

Ferry Financing Legislation

Overview and Packet Contents



Washington State Ferries

Overview

During the 2007 legislative session, the Legislature passed Engrossed Substitute House Bill (ESHB) 2358 - "the Ferry Bill" - and the associated biennial transportation budget ESHB 1094. Each of the pieces of legislation contains specific policy and operational directives to assess the efficiency and costs related to how Washington State Department of Transportation (WSDOT) /Washington State Ferries (WSF) provides service. The results of the studies conducted to address the legislation are intended to derive strategies for how WSDOT/WSF operates in the future:

The legislation identifies specific topics for study and requires new levels of cooperation and collaboration among the Legislature (through the Joint Transportation Committee (JTC) and the new JTC Ferry Policy Subcommittee), the Washington State Transportation Commission (WSTC), and WSDOT/WSF. These directives follow from the December 2006 JTC Ferry Financing Study (also referred to as Ferry Financing Phase 1) and are the next steps in the process of developing a policy framework to address the long-term sustainability of WSDOT/WSF.

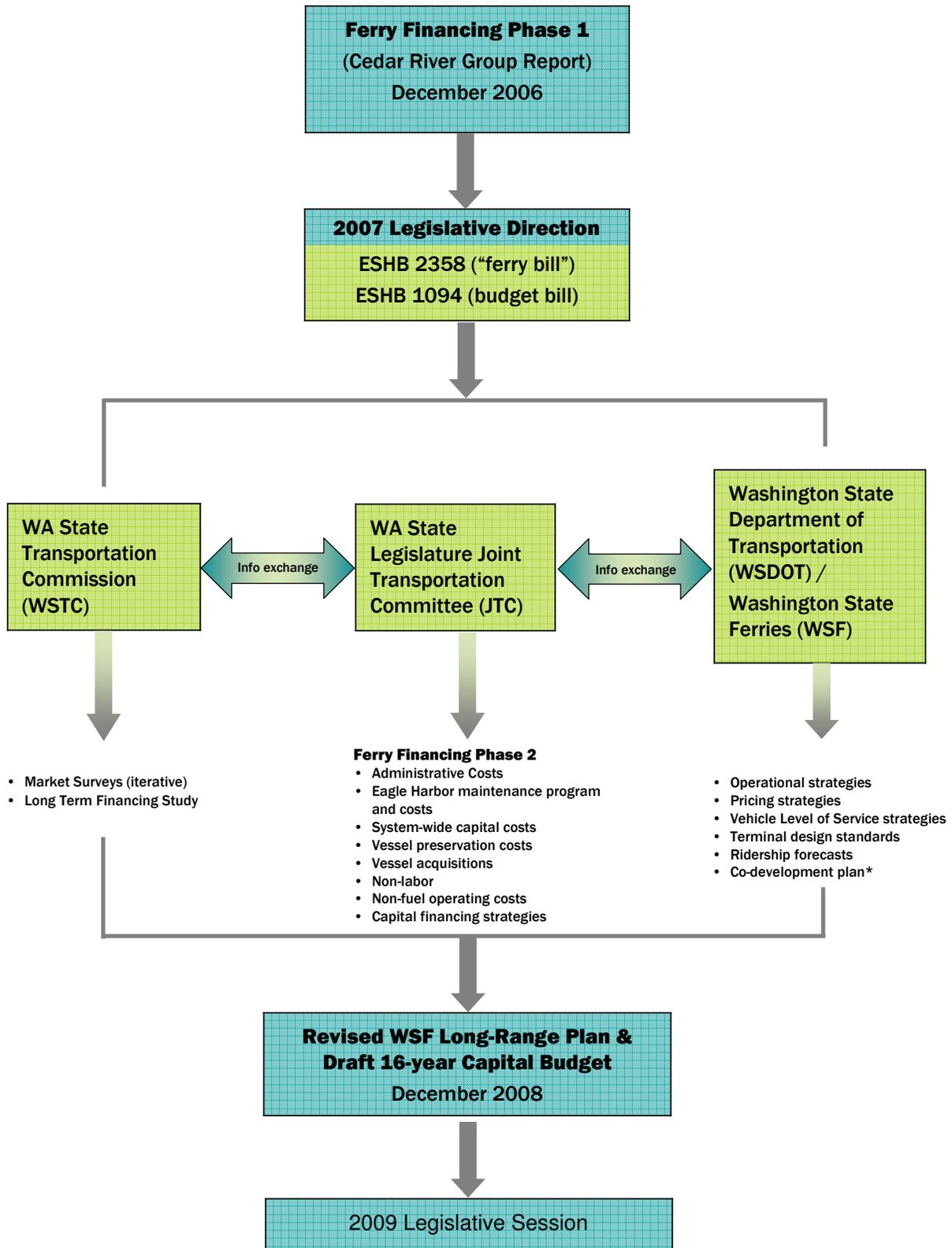
Given the mission-critical nature of the legislative direction, WSDOT/WSF leadership is committed to meeting the objectives of ESHB 2358 through a comprehensive and systemic methodology.

