



PIERCE COUNTY WATERBORNE TRANSPORTATION STUDY

ADVISORY GROUP MEETING 2 AGENDA

Wednesday, January 14, 2015, 1:30-3:30pm
Steilacoom Community Center, 2301 Worthington Street

MEETING OBJECTIVES:

- Review Situation Assessment initial findings on ridership, demographics, fares, and financial outlook and gather Advisory Group input and feedback.
- Gather input on survey design.

1:30	Welcome and Introduction <ul style="list-style-type: none">• Objectives for today's meeting• Meeting schedule• Review December meeting summary	Valerie Thorsen (Pierce County)/ Michael Hodgins (BERK)
1:40	Ridership, Market, and Demographic Analysis <ul style="list-style-type: none">• Current and historic trends• Baseline projections	Michael
2:25	Fares and Financial Situation <ul style="list-style-type: none">• Fare structure• Current financial situation• Baseline financial outlook	Vivien/Michael
3:10	Survey Design and Key Questions <ul style="list-style-type: none">• Summary of previous survey questions• Areas of focus for 2015 surveys	Melanie
3:20	Public Comment	
3:30	Confirm Next Steps; Adjourn	Michael

PIERCE COUNTY WATERBORNE TRANSPORTATION STUDY

Advisory Group Meeting: December 8, 2014

DRAFT Meeting Summary

In Attendance:

Jim Bixler (Chief, Anderson Island Fire and Rescue)

Marion Chenaur (Ketrion Island Resident)

Ann Dasch (Anderson Island Resident)

Chris Frye (Anderson Island Resident)

Dave Jacobsen (Anderson Island Citizens' Advisory Board Ferry Liaison)

Paul Loveless (Administrator, town of Steilacoom)

Kendel Lyman (Anderson Island Volunteer Patrol)

Krista Ullis (Riviera Club Media: Anderson Island)

Laurie Vallieres (Anderson Island Elementary Principal, Steilacoom School District)

Valerie Thorsen (Pierce County Public Works and Utilities)

Michael Hodgins (BERK)

Melanie Mayock (BERK)

Welcome & Introductions

Michael described the purpose of the meeting: to kick off the 2014/15 Waterborne Transportation Study Advisory Group, to share the current approach to the project, and to understand the Advisory Group's perspectives on the challenges and opportunities facing the Pierce County Ferry System today.

Advisory Group members introduced themselves, any organizations they are representing, and their history on ferry issues.

Advisory Committee Structure and Purpose

Committee Purpose & Operating Procedures

The purpose of the Advisory Group is to advise the consultant and Pierce County staff on the study. The Group was designed to represent a broad array of stakeholders.

Advisory Group members discussed the options for getting input from seasonal island residents. Because no organization or group has been identified to represent that group, it was agreed that general communication tools (including surveys) would be used to get input from that group.

The Advisory Group operating principles and communication protocols were reviewed. [See "Advisory Group Roles and Responsibilities" for details.]

Public Comment Procedures

Michael described the public comment procedures. An Advisory Group member asked how the public is notified of meetings. The County provides notification through updates posted on the Pierce County website. (There is no official public notification required for this meeting type.)

Future meeting times and locations

Advisory Group members requested the meeting location and time fit with the ferry schedule. The group settled on the second Wednesday of the month at 1:30pm for the regular meeting date and time. The next meeting will be **Wednesday, January 14th at 1:30pm**. The meeting location will either be in Steilacoom or again at the Pierce County Environmental Services Building.

Project Approach, Schedule, and Milestones

A description of the project approach, schedule, task, and products was presented. The charge of the project is to update the 2003 study. There will be three phases: 1.) Situation Assessment; 2.) Development of Alternatives; and 3.) Evaluation of Alternatives and Plan Development. The phases are described in the written materials that were provided.

The baseline ridership and financial outlook describes what happens if there are no changes. Surveys are part of that process, including origin/destination surveys of people using the ferry. This study will build on the previous study; examine how things are different today than in 2003. The Situation Assessment will inform the survey and help determine if there key questions that weren't asked in 2003. There will also be a property owner survey.

Michael responded to several questions from the group:

- Information from the County's six-year Transportation Improvement Plan ferry element will be used in the project.
- MAP-21 refers to federal transportation planning rules. The County's plan must be consistent with these rules (but the federal government doesn't have to approve the plan).
- Hornblower Marine Services, the private contractor who operates the ferry system, will be involved with the technical side of the study, but it's not appropriate to have them on the Advisory Group.
- The next meeting will include discussion about the survey – what we need to ask, how to get responses, who we're targeting and how.
- The Technical team includes BERK, Pierce County, and others as needed. For example, staff from County finance, engineering.

Michael explained more about the tasks in the project approach. Tasks 2 (Population and Ridership), 3 (Service Evaluation), and 4 (Fare Analysis) will interact with each other. The Fare Analysis will examine what role fare revenue should play in financial sustainability of this system, which is a key question. For the Financial Analysis, fares will also play a large role. The Financial Analysis will start with a baseline description of what the world looks like if there are no changes.

BERK will come back to the Advisory Group in January with initial findings from the Situation Assessment and ask for feedback. Then we will transition to alternatives development.

Michael mentioned that the time-frame for this study (approximately six months) is relatively short. The County would like to finish the study in this time frame because of other County policy decisions.

Additional questions about the project were asked:

- One Advisory Group member asked if the project will include website interface and e-commerce. Michael explained that yes, the study will include technology assessments that may have value to the system, such as a fare collection system. In fact, one of the first tasks for the study is the sub-consultant IBI to review fare collection, including the kinds of systems being

offered, how they align with the marketplace, operations here and elsewhere, opportunities for fare policies, and how to improve operations and customer convenience.

- An Advisory Group member mentioned that there had been a website breakdown and security issues. There is a report that will be forwarded.
- An Advisory Group member mentioned that using the current website requires 19 clicks to get a ticket. Another member commented that the community has been asking for a monthly pass for a while, but the current system can't handle it.

Strengths and Weaknesses of Pierce Ferry System

Michael explained that a SWOT analysis (Strength/Weakness/Opportunity/Threat) is a key part of the situation assessment and helps determine what issues are important. He asked the group to provide input on the strengths and weaknesses of the current system.

Strengths listed by members of the group include:

- The ferry crews are highly respected and appreciated.
- The reservation system for Ketron Island is working well.

Weaknesses described by group members include:

- Buying tickets on the website is difficult.
- The ferry system doesn't link well with other transportation, such as Pierce Transit. For example, the first ferry gets to mainland at 6:45am and the bus gets there at 7:15am. Pierce Transit only runs every 2 hours because it lacks ridership, but people aren't riding bus because doesn't match ferry schedule. Chicken and egg dilemma.
- The town of Steilacoom has concern about ferry customers parking second vehicles in town.
- There's a lack of infrastructure on Anderson Island, such as bicycle trails, poor lighting, no public transportation.
- Families with children can't live on Ketron Island, because the first ferry to get back to the Island after school departs Steilacoom at 5:10pm.
- Fare structure changes led to bigger fare increases for passengers than for car and driver. There is a lot of passenger capacity, but people don't ride as often because of the cost per person. Lowering passenger fares a little would increase mobility and access.
- Livability is a concern. The ferry does not operate during all commute hours. For example, people can't get to jobs that start on Base at 7am and can't access jobs further away. It's also difficult to attend kid concerts, civic things, and access jobs at night. The Island is not livable if you want to be engaged elsewhere in Puget Sound.
- The ferry doesn't stay on schedule when it's near capacity for cars. In summer with heavy loads, combined with trains, it leaves 10-20 minutes late. As a daily user, that gets tough for people.
- Summer Overloads:
 - During the summer there are overloads on both sides. These are relatively predictable.
 - The Sunday 12:30pm ferry is always overloaded in summer. An extra run in the summer after 12:30 has been suggested.
 - Seems there are more people coming to the island on weekends than in the past. On weekends many of the passengers are weekenders, not full-time residents. They are vacation home owners or are visiting someone.
 - The first boat off the island on Monday morning is usually an overload (due to weekenders). This makes it difficult for residents trying to get to work.
 - A reservation system for Anderson Island has been proposed but hasn't happened.

- It's hard to say if summer weekend travel to Anderson has increased. Levels could be similar to 2004, before the recession. There is an increase in ridership compared to last year. Ridership dropped in recession.
- There are lots of events in the summer, such as weddings.
- Ferry crews are awesome, but there are concerns about how tight the ferry is packed. Crew sometimes forget that not everyone's a regular on the ferry. They'll get upset that someone pulled up too close.
- Concern about implementation of this study. There have been lots of previous conversations about ferry improvements with Public Works, but we have not seen changes. For example, the website.
- School District:
 - The School district is appreciative of the car & driver exemption. There are more students with higher needs now and so the District has to bring out specialists, which costs a lot of money. Would appreciate more staff exemptions.
 - The School district is working with high-school and middle school principals to see about matching up schedules better for next year. High-schoolers wait at the dock for way too long – makes them rambunctious on the ferries. Looking at time revisions for them, but not sure it's possible.
- Vehicle exemption –All the County folks used to be exempt, not anymore. County pays its way, etc. This has differing effects on different stakeholders.

