

WSDOT Ferries Division

WSF Response to CRG Draft Vessel Sizing & Timing Report

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Joint Transportation Committee
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Overview

- WSDOT Ferries Division (WSF) concurs with the majority of findings and recommendations of the Cedar River Group
- WSF has already begun to implement some of the recommendations (e.g. taking steps to slow ferries to save fuel)
- The core of the report rests on four integral issues that frame up key decisions which will establish the strategic direction for WSF over the next two decades. These issues are:
 - Reduction of the annual ferry maintenance time from 7 to 6 weeks
 - Number of stand-by vessels maintained (fleet size)
 - Timing and number of 64-Auto ferries constructed
 - Timing and number of 144-Auto ferries constructed
- WSF provided its substantive response comments to the Ferry Policy Group on 26 December.

Reduction in Maintenance Time

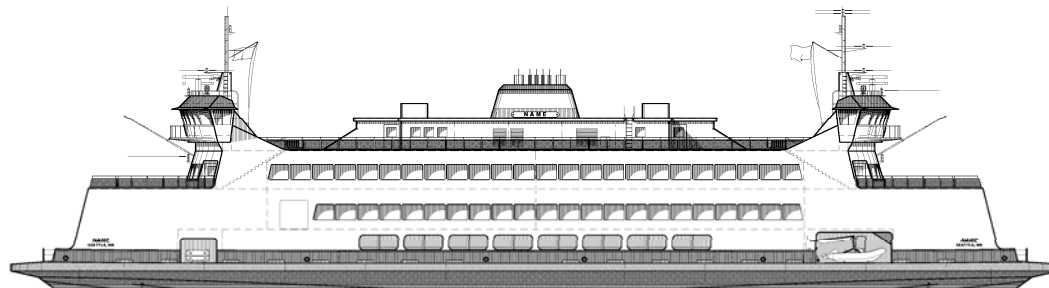
- Concur that it is reasonable to establish a target of 6 weeks of maintenance per vessel on average and will strive to do so
- It is usually the unanticipated mandate or repair that drives longer ferry maintenance times. Examples include:
 - Security system installations (14-weeks for a Jumbo ferry)
 - Extensive ship repairs (e.g. 6 month Yakima structural, one year Elwha main motor)
- **Future:** Regulatory changes may drive longer out of service times to accomplish requisite modifications. Potential changes include:
 - Clean Air Act changes
 - ADA
 - Clean Water Act changes
 - Security Enhancements
- **Steps already taken:** WSF has minimized vessel out of service time by completing renovations and vessel upgrades in a deliberative fashion through a series of smaller segments completed over several years during normal maintenance and preservation periods vs. removing vessels from service for extended periods

Number of Stand-by Vessels

- Recommend a 22-vessel fleet rather than the 21-vessel fleet recommended by the consultant
- We have learned the value of stand-by vessels which have been essential to maintaining the appropriate level of service for customers during lengthy out of service periods
- Ferry system will be at high risk for loss of service especially during the critical summer months if we reduce the fleet to no stand-by vessels
- Recommend using the renovated MV Hyak (144-auto, completed in 2011) as the stand-by vessel
 - Would have a reduced crew, be fully maintained and provide great flexibility in responding to nearly every route when needed
 - Requires funding the vessel for maintenance and preservation in the biennial budgets unlike what was done in the past for stand by vessels (e.g. MV Nisqually & MV Evergreen State)

64-Auto Ferry Construction

- Recommend building three 64-Auto ferries as quickly as possible.
- It is important to construct new 64-Auto ferries to replace the lost service on Pt. Townsend-Keystone route and to replace the 61-year old MV Rhododendron.
- Doing so will enable the shipbuilding sector to develop and refine the necessary skills for new ferry construction and afford the state the benefits of a strong learning curve and its attendant cost savings



144-Auto Ferry Construction

- Recommend construction of the 144-Auto ferries commence as soon as possible after completion of the three 64-Auto ferries
- WSF has already invested nearly \$50M in the design and the purchase of Owner Furnished Equipment for the 144-Auto ferry
- Affords best cost for 144-Auto ferry construction
 - Capitalizes on the newly developed new construction skills & production efficiencies the shipyard industry will gain during the building of the three smaller ferries.
 - Delaying construction of the 144s until the 2020-2030 time frame will result in a decline in that capability and a significant increase in costs due to the loss in shipbuilding efficiency.
- Current 144-Auto ferry design will not be a viable design, as it currently exists, in the 2020-2030 period due to anticipated changes in air and water emissions regulations plus the expected mandate for further fuel savings through the implementation of currently emerging technologies.
 - Starting construction of the currently designed 144-Auto Ferry as soon as possible will enable a steady, systematic evolution of the design to meet evolving requirements and provide necessary service and capacity improvements.



Conclusion

▪ **Four Important Issues that are Interdependent**

- The maintenance strategy directly affects, and is affected by the number of stand-by vessels that are maintained in the system
- Reducing the number of stand-by vessels directly impacts the scheduling and completion of essential maintenance and preservation of the vessels
- With fewer stand-by vessels, the risk of a reduction of service increases due to the unpredictability of equipment failures and other events that result in vessels being removed from service
- The fleet size and the condition of the vessels are key in determining the fleet recapitalization strategy

▪ **Investing in the shipbuilding industry**

- Making a commitment to a long term, consistent shipbuilding program will encourage shipyards to make important capital investments. Such investments could allow the shipyards to improve shipbuilding efficiency and production rates while reducing vessel construction costs.
- Would also enable the shipyards to invest in the workforce through training to develop necessary skills and the establishment of long term collective bargaining agreements

Questions?

For more information on the
WSDOT Ferries Division Draft Long Range Plan

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