Packet Contents

- Work Program 2006-2009
- WSDOT/WSF Organization
- Upcoming Activities and Public Participation Opportunities
- Draft WSDOT/WSF Scopes of Work
- Public Comment Form

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Work Program 2006-2009

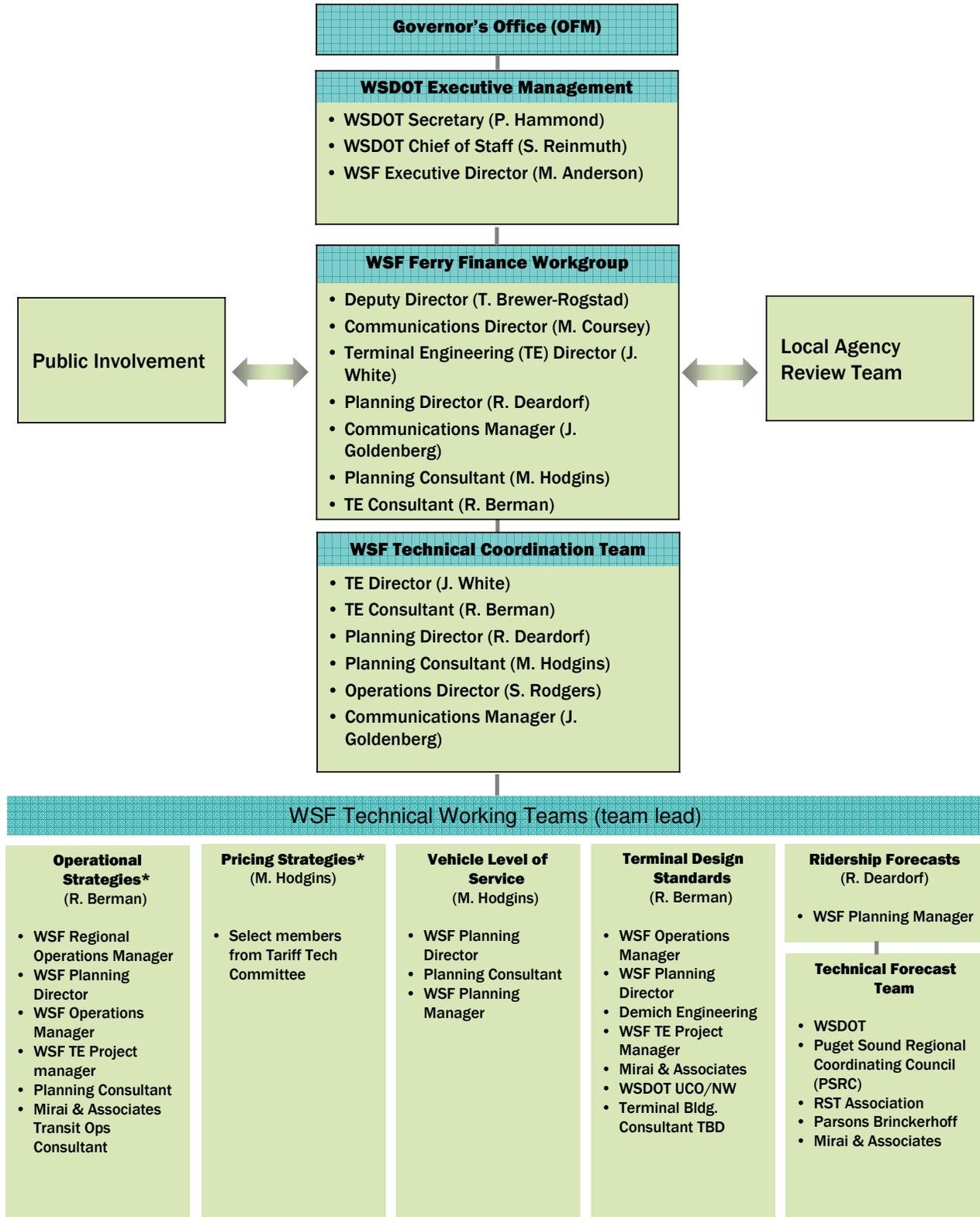


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WSDOT/WSF Organization



Washington State Ferries



* Reviewed by WSTC

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Upcoming Activities and Public Participation Opportunities



Washington State Ferries



September October November December

Public & Agency Participation Opportunities

- | | | | |
|---|--|--|--|
| <ul style="list-style-type: none"> • FAC public meetings 9/18, 20, 25, 27 • Develop webpage • Create e-mail listserv • Send letter to key community groups • Establish local agency review team | <ul style="list-style-type: none"> • FAC Executive Council briefing 10/25 • Update webpage and e-mail listserv • City/County Council and Chamber Briefings • JTC Ferry Policy Sub-Committee meets 10/30 • Local agency review team meets | <ul style="list-style-type: none"> • Update webpage and e-mail listserv | <ul style="list-style-type: none"> • FAC Executive Council briefing 12/6 • Update webpage and listserv • JTC progress report to Legislature 12/15 • Update letter to key leadership • Local agency review team meets |
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WSDOT/WSF Activities

<i>Operational Strategies</i>	<ul style="list-style-type: none"> • Establish WSF workgroup • Draft team scope of work • Gather data/history on issues 	<ul style="list-style-type: none"> • Workgroup meets • Refine & finalize team scope of work • Situation assessment and preliminary list of strategies for study • Research best practices in demand management • Input to WSTC survey design • Establish policy review process with WSTC 	<ul style="list-style-type: none"> • Workgroup meets • Research and analysis of best practices 	<ul style="list-style-type: none"> • Workgroup meets • Begin cross analysis of strategies with terminal design standards and pricing strategies • Preliminary development of range of potential strategies