Communications issues:

- Real-time information about delays: Lack of communication on the Anderson side if there's a delay or the ferry's down because the train broke down – no Twitter, notification, etc.
- It's hard to get communication out to people on Anderson Island. For example, many people don't know about the extra ferry for the golf tournament.
- There's a lack of communication to the general public when a decision is made by the County. For example, many people renting homes on the island don't know about ferry schedule changes in advance.
- Michael summarized that there are concerns about communications on multiple levels:
 - Breakdown/delay information in real time.
 - Communication about County decisions.

Opportunities and Challenges Facing Pierce County Ferry System

Opportunities:

- Make the ferry available for other uses when it's not serving this route.
- Pierce County could work with Skagit and Whatcom counties to share the spare boat for haul-out times.
- A contract with the State to serve McNeil. (This was looked at, not sure why that idea died.)
- Spending less on fuel than anticipated.
- In the long-term, consider feasibility of serving the Key peninsula population, Fox Island, or other areas in Pierce County.
- The proposal for a 4:45am run is critical for island residents getting to work on time. The ferry is the lifeblood for residents and has to conform to life, work, schools, and events. If fares go up, we should make sure the system will get people to work. With the last summer rate increase, people wondered why we're paying more now than last year.

Challenges:

- Concern about financial sustainability. One thousand households contributing \$1k/year is not enough. You've got to have the households spending \$4k-\$6k.
- The triangle run was added as result of the last study. How much did that change save money versus harm customers? Some commutes are longer. This should be in the study scope.
- How might fare structure changes impact Anderson residents living in poverty?

Other thoughts and questions

There was some discussion of who owns the ferry terminal on the Steilacoom side. The consensus was that the County owns the dock, but the state may own the tideland. For the tie-up floating dock, the town owns the promenade on the left and Ketron Island residents own the floating dock attached to that.

The representative from Steilacoom mentioned that parking for Anderson Island residents and guests is a big concern for the community. While the town cannot stop private landowners from renting out parking spaces, that is different from providing public parking, which has been suggested. The County has never offered mitigation to Steilacoom for ferry impacts.

Roundtable

Public Comment

No members of the public attended for public comment.

Confirm Next Steps; Adjourn



PIERCE COUNTY WATERBORNE TRANSPORTATION STUDY

RIDERSHIP TRENDS AND PROJECTIONS

DISCUSSION DRAFT | January 14, 2015

RIDER MARKET SEGMENTS

Pierce County Ferry ridership can be broken into five broad categories or market segments:

Regular commuters

Commuters are the most frequent users of the ferry system. These riders primarily use the ferry system for transportation to and from their workplace or school. The majority are assumed to travel from Anderson Island to the mainland in the morning and back to the Island in the evening. However, employment data shows that most jobs on the Island are held by people who live off-island, which indicates there are reverse commute trips as well. Commuting customers commonly purchase multi-ride commuter tickets in order to reduce the costs of commuting. In 2013, 46% of customers traveled with commuter tickets, a share that has remained fairly steady over the past decade.

Non-commuting island residents

Non-commuting island residents do not regularly travel to the mainland for work or school. However, they do rely on the ferry system for occasional trips such as errands, shopping, medical care, and other miscellaneous purposes. In 2002, 23% of customer survey respondents indicated their trip purpose was shopping/personal business.

Seasonal and weekend residents

These riders typically own or rent homes on the islands and either reside on the island on a seasonal basis or travel to the island on weekends. These customers travel more frequently during the summer months. According to the 2010 Census, 42% of all housing units on Anderson Island were for seasonal, recreational, or occasional use.

Tourists and visitors

These customers travel to the islands for recreation, business, or visiting friends and relatives. They travel infrequently and typically during the peak summer months or major holidays. In 2002, 25% of survey respondents self-identified as visitors. Washington State Ferries (WSF) data indicates that 76% of WSF recreational trips are generated by customers residing in the Central Puget Sound region, with 14% coming from outside the region (Washington State Department of Transportation, 2010).

Business and commercial vehicles

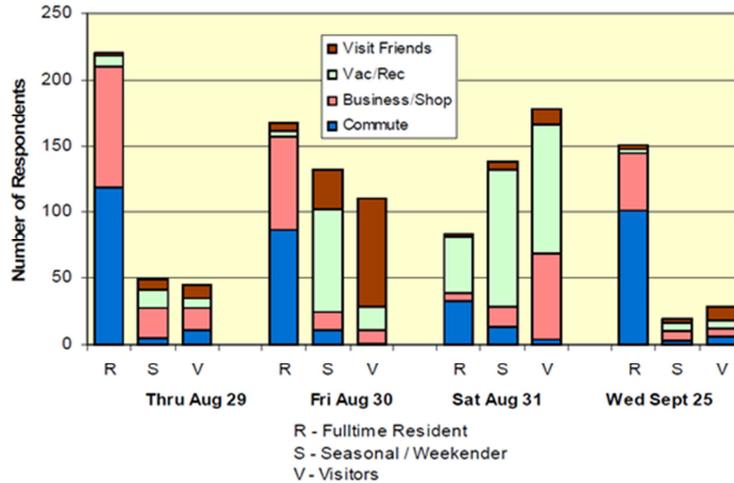
Business and commercial vehicles include freight and delivery services (USPS, UPS, and Fed-Ex) as well as independent construction/trade businesses. 2013 ridership data indicates that drivers of trucks (vehicles over 20 feet in length) are a small fraction of all customers (1.3%).

TRAVEL PATTERNS BY MARKET SEGMENT

A new ridership survey will provide information on current travel patterns by market segment. The most recent data available is an on-board ridership survey of Pierce County Ferry customers conducted during

the summer of 2002 (IBI Group, 2003). That survey focused on three segments: Fulltime residents, Seasonal/Weekenders, and Visitors. Exhibit 1 shows how trip purpose varies by day of the week and by market segment. Not surprisingly, a large portion of weekday trips were commutes as well as business/shopping. On Saturday, vacation/recreation was the dominant rider response.

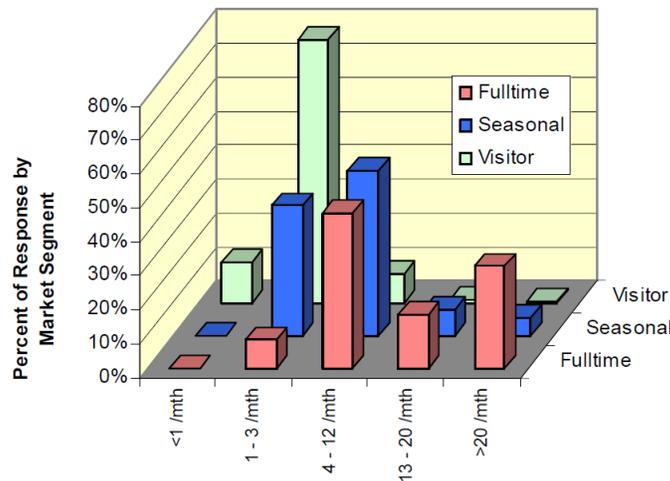
Exhibit 1
Trip Purpose by Market Segment and Day of Travel, Summer 2002



Source: IBI Group, 2003

A separate mail out survey asked property owners to indicate the frequency of travel during the summer and non-summer months. Exhibit 2 shows that frequency varies by market segment, with fulltime residents making, on average, the most trips per month while island visitors the least.

Exhibit 2
Round Trips per Month by Market Segment, Summer 2002



Source: IBI Group 2003

POPULATION AND DEMOGRAPHIC TRENDS

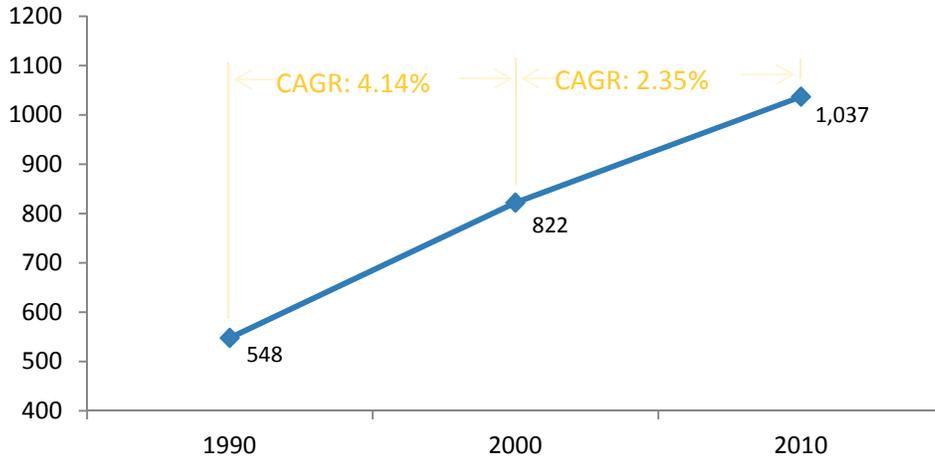
Anderson Island

The most frequent riders of Pierce County ferries are Anderson Island residents. This section summarizes population and demographic trends that may be related to ferry travel patterns.

