



Pierce County Waterborne Transportation Study

WTS Advisory Committee Meeting



July 1, 2015



Meeting Purpose

TODAY'S MEETING WILL FOCUS ON:

- **Final draft recommendations:**
 - Overall Policy Recommendations
 - Short-Term (3-5 Years)
 - Long-Term (Future Growth)
- **Implementation priorities for near-term actions:**
 - Service
 - Fare structure



Meeting Purpose

WHERE ARE WE IN THE PROCESS:

- **Today: Advisory Group discussion of final draft recommendations and near-term implementation.**
- **Early July:** Work with Public Works on finalizing recommendations and near-term implementation
- **July 10:** AICAB Meeting
- **Mid-July:** Draft recommendations presented to County Executive
- **End-July:** County Council presentation



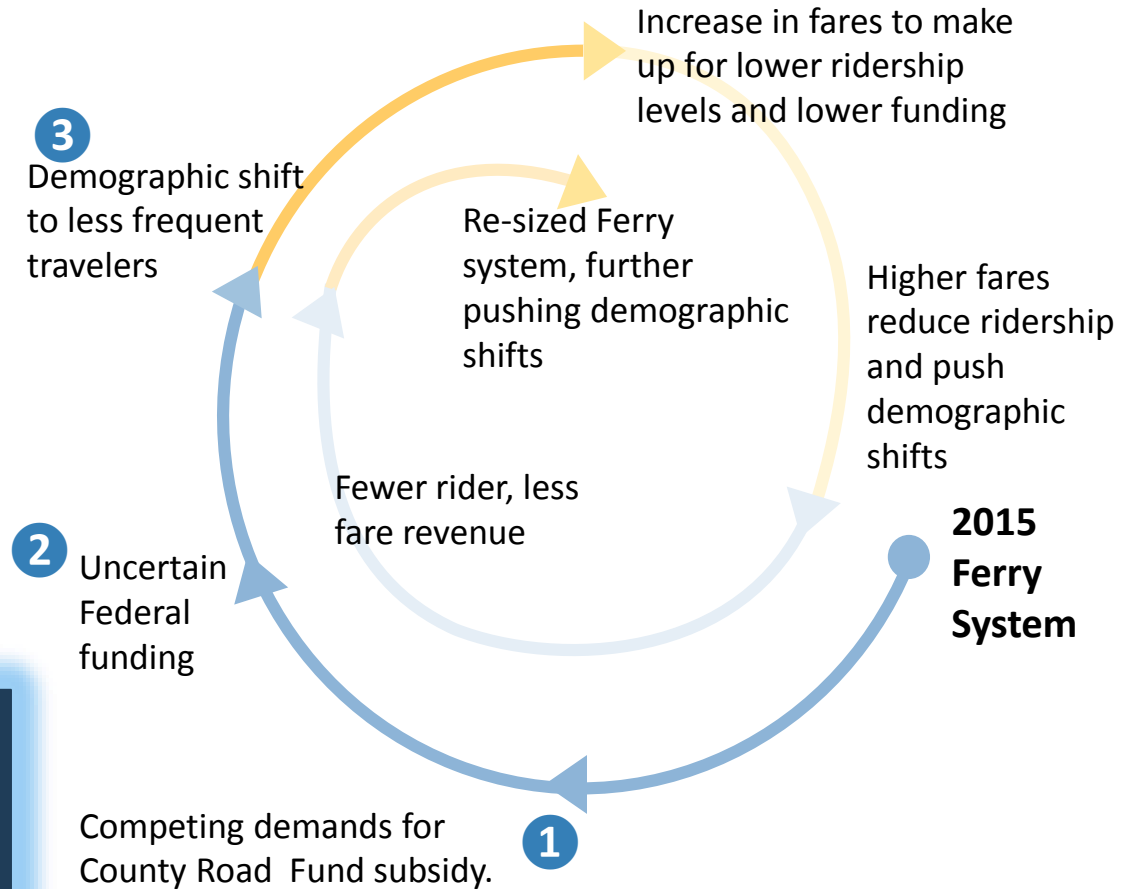
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Fundamental Policy Challenge

Sustainability Challenge:

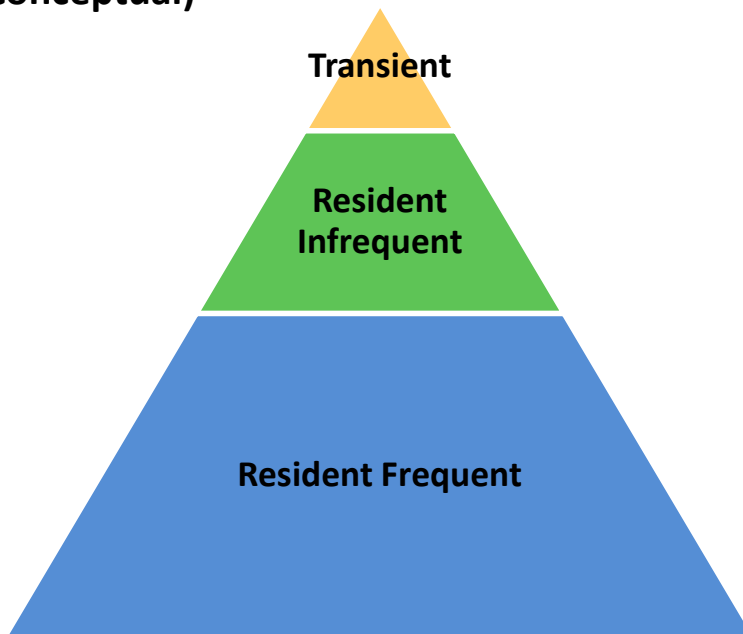
Maintain quality service to support ridership growth in the face of changing demographics and constrained County Road Fund

The quality and level of service the Ferry provides is linked to the stability & sustainability of its funding base and travel demand.



Primary Focus of WTS Policy Recommendations: Maintain a balanced ridership base with a sustainable mix of travel patterns.

Fare Revenue Contribution (conceptual)



- It can take 5-10 households with infrequent travel patterns to replace a single household with a frequent travel pattern.
- Current demographic trends and the Island's rural designation will likely create continued shift to more infrequent traveling residents.
- When a larger share of trips become discretionary, then ridership could become more sensitive to fare changes.



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Final Draft Recommendations

Overarching Strategies to Address Sustainability Challenges:

- A. Establishing clear funding policies, including explicit roles for fare revenues and County Road Fund contributions to guide future fare and service decisions.
- B. Identifying opportunities to broaden the funding base to relieve pressure on both the fare base and the County Road Fund
- C. Aligning service and fare policies to maximize PC Ferries ability to both meet its fare revenue targets and support a balanced and growing mix of customers
- D. Identifying cost effective ways of delivering services and increasing customer satisfaction



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Final Draft Recommendations

| | Next 5 Years | Longer-Term (6-20 years) |
|-------------------|---|--|
| Funding | <ul style="list-style-type: none"> Implement funding policies to improve predictability and sustainability Implement a non-fare operating revenue strategy Work to change Ferry District statute | <ul style="list-style-type: none"> Implement Ferry District to broaden local funding base |
| Service | <ul style="list-style-type: none"> Service enhancements that target key market constituencies: Island commuters and summer peak travelers Establish summer LOS | <ul style="list-style-type: none"> Adjust service in response to demand as warranted based on adopted LOS standards |
| Fares | <ul style="list-style-type: none"> Refine current fare structure to better support a balanced ridership base | <ul style="list-style-type: none"> Congestion pricing (time-of-day, day-of-week) |
| Operations | <ul style="list-style-type: none"> Invest in technology to improve fare collection to support more targeted pricing options Improve real time communications to reduce congestion at terminal | <ul style="list-style-type: none"> Implement reservations Automated fare collection |
| Facilities | <ul style="list-style-type: none"> Improve signage at Steilacoom and Anderson Develop remote parking strategy | <ul style="list-style-type: none"> Implement remote parking Terminal expansion (as needed) |
| Other | <ul style="list-style-type: none"> Identify cost sharing opportunities with County operators | |



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Long-Term Financial Sustainability

A key overarching objective of this study is to develop a framework that will support the long-term financial sustainability of Pierce County Ferries. Our preliminary recommendation for Pierce County is to:

- a. **Implement a Formula-based fare revenue target.** To provide predictability and funding reliability for ferry operations, this would be a one-time assignment of costs to fare and non-fare revenue sources.
- b. **Work to Broaden Funding Base.** With County ferry operators group, seek changes to Ferry District statute to allow a District to operate a passenger-vehicle service.
- c. **Develop a fuel surcharge policy.** To allow Pierce County to adjust fares to mitigate the impacts of a rapid increase in the price fuel.
- d. **Develop a Strategy to Grow Non-Fare Operating Revenues.** Explore opportunities to grow non-fare operating revenues.
 - i. Establish charter and lease rates for 2nd vessel
 - ii. Advertising income
 - iii. Concession opportunities during the summer peak season

Overall Policy
Recommendations

Short-Term
Strategies
(Next 5 Years)

Long-Term
Strategies to
Address Future
Demand



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Level of Service

The policy-defined Level of Service is an important target towards which the Ferry service is managed. The current LOS states that services should be calibrated to meet winter weekday demand. Our preliminary recommendation for LOS is to:

- a. **Add flexibility to LOS language.** Add capacity or implement operational or pricing demand management strategies
- b. **Develop a summer Level of Service standard.** The vitality of the islands is significantly driven by visitors, retirees and 2nd home owners. A summer standard should be based on Friday/Sunday and focus on full day utilization. Choices include:
 - Average vessel utilization throughout the day
 - Percent of vessels that are leaving full

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Technology and System Investments

Technology and system investments can improve service and utilization without added sailings.

- a. **Acquire new fare collection system.** The new fare collection system should be specified to allow:
 - i. **Reservations.** While there are significant concerns among Island communities about reservations, there are many ways in which reservations could be deployed to great benefit.
 - ii. **Account-based system.** A fare collection system that can offer an account-based approach would add significant flexibility to better tailor pricing to discrete customer groups.
- b. **Communications system improvements.** A robust communications system can reduce congestion, support increased vessel utilization and improve customer satisfaction. Possibilities include:
 - i. Alerts, on-line, apps, and push technologies, terminal cameras
 - ii. Signage, both static and variable message
 - iii. Terminal area and highway radio messages

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County Ferry Operators Group

The recently launched County Ferry Operator's group is an ideal platform for sharing costs and leverage resources. Our preliminary recommendation is for the County to raise the following opportunities with the group:

- a. **Lease the 2nd boat for dry-dock maintenance periods if the vessel is not otherwise in use.**
- b. **Explore opportunities to share in some system investment costs, such as the backbone fare collection system or core communications platforms, such as mobile apps.**
- c. **Formalize emergency vessel replacement plans, including options to tap other resources outside the three County operators.**

Overall Policy
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Fare Structure

Our final draft recommendations include the following structural changes to align pricing with goal to maintain a balanced ridership base:

- a. **Add small car fare category.** Consider ways to “prequalify” to expedite terminal processing
- b. **Standardize oversize fares on a linear per foot basis.**
- c. **Increase summer surcharge on vehicles from 25% to 30%**
- d. **Gradually increase the vehicle-passenger fare ratio over time from 3.4:1 to 4.0:1**
- e. **Change youth fare to 50% of full passenger fare**
- f. **When back-end discounting capability is available (account-based system), create a new, graduated, frequent use discount where more frequent riders get a greater discount. Would replace the current value pass.**
- g. **Introduce monthly passenger pass**

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Service

The draft final recommendations advise the County to consider the following service refinements based on the recommended funding model:

- a. **Add early morning weekday service**
- b. **Add late day weekday service (Monday-Thursday)**
- c. **Add a new triangle run to improve frequency of service to Ketron Island in the afternoon**
- d. **Create a “Summer Schedule” by adding 2-boat service in July and August (dependent on vessel availability)**
 - i. Fridays add 1 8-hr shift to run between 12pm & 8pm
 - ii. Sundays add 1 8-hr shift to run between 12pm & 8pm

Overall Policy
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Other Short-Term Draft Recommendations

Additional draft recommendations that are focused on improving operational effectiveness and customer satisfaction include:

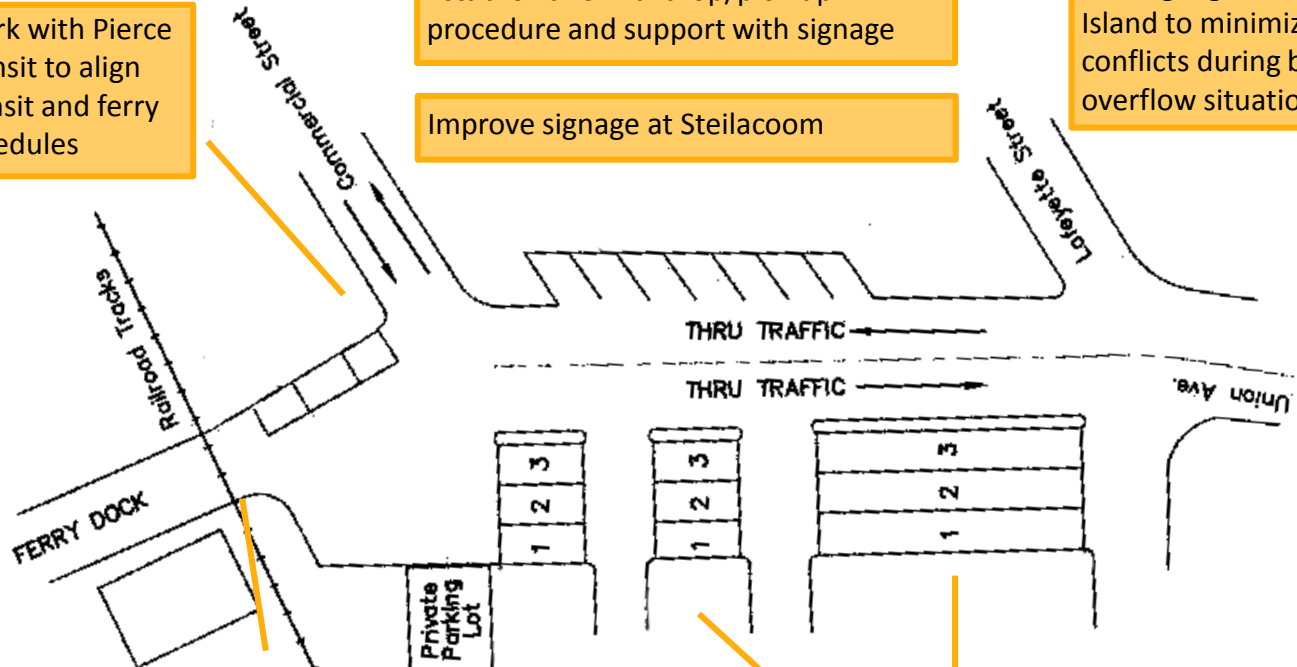
Steilacoom Terminal

Work with Pierce Transit to align transit and ferry schedules

Establish a formal drop/pick-up procedure and support with signage

Add signage on Anderson Island to minimize conflicts during busy and overflow situations

Improve signage at Steilacoom



Improve signage (and possibly the grade crossing barriers) to prepare for increasing rail traffic

Evaluate the potential for kiosk sales at Steilacoom at the same time as the fare collection system is being specified.

Overall Policy Recommendations

Short-Term Strategies (Next 5 Years)