<i>Pricing Strategies</i>	<ul style="list-style-type: none"> • Establish WSF workgroup • Draft team scope of work • Gather data/history on issues 	<ul style="list-style-type: none"> • Workgroup meets • Refine & finalize team scope of work • Establish policy review process with WSTC • Review of existing policy structure • Input to WSTC survey design 	<ul style="list-style-type: none"> • Workgroup meets • Meet with WSTC subcommittee • Review and assess alternative pricing concepts 	<ul style="list-style-type: none"> • Workgroup meets • Meet with WSTC subcommittee • Review and assess alternative pricing concepts • Begin cross analysis of strategies with operational strategies and terminal design standards
<i>Vehicle Level of Service (LOS)</i>	<ul style="list-style-type: none"> • Establish WSF workgroup • Draft team scope of work • Gather data/history on issues 	<ul style="list-style-type: none"> • Workgroup meets • Refine & finalize team scope of work • Situational assessment • Input to WSTC survey design 	<ul style="list-style-type: none"> • Workgroup meets • Research and analysis of options for vehicle LOS 	<ul style="list-style-type: none"> • Workgroup meets • Research and analysis of options for vehicle LOS
<i>Terminal Design Standards</i>	<ul style="list-style-type: none"> • Establish WSF workgroup • Draft team scope of work • Gather data/history on issues 	<ul style="list-style-type: none"> • Workgroup meets • Refine & finalize team scope of work • Research external examples • Preliminary assessment of existing design model • Input to WSTC survey design 	<ul style="list-style-type: none"> • Workgroup meets • Research and analysis 	<ul style="list-style-type: none"> • Workgroup meets • Begin cross analysis of strategies with operational and pricing strategies • Preliminary development of refinements to existing model or testing of other models
<i>Ridership Forecasts</i>	<ul style="list-style-type: none"> • Draft scope of work • Gather data/history on issues 	<ul style="list-style-type: none"> • Technical forecast team meets • Refine & finalize scope of work • Input to WSTC survey design 	<ul style="list-style-type: none"> • Develop baseline forecasts 	<ul style="list-style-type: none"> • Technical forecast team meets • Develop baseline forecasts