Population and Housing

Anderson Island lies in unincorporated Pierce County and is home to 1,037 residents according to the 2010 Census. However, many residents are seasonal which results in a fluctuating population which typically peaks in the summer months. Exhibit 3 shows that the U.S. Census (measured in April 2010) reflects steady population growth over the past two decades.

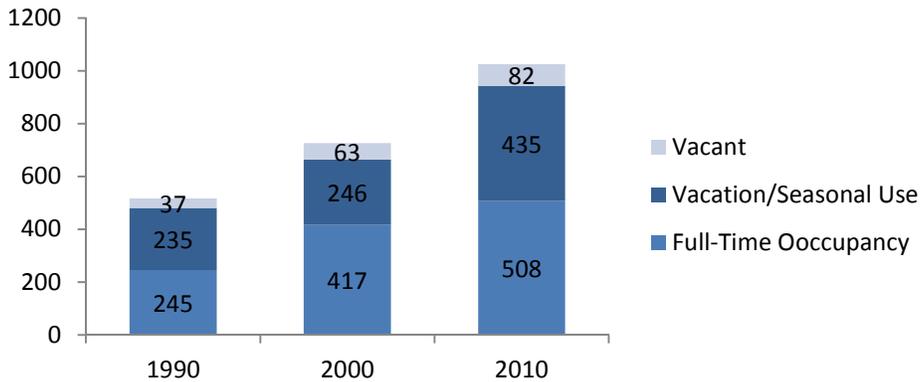
Exhibit 3
Anderson Island Population, 1990 – 2010



Source: U.S. Census 1990, 2000, 2010
 Note: CAGR: Compound Annual Growth Rate

During the same period Anderson Island has also seen steady residential development, as shown in Exhibit 4. The greatest share of this new development has been in homes for seasonal and recreational use.

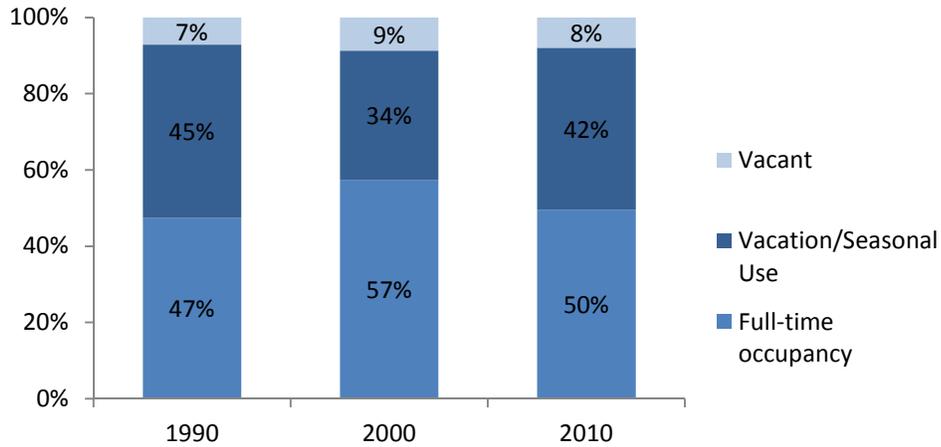
Exhibit 4
Anderson Island Housing Growth, 1990 - 2010



Source: U.S. Census 1990, 2000, 2010

Exhibit 5 shows that the Island’s fulltime occupancy rate has recently fallen from 57% in 2000 to 50% in 2010. The percentage of homes indicated by the Census to be for “seasonal, recreational, or occasional use” has grown from 34% in 2000 to 42% in 2010.

Exhibit 5
Housing Occupancy Status as Share of Total Housing Units



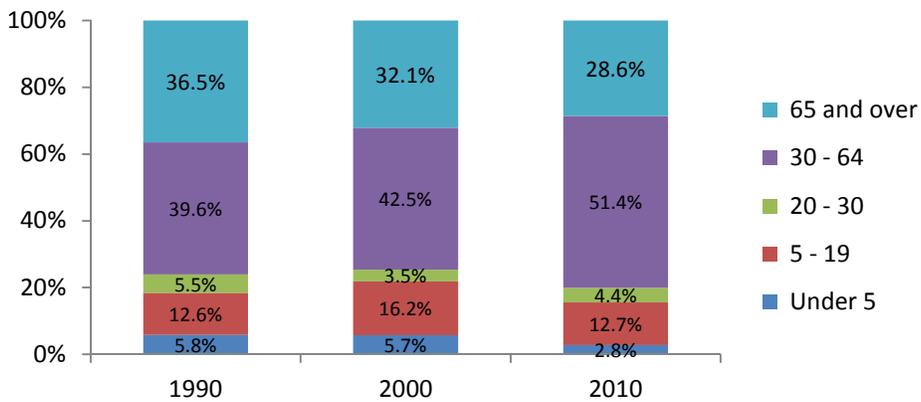
Source: U.S. Census 1990, 2000, 2010

Age

Residents of Anderson Island are older, on average, than those in Washington State. The median age of Island residents in 2010 was 56 compared to 37 for the state as a whole. In 2000 the median age on Anderson Island was 52.

Exhibit 6 shows how the age distribution has shifted over the past two decades. The percentage of people under the age of 20 has decreased significantly from 21.7% in 2000 to 15.5% in 2010. The share of adults age 30 – 64 has increased during the same period from 42.5% to 51.4%.

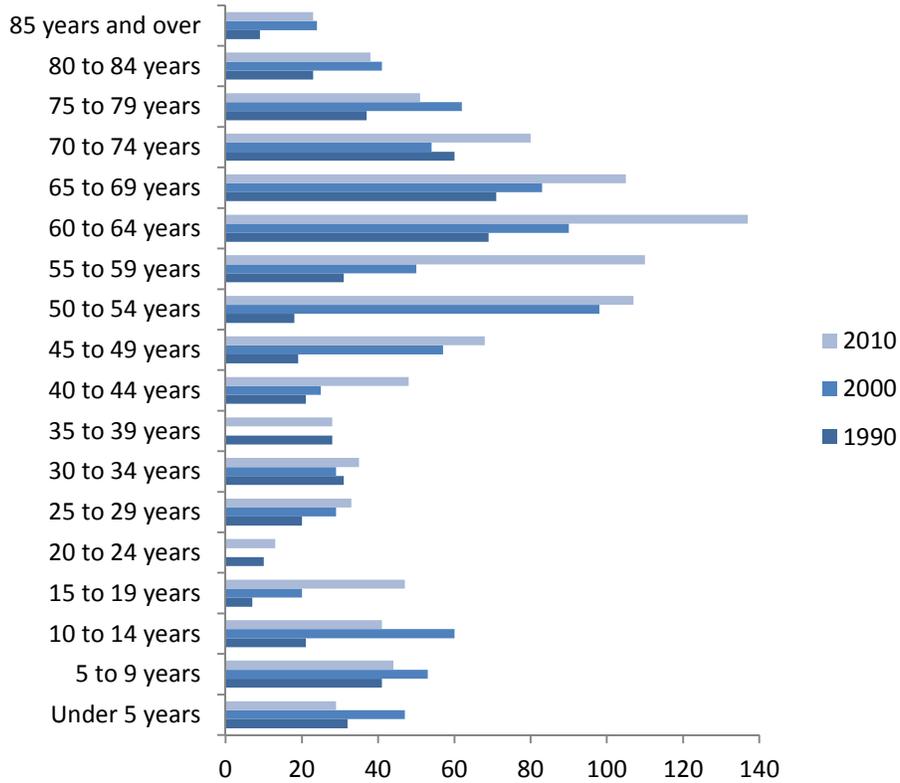
Exhibit 6
Anderson Island Age Distribution, 1990 - 2010



Source: U.S. Census 1990, 2000, 2010

Exhibit 7 shows total population by age group. The greatest increase in population between 2000 and 2010 was among adults between the ages of 55 and 74 years of age, possibly indicating an influx of recent retirees or people who plan to retire in the coming years.