Long-Term Strategies to Address Future Demand



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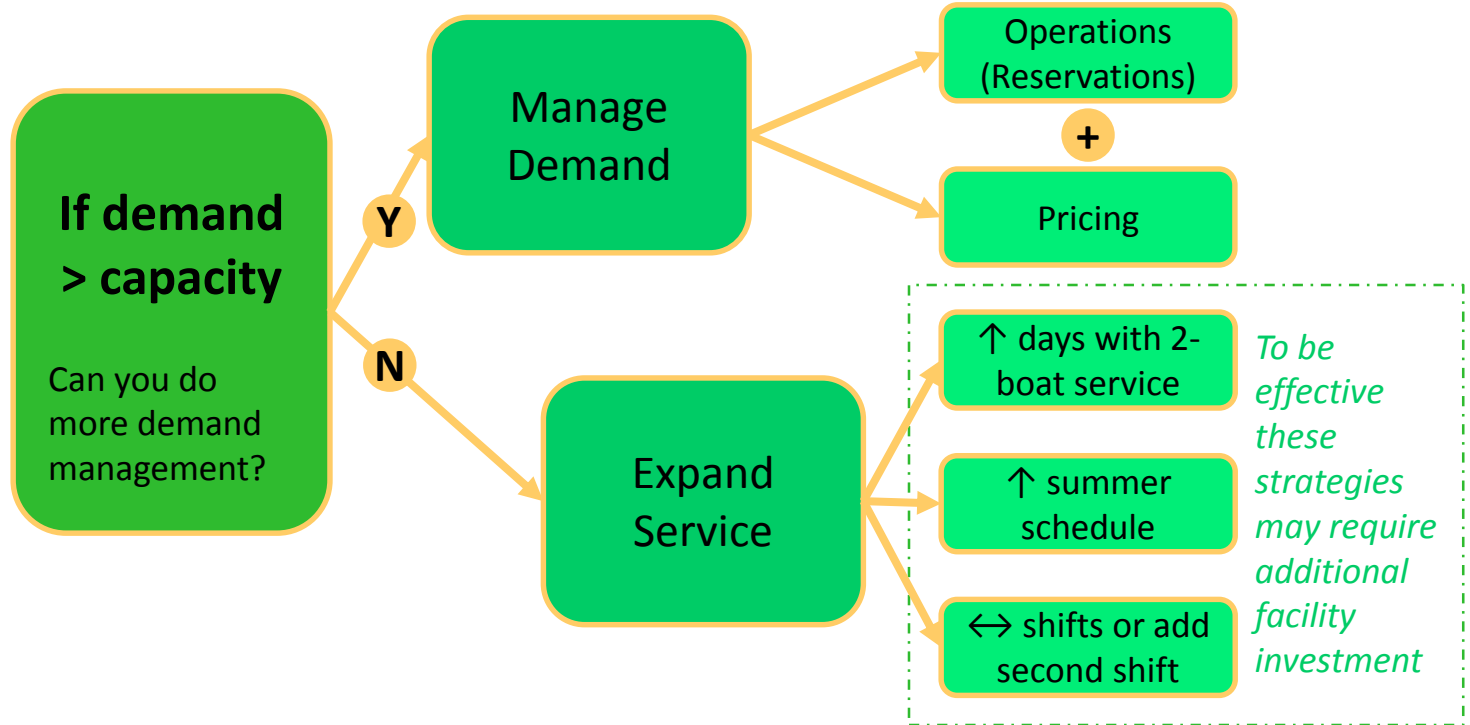
Future Demand

If demand exceeds capacity (according to the stated LOS policy) the County should first attempt to manage demand with existing service and assets, then consider service expansion as a second resort:

Overall Policy Recommendations

Short-Term Strategies (Next 5 Years)

Long-Term Strategies to Address Future Demand





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Future Demand (6 to 20 years)

In the event that ridership demand does grow beyond the capacity of the system to meet the adopted level-of-service standards then Pierce County should take a two-step approach to addressing increased congestion:

Step 1: Manage demand. As congestion grows, the County should deploy pricing and operational strategies to alleviate it.

- a. **Operating strategies.** The primary operating strategy at this time is likely to be targeted or more widespread introduction of reservations
- b. **Pricing strategies.** Modify the pricing structure to encourage mode shifts and/or changes in travel patterns.

Step 2: Expand Service. In the event that demand outstrips demand management options, consider adding capacity. Examples could include:

- a. **Add days with 2-boat service during the summer schedule**
- b. **Extend the summer schedule beyond July-August**
- c. **Add a longer shift (or a second shift) to the 2nd boat and extend higher frequency service to more of the peak day**

To be effective these strategies may require additional facility investment

Overall Policy
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Future Operational and Pricing Strategies

Managing congestion through application of operational and pricing strategies will be a key factor in long-term financial sustainability:

Overall Policy
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Future operational strategies. Reservations will likely become the most effective tool for managing congestion in the future.