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WSDOT/WSF Draft Scopes of Work



Washington State Ferries

Introduction

Overall Approach to the Technical Work Program: Treat the Legislative directives and initiatives as single work program and design an organizational approach that accomplishes two major objectives, (1) effectively deliver the work plan elements in a timely manner and (2) engage external stakeholders throughout this program for an objective outcome.

- The WSF internal staffing structure for the Ferry Bill Work Program has three components:
 - **WSF Ferry Finance Workgroup** has responsibility for the entire WSDOT/WSF program. Team members include: Deputy Director (T. Brewer-Rogstad), Director of Communications (M. Coursey), Director of Terminal Engineering (J. White), and Director of Planning (R. Deardorf). To ensure effective communication and collaboration throughout the project, the workgroup also includes Communications Manager (J. Goldenberg), and Planning Consultant (M. Hodgins), and Terminal Engineering Consultant (R. Berman).
 - **WSF Technical Working Teams** are defined for each major work element. The work groups have line responsibility for individual work plan elements and report to the WSF Ferry Finance Workgroup. One WSF Ferry Finance Workgroup member serves as team lead for each of the work teams.
 - **WSF Technical Coordination Team:** The work team leads are responsible to ensure the integration of work teams analysis and outcomes.
- Given the importance and visibility of this work program, it is necessary to keep key stakeholders informed throughout this process. As work is developed and reviewed by these advisory teams, the results are shared with the Joint Transportation Committee and Washington State Transportation Commission members and staff. These interactions are both to share findings and get feedback on progress.
 - **Local agency review team.** An agency review team will be formed in October to bring key local agency staff together on a regular basis in a facilitated forum to review and discuss work products. This will be a broad based group that would consist of technical transportation staff from potentially affected jurisdictions for review and comment on technical analyses. Membership of this group is intended to be staff from transit partners, community technical staff (counties and/or cities) and Regional Transportation Planning Organizations (RTPOs).
 - **Ferry Advisory Committees.** The FAC's will be engaged starting in September through the regular FAC process by reporting progress, sharing work products, and offering opportunities for discussion at monthly Executive Committee meetings and public meetings.

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- **Webpage and E-mail Listserv.** A webpage will be created in September to provide the public with current information on WSDOT/WSF efforts and also serve as mechanism to review information and provide feedback. An e-mail listserv will be maintained and updates will be sent as new information becomes available.
- **City/County Councils and Chambers of Commerce.** WSDOT/WSF will contact city and county councils, and local chambers of commerce at key milestones to share progress and offer briefings.

Draft Scopes of Work

The draft scopes of work were developed based on the direction in the legislation. These scopes of work will be refined once the WSF technical working teams meet in October. All revisions will be judged against the “legislative filter” or what is specifically required of WSDOT/WSF in the legislation.