Exhibit 7
Anderson Island Population by Age Group, 1990 - 2010



Source: U.S. Census 1990, 2000, 2010

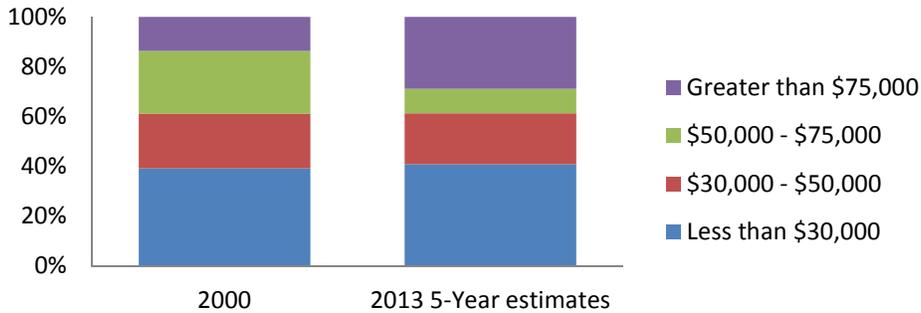
The island had 132 school age children in 2010 and 133 in 2000. Anderson Island Elementary is the sole public school on Anderson Island. Total enrollment during 2012-2013 was 27 (Washington State Superintendent of Public Instruction, 2014). In 2004-2005 41 students attended the school, and enrollment counts have generally declined since to a low of 5 students in 2011-2012. Older students must ride the ferry to attend Pioneer Middle and Steilacoom High schools off-island. No data is available regarding the numbers of students attending school off-island.

The decline in elementary enrollment and decline in the number of younger children on the island indicates school-related ferry ridership may decline in the coming years.

Income

Median household income on Anderson Island in 2013 was \$43,333, compared to \$59,204 in Pierce County and \$59,478 in Washington State. The lower income on the island is likely due in part to the large number of retirees. When adjusting for inflation, median income on the island has declined since 2000 when it was \$49,351 in 2013 dollars. Exhibit 8 shows growth among households in the highest and lowest income groups and a decline in households in the upper-middle (\$50-\$75K) income group.

Exhibit 8
Share of Total Households by Income Group

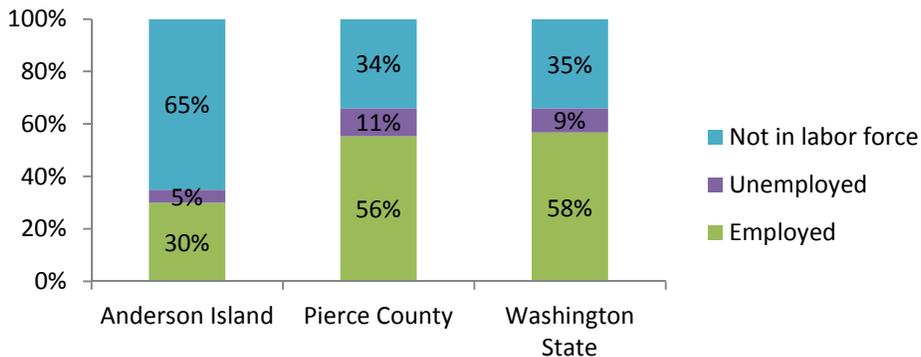


Source: Source: U.S. Census Bureau 2000; American Community Survey 2013 5-Year Estimates

Employment

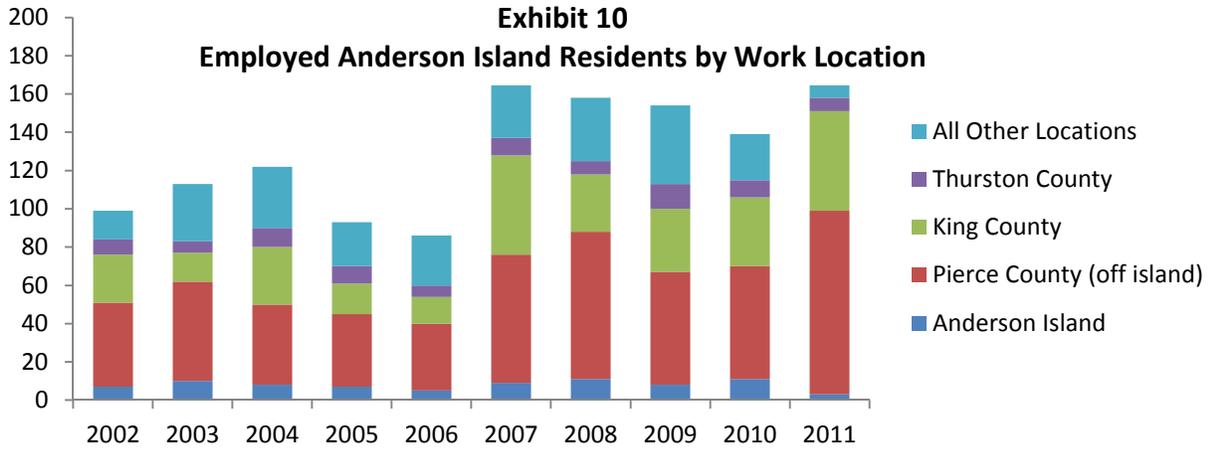
30% of Anderson Island residents over the age of 16 are employed compared to 56% of Pierce County residents and 58% of Washington State residents. As shown in Exhibit 9 Employment Status: Population 16 Years and Older, Anderson Island also has a lower share of total adult population that is unemployed than the county and state and a much higher percentage of residents who are not in the labor force due to retirement or other reasons. This is consistent with the age profile presented above (Exhibit 7) where the largest number of residents were grouped in the 50-70 age range (2010).

Exhibit 9
Employment Status: Population 16 Years and Older



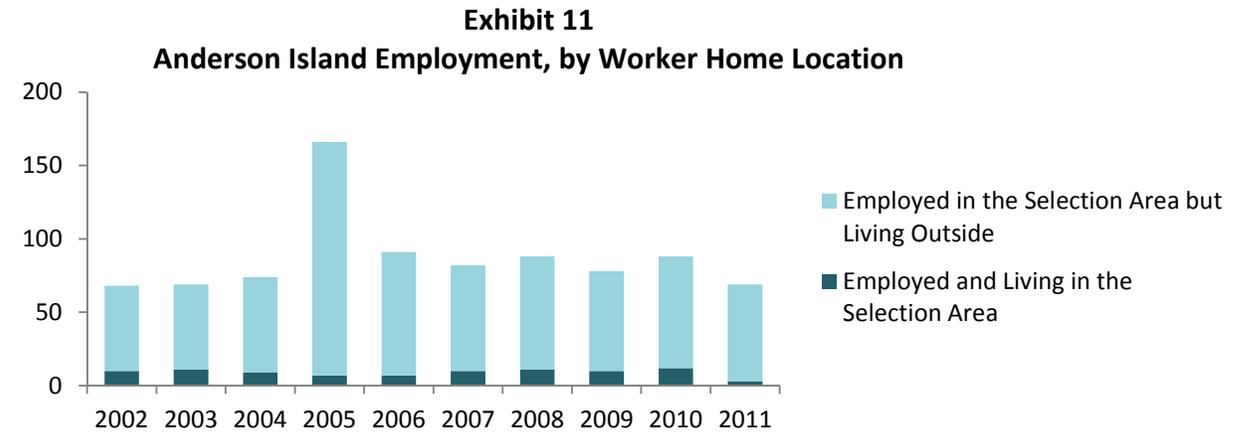
Source: American Community Survey 2013 5-Year Estimates

Exhibit 10 shows employment counts and primary job locations for Anderson Island residents. During the past decade employment among island residents has grown overall, despite fluctuations from year to year. The vast majority of residents who work do so off island in Pierce or King County and therefore most likely use the ferry for commute travel.



Source: U.S. Census 2000 and American Community Survey 2009-2013 5-Year Estimates

Anderson Island employment (jobs located on the island) was 69 in 2011. With the exception of a spike in 2005, employment on the island has remained fairly constant. As shown in Exhibit 11 the majority of jobs located on the island are held by people who do not live on the island and therefore most likely use the ferry for commute travel.



