that he understood that the odds of the Trek
    replacing the passenger only ferry this year were slim. James
    confirmed this by saying that the County has the Island Commuter
    under contract with the ability to extend that contract one more
    year. Knowing how long it takes to get something like this in place,
    he said it was highly unlikely that it could be done by the end of
    summer. He also said that the County already knows that it will be
    going for bids for this service next year.
  - McKenzie asked how the credit card technology was working and
    James replied that he had talked to the captain and things were going
    well.
  - McKenzie commented that the $7000 estimate for convenience fees
    was just an estimate with no real data backup. James commented
    that this was correct and this was based on some historic ridership
    data and assumed the convenience fee of 2.35%. McKenzie felt this
    was important to clear this up as one had stated in public how much
    this fee was going to cost the County.
  - McKenzie asked about road construction coming up on Haxton and a
    round-a-bout on Smokehouse Road. Does anyone know where the
detours will be? Who do we talk to? James commented that we
    should probably talk to Roland Middleton from the County Roads
    Group. James will try to get a report back to LIFAC about this.
  - Dickenson commented that the Trek has the same bow as the
    Plattsburgh and the Plattsburgh will fit the Lummi Island dock as it
    sits right now if it goes in straight. The Owner of the Trek has offered
    to bring the ferry up to try the fit. James noted that the Skagit apron
    is very straight and flat where the Lummi landing have a roundness
    to them. This is something that Elliot Bay can look at. Jim says that
    the Trek has the 2 center on lanes that means it would not have to
    be “cocked” to unload long trucks from the side lanes of the Chief.
Councilmember Brenner commented that someone thought that the convenience fees would cost a fortune. She felt that the fee was going to be whatever it cost us. She asked if this was going to cost the island folks more than the general public visiting the island. James responded that at this time the 2.35% fee is being used at the PW Office, on the website, and on the ferry. The pursuers don’t have time to chase each individual credit card rate so the temporary standard was set. James did not think that this was going to cost a fortune. The $7000 was just an estimate. After collecting about 6 months of data PW will come back with actual numbers to define what percent is actually being paid. McKenzie commented that this is why he made the point to clear up the fact that these fees are NOT going to cost the County a fortune.

Councilmember Brenner asked if Skagit has any leases on their ferry landings or service. James responded that no, there were no leases and that the Skagit Ferry System was not on any tribal land.

An Audience member asked who pays the 2.35% and this was addressed by several saying that those purchasing multi ride ferry passes on the ferry, at the PW office or on the website will pay the extra 2.35%. Those using a credit card for single pass vehicle or passenger rides using a credit card will not be charged 2.35% at this time. There is no fee for cash payments.

Antholt asked if that once the actual percentage is established that the will be added to the ferry budget and the cost will be borne by all ferry passengers. James answered that this is incorrect, the one the rate is established it will be only attributed to credit card users.

Colburn tried to summarize by saying that the current waiver is temporary in order to gather data so that you can make an accurate charge. The charge will ultimately be borne by the credit card user.

PUBLIC COMMENT:

Ken Swanson says the consensus of the people he has talked with would like to see the $3 sure charge be taken away. The second point is that after the recent 6 hour ferry delay in March, some people would like to see the Santi cans put back at the landings. Antholt commented that the previous Santi cans were destroyed ($2500) and the vendor actually pulled them. Brown suggested that along with the improved communications for ferry emergencies that it become automatic to get Santi cans delivered on a temporary basis immediately to address the issue.