1. DEVELOP OPERATIONAL STRATEGIES

Purpose: The purpose of this task is to objectively develop and analyze alternative operating strategies designed to manage demand, increase capital utilization and increase the overall cost effectiveness of delivering ferry services. Operational strategies integrate with Terminal Design Standards and Pricing Strategies in terms of analysis and outcomes.

Major Work Elements identified to date:

1. Identify potential operational strategies that would either provide tools to manage demand, shift vehicular traffic to other modes of transportation or that would improve the efficiency of current operations
2. Review other ferry system and mass transit operations
3. Research operational implications of congestion pricing options
4. Assess the potential feasibility of a reservation system as a demand management tool
5. Assess operational strategies related to terminal operations such as remote versus on-dock vehicle holding, vehicle holding area versus use of surrounding roadway networks, options for reorganizing on-dock holding areas, including moving or minimizing on-dock employee parking, and any other opportunities to improve on-dock operations to maximize efficiency and minimize operating and capital costs
6. Where appropriate, integrate results of Transportation Commission survey

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7. Evaluate Operational Strategies for implication with Terminal Design Standards and Pricing Strategies
8. Conduct a policy analysis of each demand management strategy that would address the overall cost-benefit of the approach and identify impacts on customer equity, cost of using WSF services, and terminal operations and costs. Integrate Transportation Commission survey results and findings

Product/Outcomes:

- Operational Strategies Report
- Periodic briefing materials for JTC staff group and JTC Working Group
- Joint WSDOT/WSF and Transportation Commission recommendations to the Legislature

2. DEVELOP PRICING STRATEGIES

A) EVALUATE ONE-POINT TOLL COLLECTION

Purpose: The purpose of this task is to document the advantages and disadvantages of one-point toll collection versus alternative approaches for individual routes and the collective WSF system. This will be an important input to the operational strategy development effort.

Major Work Elements:

1. Review and synthesize work that has already been done
2. Where appropriate, integrate results of Transportation Commission survey
3. Conduct cost-benefit review of potential changes to toll collection methods
4. Document in a technical memorandum for internal and external review

Product/Outcomes:

- Technical memorandum on toll collection approaches

B) REVIEW FARES AND NEW FARE PROPOSALS

Purpose: The purpose of this task is to review the current fare policy structure and revisit key policies such as Tariff Route Equity and the relationship of passenger and vehicle fares in light of the desire to manage demand more creatively and to optimize long-term capital needs and the legislative changes to the policy direction for setting

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fares. Fare proposals integrate with Terminal Design Standards and Operational Strategies in terms of analysis and outcomes.

Major Work Elements identified to date:

1. Review and reassess current structure in light of new legislative language guiding fare setting
2. Review other ferry, highway and transit systems
3. Where appropriate, integrate results of Transportation Commission survey
4. Develop and assess alternative conceptual pricing structures, such as congestion pricing
5. Evaluate Fare Proposals for implication with Terminal Design Standards and Operational Strategies
6. Work with the WSTC to establish a new fare proposal development and implementation process to put in place of the TPC review process

Product/Outcomes:

- Tariff and Pricing Policy Review report
- Periodic briefing materials for JTC Ferry Policy Subcommittee
- Document the new Transportation Commission tariff adoption process
- Depending on the outcome of this work element, it may be necessary or desirable to do some form of public outreach or public hearings in mid to late 2008. The determinant will likely be the degree to which alternative fare policy approaches might be included in the Long-range Plan.

3. RE-ESTABLISH VEHICLE LEVEL-OF-SERVICE (LOS)

Purpose: The purpose of this work element is to evaluate the current and alternative vehicle level-of-service (LOS) standard on ferry routes.