Source: U.S. Census Bureau 2013. LODS Data

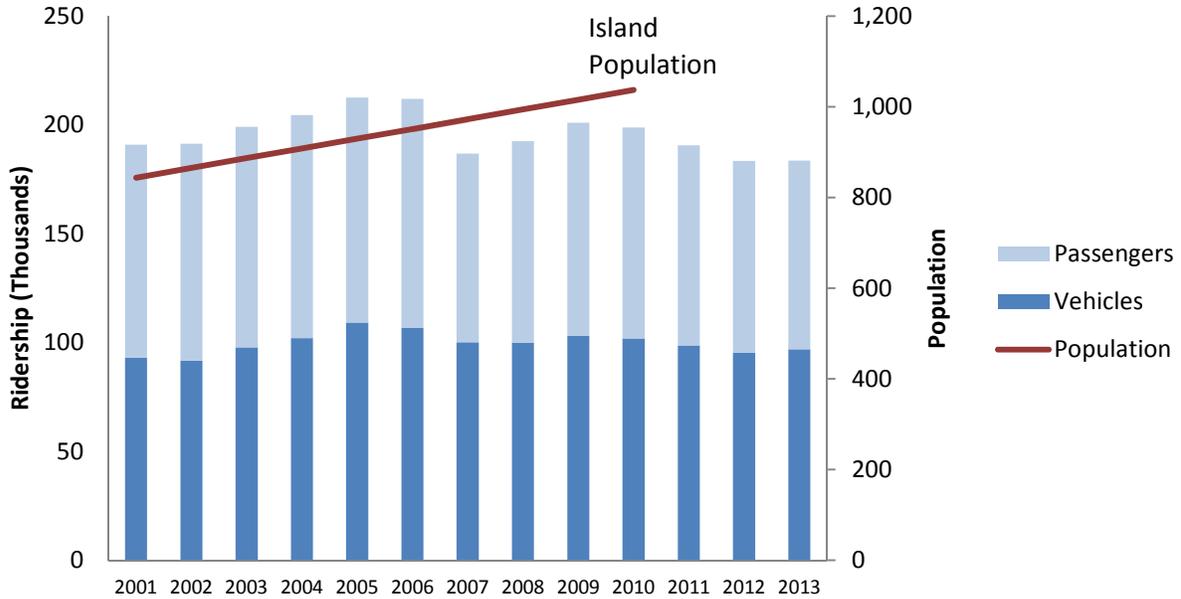
Ketron Island

The U.S. Census does not tabulate population data for Ketron Island. According to Pierce County data there are 16 single family homes on the island as of 2014.

RIDERSHIP STATISTICS AND HISTORIC TRENDS

In 2013 Pierce County Ferries had 183,594 riders.¹ Exhibit 12 shows an overall decline in ridership since a high of 212,541 riders in 2005. This decline occurred during a period of population growth on Anderson Island as well as a time when the island was experiencing growth in the number of employed Anderson Island residents working off island.

Exhibit 12
Ferry Ridership and Anderson Island Population Growth

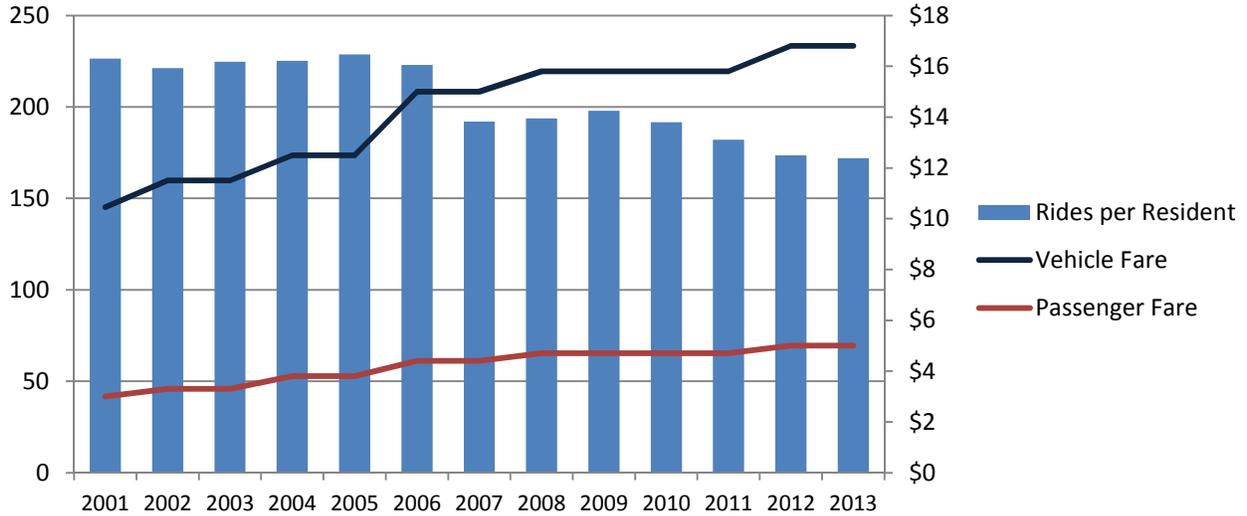


Source: Pierce County, 2014; U.S. Census Bureau 2000, 2010

One possible explanation for the decline in ridership is the response of customers to fare increases. Exhibit 13 shows yearly ridership per Anderson Island full-time resident alongside vehicle and passenger fares. The largest fare increase occurred in January 2006. Counter-intuitively, ridership per resident did not immediately drop. However, ridership per resident did drop strongly the following year in 2007. A drop in ridership per resident can also be seen in 2012 after a fare increase. Smaller fare increases in 2004 and 2008 did not appear to affect ridership per resident.

¹ “Riders” are inclusive of vehicle drivers and passengers. Ridership statistics count one vehicle driver per vehicle. All other ferry riders are considered “passengers”. Passengers may be walk on or accompanying a vehicle driver. All ridership stats count travel one-way from Steilacoom to the islands.

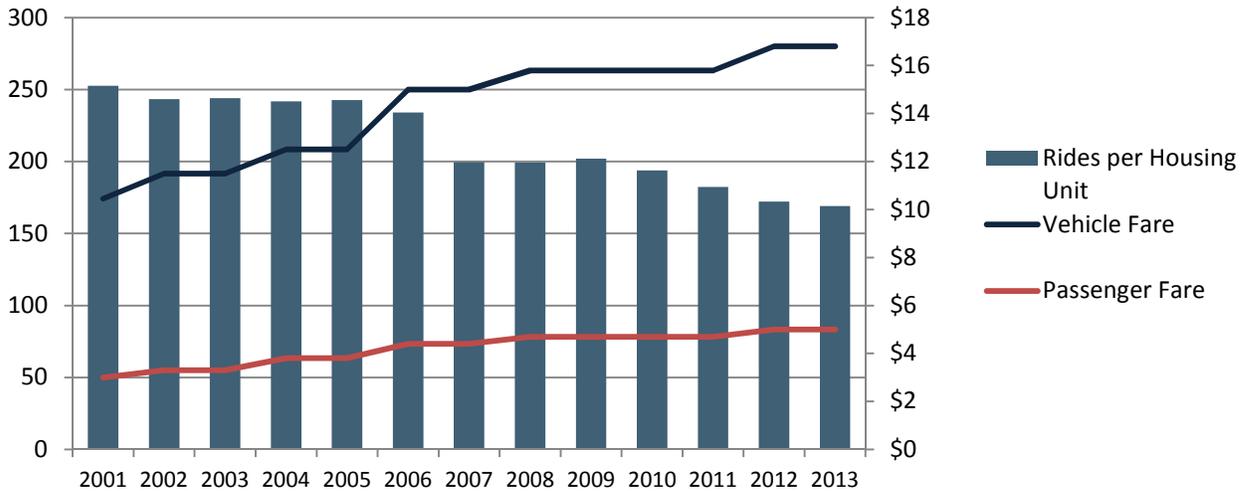
Exhibit 13
Yearly Ridership per Resident and Fares



Source: Pierce County, 2014; U.S. Census Bureau 2000, 2010

Error! Reference source not found. shows a similar pattern with regards to yearly ridership per housing unit.² However, this measure is declining at a slightly faster rate than rides per resident, most likely due to the increasing share of homes for vacation or seasonal use.

Exhibit 14
Yearly Ridership per Housing Unit and Fares

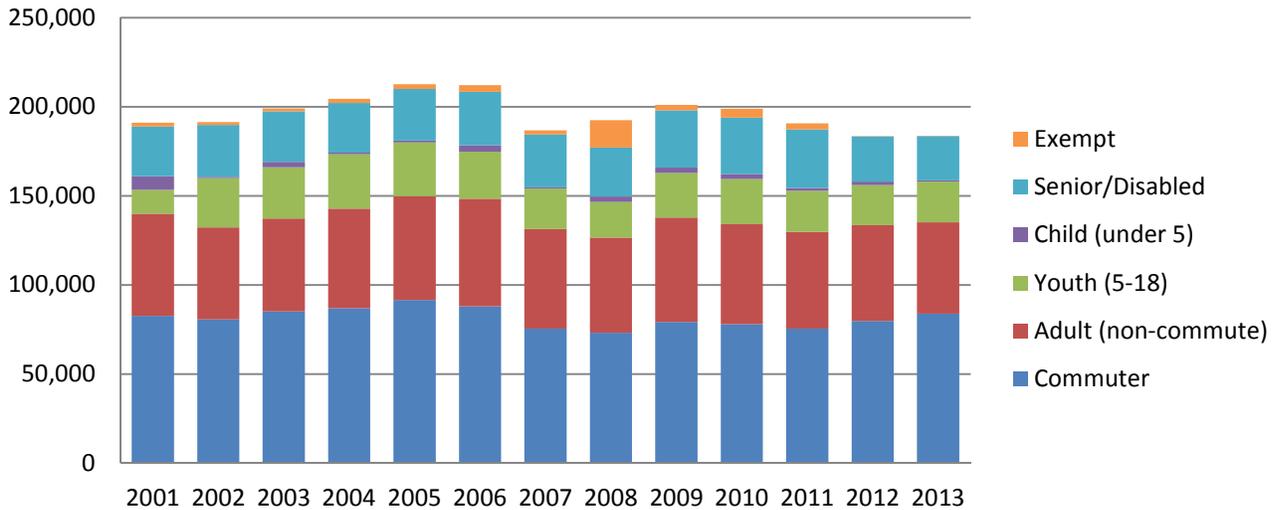


Source: Pierce County, 2014; U.S. Census Bureau 2000, 2010

² A housing unit is defined as a house, apartment, mobile home or trailer that is intended for occupancy as a place of residence.