- a. Target reservations program to the specific congestion challenges, while maintaining access for regular users
- b. Further enhancements in real-time communications

Future pricing strategies. The likely focus of future pricing strategies will be on for targeted alignment of price & demand (i.e. congestion pricing):

- a. Time of day pricing: vary price by demand throughout the day
- b. Day of week pricing: charge premium fares Friday-Sunday
- c. Consider collecting fares in both directions to further enhance effectiveness of congestion pricing

To be effective these strategies may require additional facility investment

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Potential Future Investment Needs

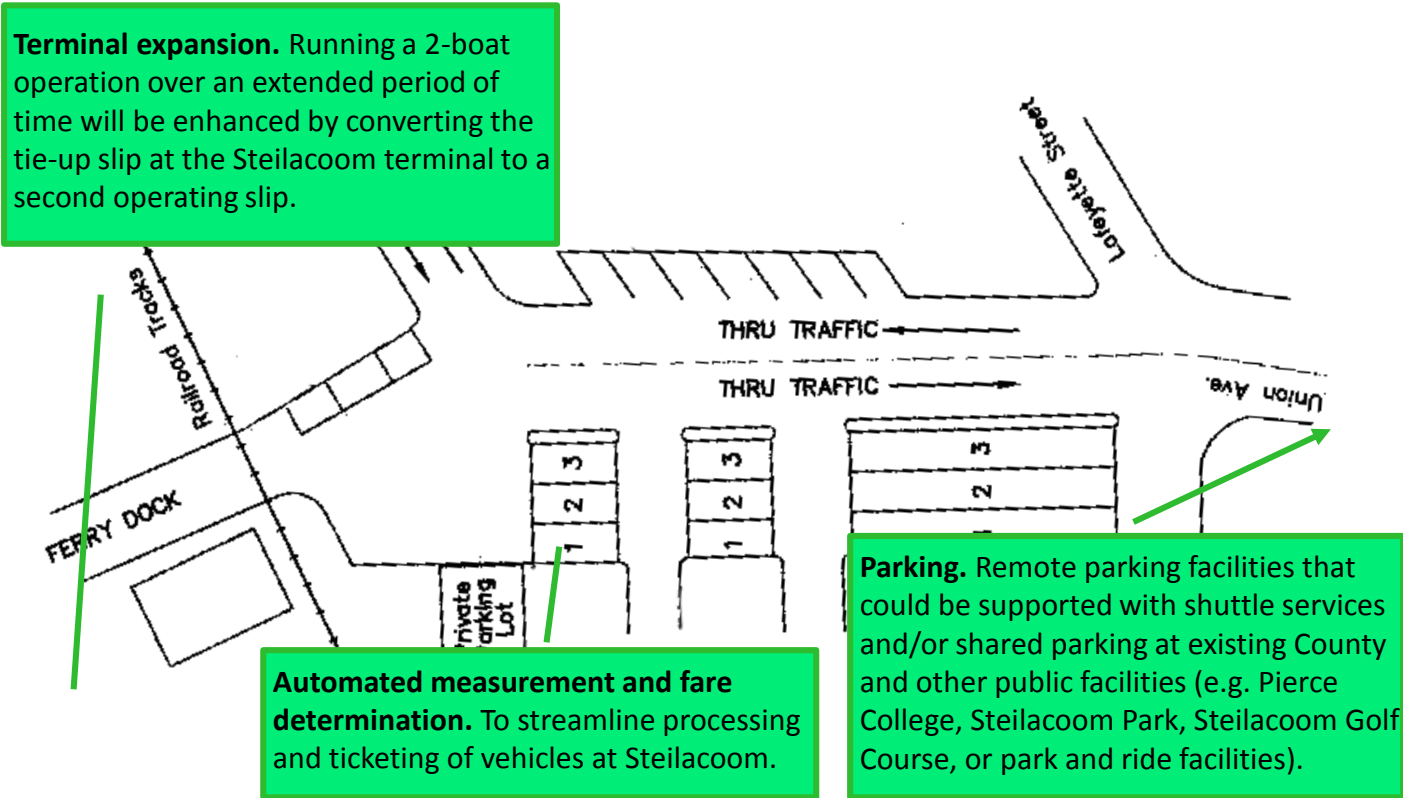
The following investments are not necessary in the short-term, however, there may come a day where these investments may be in the interest of the County:

Steilacoom Terminal

Overall Policy Recommendations

Short-Term Strategies (Next 5 Years)

Long-Term Strategies to Address Future Demand





Next Steps

NEXT STEPS INCLUDE:

- **Refinement of near-term implementation actions**
- **6-year budget implications of recommendations**
- **AICAB Meeting July 10th**
- **Presentation of Draft Recommendations to County Council**
 - **July 28th to discuss overall WTS findings and final draft recommendations, including near-term action items**