Major Work Elements: The work will follow the following general steps:

1. Review current standards
2. Review LOS of other transit organizations
3. Identify & evaluate alternative approaches. Evaluation should consider the issue of ongoing performance monitoring, which is a challenge with the current standards
4. Integrate results of Transportation Commission survey

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5. Conduct cost-benefit review of potential changes to standards by evaluating the potential implications on operating and capital needs for alternative metrics and/or standards
6. Recommend LOS standard and criteria for how the LOS standard would be monitored and applied
7. Depending on the outcome of LOS review, work with affected jurisdictions and local ferry communities

Products/Outcomes:

- Vehicle LOS report
- Periodic briefing materials for JTC Ferry Policy Subcommittee

4. TERMINAL DESIGN STANDARDS

Purpose: The purpose of this task is to develop terminal design standards for vehicle holding and terminal buildings to ensure a consistent relationship between demand and size requirements. Standards will address the impact of potential operational and fare strategies such as reservations systems, congestion pricing strategies or other elements that might require special handling of traffic.

Major Work Elements:

1. Assemble WSF interdisciplinary working team and design a process to develop a better link between the demand analysis and the terminal sizing issues
2. Review standards of other ferry systems
3. Where appropriate, integrate results of Transportation Commission survey
4. Identify terminal sizing needs that relate to specific demand management strategies, such as peak pricing, HOV programs and reservation systems or changes in one-point toll collection
5. Develop standards that address queuing, special handling needs (HOV, reservations), likely or potential arrival and departure streams, on-dock versus off-dock holding areas, passenger facilities, and any other relevant issues which may affect the relationship between demand and investment needs
6. Standardization versus local needs. Different communities can have varying needs and conflicting interests. Assess how standardization affects WSF's ability to fit its future terminal needs within a wide range of specific site constraints and community needs.

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7. Evaluate Terminal Design Standards for implication with Operational Strategies and Fare Proposals.
8. Analyze options using a cost-benefit framework to determine the potential impacts of alternative terminal design standards

Products/Outcomes:

- Terminal Design Standards Report
- Periodic briefing materials for JTC staff group and JTC Working Group

5. RIDERSHIP FORECASTS AND MODEL RECONCILIATION

Purpose: The purpose of this task is to develop ferry ridership forecasts that have broad support among the key agency participants and outside stakeholders. Success depends on both technical analysis and a process for engaging key stakeholders.

Major Work Elements: The work follows the following general steps:

1. Re-visit, revise & update ferry travel model
 - Input assumptions, model parameters, network updates, new trip tables based on '06 O/D survey, new regional model version 1, etc.
 - Evaluate methods for route-specific demand assessments
2. Review and possibly revise WSF forecast methods for routes outside of the PSRC region
3. Develop baseline ferry model (including outlying counties) & planning horizons
4. Review and revise baseline model inputs and assumptions based on WSTC survey results
5. Reconcile ferry travel/revenue models
6. Test plan alternatives
 - Service alternatives at route level
 - Policy choices: time-of-day demand, pricing, etc.
7. Produce ferry travel forecasts for horizon year accounting for key policy choices

In addition to the local agency review team, a second advisory team is proposed to participate in the more technical aspects of the development of the forecasts.

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Technical Forecast Team: Bring together regional modeling experts to assist in the development of the model and production of forecasts and to offer insights and suggestions for improving the models and confirming the soundness of the resulting model and forecasts.

- Adapt ferry model to test time-of-day and policy program choices
- Produce ferry travel forecasts for horizon year(s) by policy choices: route service levels, time-of-day ridership management, pricing etc.

Products/Outcomes:

- Reconciliation memorandum
- Baseline forecast
- Forecast scenarios reflecting potential service, pricing and other operational strategy changes
- Revised long-range plan forecast

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Ferry Financing Legislation Public Comment Form



Ways to submit comments:

- Leave form with WSF staff at meeting
- Mail to: Washington State Ferries
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Attn. Joy Goldenberg
2901 3rd Avenue, Suite 500
Seattle, WA 98121-3014
- E-mail to: WSFPlanning@wsdot.wa.gov

May we add you to our e-mail distribution?

Yes Name _____

E-mail _____@_____