Exhibit 15 shows total yearly ridership counts broken down by customer category. It indicates the largest declines in the adult non-commuter category which includes both vehicle drivers and adult passengers. One possible explanation for this decline is island residents replacing of off-island shopping trips with shopping online. Commuter travel has also remained flat despite an increase in the number of residents working off island. This may be explained by an increase in the number of people who occasionally work from home as telework technology improves. Future surveys of island residents could shed light on these or other possible explanations.

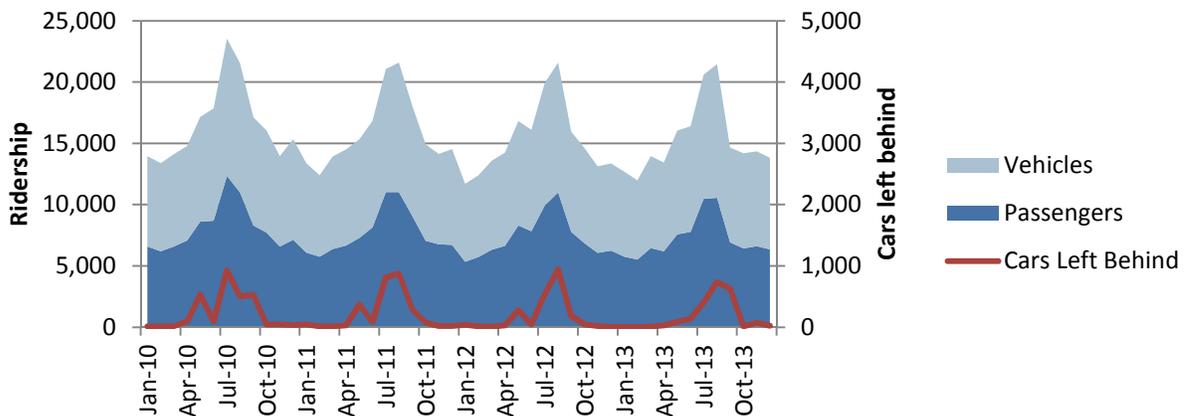
Exhibit 15
Ridership by Customer Category
 (vehicle drivers and passengers combined)



Source: Pierce County, 2014

Ferry ridership typically follows a seasonal pattern, with peak demands occurring in the summer months and much lower demand in the winter months. As shown in Exhibit 16, seasonal variation is relatively stable from year to year.

Exhibit 16
Monthly Ridership and Cars Left Behind, 2010-2013

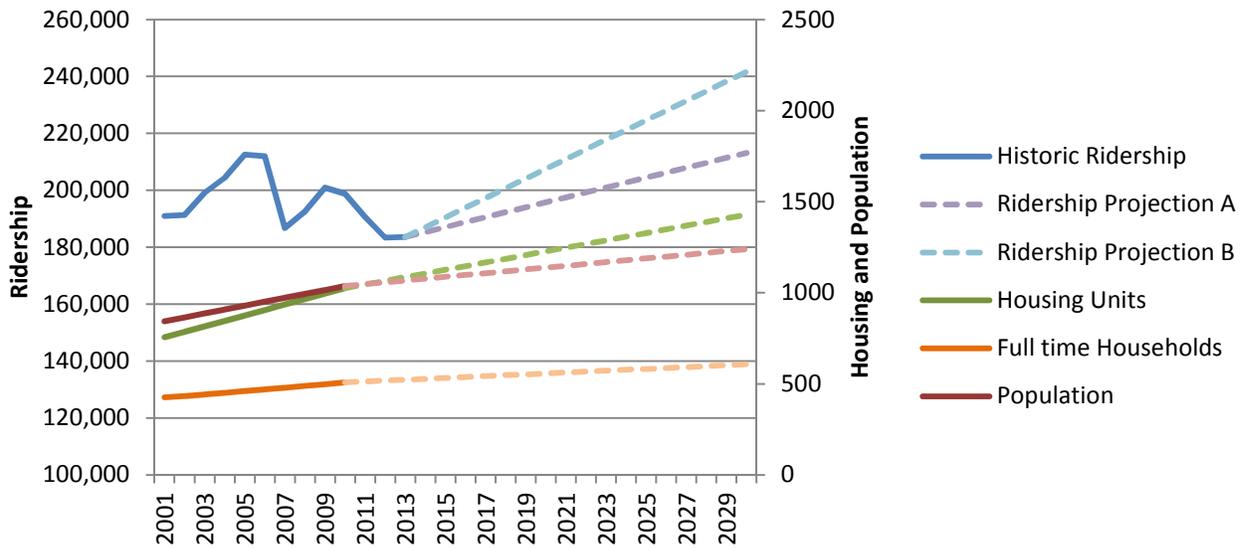


Source: Pierce County, 2014

BASELINE RIDERSHIP PROJECTIONS

A recent Pierce County forecast projects that there will be 404 additional housing units on Anderson Island in 2030, which is a 39% percent growth over 2010 units.³ Assuming recent trends with regards to the growth in full-time and vacation homes on the Island continue, BERK estimates a 2030 population of 1,239. Exhibit 17 shows two ridership forecasts. Ridership Projection A assumes that the number of rides per Island resident remain constant. Projection B assumes that the number of rides per Island housing unit remain constant. Both projections assume no increase in fares.⁴

Exhibit 17
Ridership, Population, and Housing Trends and Projections 2001-2030



Source: BERK 2015; Pierce County 2014

These baseline projections assume continuation of current policies regarding service and fares.

³ Note: Pierce County is currently reviewing this forecast and it is subject to change.

⁴ Ridership per resident and ridership per housing unit have both declined in recent years. However not enough data is available to determine the relative impact of fare increases on those declines versus other factors. Therefore these projections assume no further decline in ridership per resident or per housing unit.



PIERCE COUNTY WATERBORNE TRANSPORTATION STUDY

INTRODUCTION TO FARES

DISCUSSION DRAFT | January 14, 2015

FARE SETTING POLICY AND GUIDANCE

Current process

Pierce County Public Works and Utilities (PWU) operates the Pierce County Ferry. PWU reviews fares annually and generally recommends fare increases biannually to Pierce County Council with the goal of meeting a 50% farebox recovery (proportion of operating expenditures covered by revenue generated by fares). Upon Council passage, fares are recorded in the Pierce County Code [*§10.38.010 Passenger and Vehicle Fares*], which contains the compilation of County ordinances with the force of law.

Fare setting guidance

Pierce County Ferry has several sources of guidance for fare setting. With the exception of the federal grant requirements, guidance from these sources is non-compulsory.

- **Federal Grant Requirements.** Pierce County Ferry is a grantee recipient of federal funds, most recently for vessel repair and terminal improvements. These funds are contingent on fare policies that favor seniors, disabled individuals, and Medicare card holders with fares no more than 50 percent of peak hour fare [*US Code Title 49 § 5307 (c)(1)(D)*].
 - Further, under RCW 47.04.140, County ferries applying for federal aid must file fare schedules for approval to the State Department of Transportation. Approval is granted unless the Department finds that under the fare schedule, “aggregate revenues to be derived from the county's ferry operations will exceed the amount required to pay the actual and necessary costs of operation, maintenance, administration, and repair of the county's ferries and their appurtenances.”
- **Washington State Ferries (WSF) Policy.** WSF fare policies have historically been a benchmark for Pierce County fare setting. Competitiveness with WSF has at times been cited as a basis for fare setting [*Pierce County Resolution 21820*].
- **The Anderson Island Citizens Advisory Board (AICAB).** The AICAB is authorized in the Pierce County Code [*§ 2.61.020*] to “facilitate a structured two-way communication process between the County and Island residents, property owners and business owners regarding significant issues...[including] ferry service.” AICAB makes ferry fare recommendations in this facilitation role.
- **Pierce County Ferry Committee.** The Pierce County Ferry Committee collaboratively addresses ferry system operations and the suggestions and concerns of Ketron Island and Anderson Island residents. This committee is not an officially chartered Pierce County Board or Commission. Membership consists of the Pierce County Airport and Ferry Administrator, Pierce County staff, a designated representative of HMS Global Maritime (the ferry operator on behalf of Pierce County), an appointed representative from the Anderson Island Citizens' Advisory Board (AICAB), and interested citizens of Ketron and Anderson Islands. The committee meets quarterly to discuss changes and issues concerning the Pierce County Ferry System, including fare recommendations.