A general discussion was prompted by this ferry outage comment and there were questing regarding what would have happened if the kids were coming home from school and the response would be the passenger ferry if the outage was going to be lengthy. Bill Lee commented that he believed that in the past some arrangement had been made in the school system so the children could go to some private homes on the mainland until the ferry or passenger ferry was available. The Ferndale school district should be included in the alert communications network.
• Jansen Pierce referred to the budget actuals for the ferry system and questioned some of the fees listed that he felt did not make a bit of sense. He felt that maybe we need an audit of the system to see where all of the money is actually going. He commented that “Equipment Rental Interfund” is $600,000 so what is it? He commented that “Overtime” went up from $4000 to $63,000 so what was necessary for this? He commented that “Professional Services” was $122,000 last year and $61,000 this year. He commented that “Other Travel” was $15,000 so what is other travel? He commented that “Equipment Rentals” is $15,000 so what equipment are we renting. He commented that “Administrative Costs” $212,000 so how much is actually to the ferry as opposed to people in the office doing other work? Is it broken down for each individual’s job being done for the ferry or are we just being lump summed? He commented that “Taxes and Assessments” was $27,000 so does the ferry actually pay taxes? The ferry is a public entity, why do we pay taxes? McKenzie asked that Jansen put this in writing and submit it to LIFAC.

• Jim Dickenson commented that the cost of dry dock other that the repair of the ferry is about $200,000. With discussion with others they figured out that if we got the Ferry Trek we would have a car ferry during dry dock that we otherwise would not have. They thought that this would save about $100,000 and he felt that the County should get at it and that we should get at it immediately and we should not wait another year.

OLD BUSINESS

1. Ferry Contingency Planning
   a. Antholt commented that Jim Dickenson and he had actually had time to talk about contingency planning. Antholt is convinced that the County (and Chantel) have a list of service providers for all kinds of problems that could occur on the Chief and the hypothesis that putting together a play book that he had was probably not worth following up on. He felt that the same could be said for the electrical and hydraulic equipment, the mechanical equipment on the dock on both sides Gooseberry and Lummi Island. Antholt proposed not to do anything. The one question that is still open is what happens when you get the 100 year storm that blows out the docks? We agreed to talk more on this.

2. Update on Ferry Fares Model
   a. Antholt and Colburn have been learning to use the model and there are 3 questions associated with that:
      i. To get at the ticket fares you need to make some assumptions about traffic. What do we think traffic will be in 2014?
      ii. In the budgeting, the County has budgeted fare box revenue at $1.5 Million. The County Budget for Operations expenses is $2.5 Million. 55% of $2.5 Million is $1.4 Million roughly. If we are going to look at ticket prices, which number do we shoot at?
      iii. Are there any reactions to choosing a base far, for example car & driver $13? This is the most utilized fare and we could relate all others to this. Walk on fare today is about 50% of this. Is this a way to set fares?
NEW BUSINESS

b. McKenzie summarized that LIFAC would devote the work session to this issue at the next meeting.

3. Ferry Lines and Loading

a. McKenzie asked if it was necessary to discuss this tonight as we had already put in our recommendations. Antholt asked James Lee if he has seen the letter or if he knew about the recommendation and the response was no. McKenzie said he would follow up. This item is closed.

4. Resolution for Washington State Ferry HIYU

a. Brown commented that he would like the Whatcom County Council to move ahead to determine if the Ferry HIYU could be a fit to replace the Whatcom Chief. There is about a year and LIFAC does not have the time to try and decipher this. He has moved ahead and developed a “Resolution” for submittal to the County. Brown commented that he has attached this resolution with the draft minutes for review. He is requesting a motion to move ahead. This was seconded and it was determined that there was not enough time at this meeting to move ahead. McKenzie felt that this motion was not necessary at this time as he thought the County was moving ahead on this issue. James Lee responded that there was no effort from the County to move on the HIYU, only the Trek. McKenzie suggested that this be tabled until the next meeting.

OTHER BUSINESS

There was no other business

TENTATIVE AGENDA FOR THE NEXT WORK SESSION

The date for the next meeting is Tuesday April 29th

CALL TO ORDER
ROLL CALL
FLAG SALUTE
MINUTES CONSENT
PRESENTATION
Mike McKenzie – General Update
OLD BUSINESS
Update on Ferry Fares Model
Ferry Contingency Planning
Resolution for Washington State Ferry HIYU
NEW BUSINESS
ADJOURN

ADJOURN
The meeting adjourned at 7:46 p.m.
The Committee approved these minutes on April 29, 2014.

ATTEST:

Michael McKenzie, Committee Chair