- **Waterborne Transportation Studies.** In 1989 and 2003, Pierce County Ferry commissioned a comprehensive examination of the ferry system demographics, finances, fares, and service. These studies have resulted in recommendations for fare setting practices that have been largely followed in years following the studies. The 2015 Waterborne Transportation Study is currently underway.
 - The 1989 study recommended regular fare increases aimed at recovering operating costs.
 - The 2003 study recommended adjusting fares every two years with an 80% farebox recovery target and proposed a fare structure that based all pricing off algorithmic relationships with base vehicle and passenger fares. The recommended target and fare structure were not fully adopted.

CURRENT FARE STRUCTURE

All Pierce County fares are for round-trips and are collected at the Steilacoom Terminal on the mainland prior to boarding the ferry. Pierce County Ferry has three categories of fares:

1. **Walk-On or Passenger Fares.** Passengers are charged according to age. Fares are in effect year-round.
 - a. **Adults** (ages 19 and over)
 - b. **Youth** (ages 6 through 18)
 - c. **Children** (under age 6)
2. **Vehicle Fares.** Vehicles are charged step-wise according to the length of the vehicle and include the fare for the driver. Vehicle fares vary seasonally (peak, non-peak).
 - a. **Standard vehicle.** A standard vehicle is up to and including 21’.
 - b. **Vehicles over 21’** and up to 90’ are charged according to 10’ increments with a maximum fare for vehicles over 90’.
 - c. **Motorcycle/Stowage & Driver.** Vehicles licensed as motorcycles. This fare also applies to large carry-on items such as kayaks, canoes, and other items of comparable size which are typically stowed on the vehicle deck of the vessel.
 - d. **3-Wheel Vehicle.** Any motorcycle with a trailer or sidecar or any vehicle licensed as a motorcycle with three or more wheels.
3. **Bicycle Fares.** One bicycle per passenger is allowed at the same fare as the walk-on fare for the rider.

Discounts and Exceptions

The base fares described above might be subject to discounts and exceptions. These include:

- **Senior/Disabled/Medicare Discounts.** As a federal transportation grant recipient, PWU must comply with a number of federal guidelines, including tariff-related policies. Fares charged to seniors, disabled persons, and Medicare card holders must be 50% or less of the base peak passenger fare, as required by the Federal Department of Transportation.
- **Value Pass (5 Trips).** Frequent users may choose to purchase a Value Pass for Passenger, Vehicle & Driver up to and including 21’, and Motorcycle/Stowage fare types. The Value Pass represents a 20% discount off the purchase price of 5 individual fares, is redeemable for 5 round trips of a particular fare type, and must be used within 40 days of purchase.
- **School District Travel.** The Steilacoom School District is authorized one round trip vehicle each school day for no cost. This vehicle is limited to a maximum of 21’ in length and its driver for the limited

**INTRODUCTION TO FARES DISCUSSION DRAFT
PIERCE COUNTY WATERBORNE TRANSPORTATION 2015**

purpose of transporting school lunches, school books, and other school supplies to Anderson Island. Vehicle passengers shall be required to pay full fare.

Surcharges

Surcharges are applied to the base fares discussed above, including:

- **Peak Surcharge.** Because Pierce County has seasonal ridership trends, a peak season surcharge on vehicle fares is used to help manage demand and match peak traffic periods. The surcharge is approximately 25% of the base fare. Peak season is in effect from May 1 to September 30 of each year, and Non-Peak in effect from October 1 to April 30.
- **Width Surcharge.** Vehicles over 11' in width are charged twice the fare determined by their length.
- **Vessel Replacement Surcharge.** SSB 6081 authorizes counties to impose a vessel replacement surcharge. This charge must be at least equal to the WSF capital surcharge which is \$0.25 per fare. The revenue must only be used for the construction or purchase of ferry vessels and must be clearly indicated, if possible on the fare media itself. Pierce County does not currently exercise this surcharge.
 - **Note:** Unlike many county ferry systems, Pierce County accounts for capital depreciation in its farebox revenue target [*County Road Administration Board, December 2008*].
- **Fuel Surcharge.** A fuel surcharge was used most recently in 2007. No surcharge is currently in effect.

Exhibit 1 summarizes Pierce County Ferry's active fares, discounts, and surcharges.

**Exhibit 1
Summary of Current Fares, Discounts and Surcharges (Effective January 1, 2015)**

	Base Fare	Categorical Discount (-) /Surcharge (+)	Value Pass Discount (5-trip)	Peak Season Surcharge (May 1-Sept 30)
Passengers				
Adult	\$5.30	--	20%	--
Youth	\$3.40	--	--	--
Children	FREE	--	--	--
Senior/Disabled/Medicare	\$5.30	-50%	--	--
Vehicles (including driver)				
Up to and including 21'	\$17.80	--	20%	~25%
Up to and including 21' – Senior or disabled	\$14.85	--	--	~25%
Over 21' to under 30'	\$36.05	--	--	~25%
30' to under 40'	\$57.40	--	--	~25%
40' to under 50'	\$76.65	--	--	~25%
50' to under 60'	\$95.80	--	--	~25%
60' to under 70'	\$114.95	--	--	~25%
70' to under 80'	\$140.85	--	--	~25%
80' to under 90'	\$166.75	--	--	~25%
90' and greater	\$197.25	--	--	~25%
Over 11' in width	Fare by length	+100%	--	~25%
Motorcycle/Stowage	\$9.60	--	20%	~25%
3-Wheel Vehicle	\$11.25	--	--	~25%
Steilacoom School District vehicle (1x/day)	\$17.80	-100%	--	--
Bicycle	Passenger fare	--	--	--

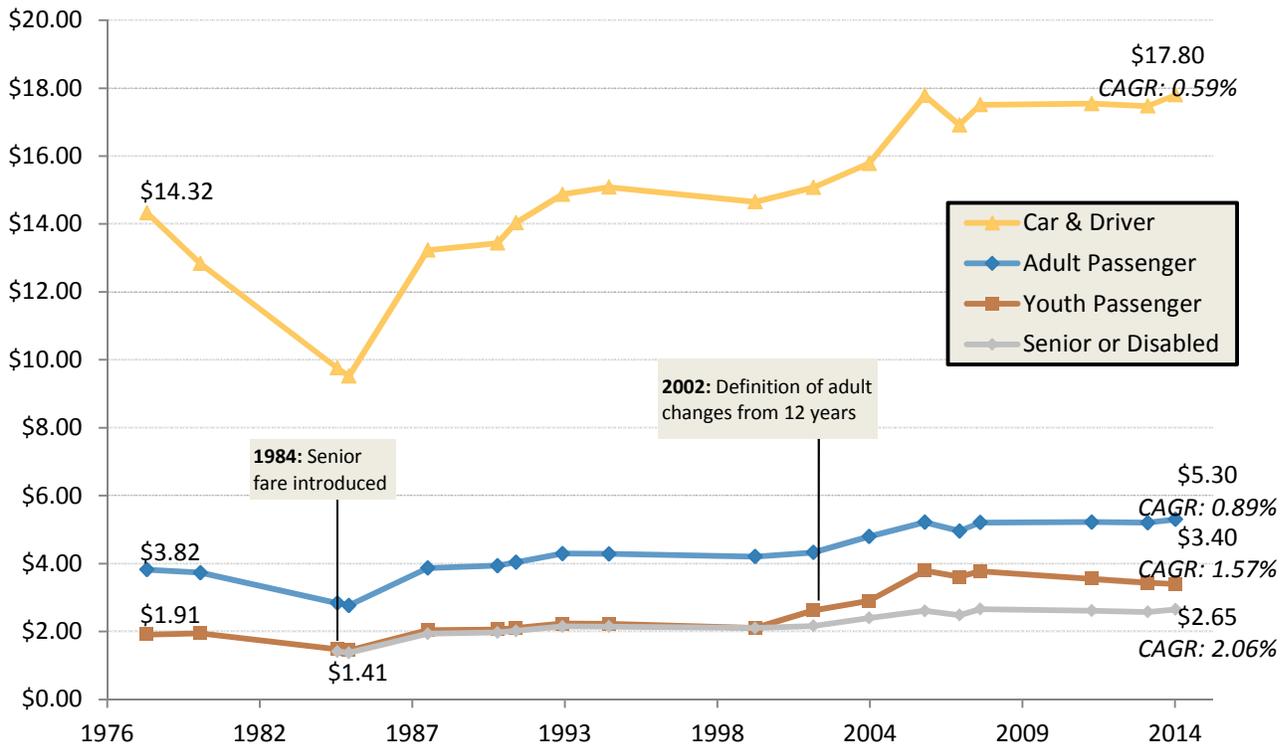
Source: Pierce County Code §10.38.010 Passenger and Vehicle Fares

HISTORICAL FARE TRENDS

Error! Not a valid bookmark self-reference. shows historical fares for the Pierce County Ferry from 1978 to 2015, adjusted for inflation and shown in constant 2014 dollars.

- Vehicle fares have increased at an annual average of 4.3% since 1978. After adjustment for inflation, the average annual increase was 0.6%.
- The adult passenger fare has increased by 4.6% annually on average since 1978. The annual increase after adjustment for inflation was 0.9%.
- The senior/disabled fare has consistently been 50% of the adult passenger fare. The youth fare was also 50% of the adult passenger fare until a policy change in 2002 redefined youth as those 18 years old and under, rather than 12 years old and under. Youth fares subsequently rose at a higher rate to account for that difference.

Exhibit 2
Historic Inflation Adjusted Fares (1978-2015)



COUNTY FERRY FARE COMPARISON

Exhibit 3 displays key operating metrics and fare structure for Pierce County Ferry and two comparable County Ferry systems. Pierce County is the largest system of the three systems with competitive fare structures similar farebox recovery.

Pierce County’s ridership is much more heavily weighted toward vehicles, with the passenger: vehicle ridership ratio at nearly 1:1.

Exhibit 3
Selected County Ferry Operating Context and Fare Structure

	Pierce County Ferry	Skagit County Guemes Island Ferry	Whatcom County Lummi Island Ferry
Operating Context (2013)			
Trip Length	10 min. to Ketron Island 20 min. to Anderson	5 min. to Guemes Island	5 min. to Lummi Island
Operating Expenses <i>(Note: Does not include capital costs)</i>	\$3,129,350	\$1,617,612	\$2,520,681
Fare Revenue	\$2,000,987	\$985,791	\$1,475,990
Passenger Trips	183,594	376,941	171,317
Vehicle Trips	174,576	197,786	106,594
Passenger:Vehicle Ridership Ratio	1.05:1	1.90:1	1.61:1
Farebox Recovery (Target)	62% (80%)	61% (65%)	59% (55%, per ORD 2010-054)
Passenger Fare (Base, RT)	\$5.30	\$2.50	\$7.00
Multi-ride	5 trips @ \$21.20 (-20%)	25 trips @ \$53.00 (-15%)	25 trips @ \$115.00 (-34%)
Senior	\$2.65 (-50%)	\$1.50 (-40%)	No special single trip fare
Youth	\$3.40 (-36%)	\$1.50 (-40%)	FREE
Vehicle (Base, RT, Non-Peak)	Base <= 21' Non-peak: \$17.80	Base <= 20' Non-peak: \$8.00	Base <8,001 lbs Year-round: \$13.00
Multi-ride	5 trips @ \$71.20 (-20%)	20 trips @ \$136.00 (-15%)	10 trips @ \$102.00 (-22%) 25 trips @ \$235.00 (-28%)
Oversize/Weight Pricing	<ul style="list-style-type: none"> • Length measured in 10' increments to 90' • Corresponding price increments from \$18.25-\$25.90 • Implied price per foot: \$1.83-\$2.59 • Flat rate of \$197.25 above 90' 	<ul style="list-style-type: none"> • Length measured in 5' increments to 65' • Corresponding price increments from \$5-\$11 • Implied price per foot: \$1.00 - \$2.20 • Each 5' increment over 65': \$5.00 • Overwidth (>8'6"): Double length charge 	<ul style="list-style-type: none"> • Weight: <ul style="list-style-type: none"> ○ to 20,000 lbs (\$32.00) ○ to 36,000 lbs (\$68.00) ○ to 50,000 lbs (\$133.00) • Trailer length: <ul style="list-style-type: none"> ○ to 16' (\$18.00) ○ to 30' (\$34.00) ○ over 30' (\$63.00) ○ implied price per foot \$1.13-\$1.14 • Overwidth (occupying more than one ferry lane) charged additional +50%
Passenger:Vehicle Base Fare Ratio	0.30:1	0.31:1	0.54:1



PIERCE COUNTY WATERBORNE TRANSPORTATION STUDY

2015 SURVEY APPROACH

DISCUSSION DRAFT | January 14, 2015

BERK will survey ferry riders and property owners to inform the 2015 Waterborne Transportation Study. Understanding how current property owners and riders use the ferry and their responses to potential changes in financial structures, fares, or service will help develop options for future service and fares.

Previous Surveys

For the 2003 Pierce County Waterborne Transportation Study, surveys were conducted of ferry riders and property owners on Anderson and Ketron Islands. The rider survey was conducted on-board the ferry over four days in late August and early September of 2002, with 1,123 surveys completed. The property owner survey was mailed to 3,000 households on Anderson and Ketron Island in October 2002 and 950 completed surveys were returned. In addition, in 2014 Pierce County conducted a survey of ferry riders.

Past Survey Questions

Question	2002 On-Board	2002 Property Owner	2014 Survey
Demographics			
Do you own or rent property on Anderson Island or Ketron Island?	✓	✓	
Are you a full-time resident, seasonal resident, visitor, or weekender? (If seasonal, which season?)	✓	✓	
What are the ages of the members of your household?		✓	
Ridership/Trip Characteristics			
What is the purpose of your trip?	✓	✓	
How do you get to the ferry terminal, on both sides?	✓	✓	
How do you pay your fare (full fare ticket, commuter ticket, senior or disabled)?	✓		
If you drove on the ferry, how many people in your vehicle?	✓		
How many ferry trips do you make each month (summer and rest of the year)?		✓	
Options for Service, Fare Changes			
Rank the following options for providing additional weekday service: Before 6am, Morning Peak, Mid-Day, Afternoon Peak, or After 6pm.	✓	✓	
How much additional fare would you pay for service improvements? What times of day should a fare increase be applied?	✓	✓	
Are there any other methods to pay for ferry improvements, besides fare increases?		✓	
Would you pay extra for new ticket sales locations?	✓	✓	
Would you use a reservation system to guarantee passage on a sailing? Would you pay \$3 more for a reservation?		✓	

**SURVEY APPROACH DISCUSSION DRAFT
PIERCE COUNTY WATERBORNE TRANSPORTATION 2015**

Question	2002 On-Board	2002 Property Owner	2014 Survey
How important is a larger ferry to you?		✓	
Would you support changing the first weekday run to depart 10 minutes earlier?			✓
Would you support trading the 5:45am Saturday run for additional service elsewhere during the week? • If yes, what is your first preference? (6 options given)			✓
Ferry Communications			
Do you use the Ferry Rider Alert system? • If no, would a tutorial increase your use?			✓
Do you read the Sound Waves electronic newsletter? • What stories would you like to see?			✓
Do you use the following communication methods: email, text, Facebook, Twitter, LinkedIn, YouTube?			✓
What changes would you suggest for the printed ferry schedule? (open-ended question)			✓
Customer Satisfaction			
How would you rank current ferry service?		✓	
Other			
Do you have any additional comments? (open-ended)	✓	✓	

2015 Survey Approach

The 2015 survey will be designed to meet two general objectives:

- Assess trends in over time by repeating selected, relevant questions from previous surveys
- Target specific information needs for current policy decisions by incorporating new questions

Potential New Information Needs

On-Board Survey

- Rider demographics
 - Home location (city and state)
 - Age (of all passengers in party)
 - Tenure (if Island resident, how long have you lived there)
 - Employment (if island resident, do you work? If yes, on-island, off-island, location of employment)
- Trip details
 - Origin and Destination (city and state)
 - Frequency and purpose of travel
- General service questions regarding needs, gaps in schedule, fares, operations

Property Owner Survey

- Property owner demographics
 - Home location (city and state)
 - Household characteristics (number of people employed, number of children)

- Tenure (how long have you lived and/or owned your property)
 - What were the factors that led you to purchase a home on the island?
- Property owner travel habits
 - Frequency of travel by trip type (shopping, work, school, etc)s off island
 - Employed residents: days commuting off island/ working from home/ working on island
- Rentals and guests
 - Do you rent your property out? If so, how many times/year, which seasons
 - How often do you have guests at your property? How many, when
- General service questions regarding needs, gaps in schedule, fares, operations