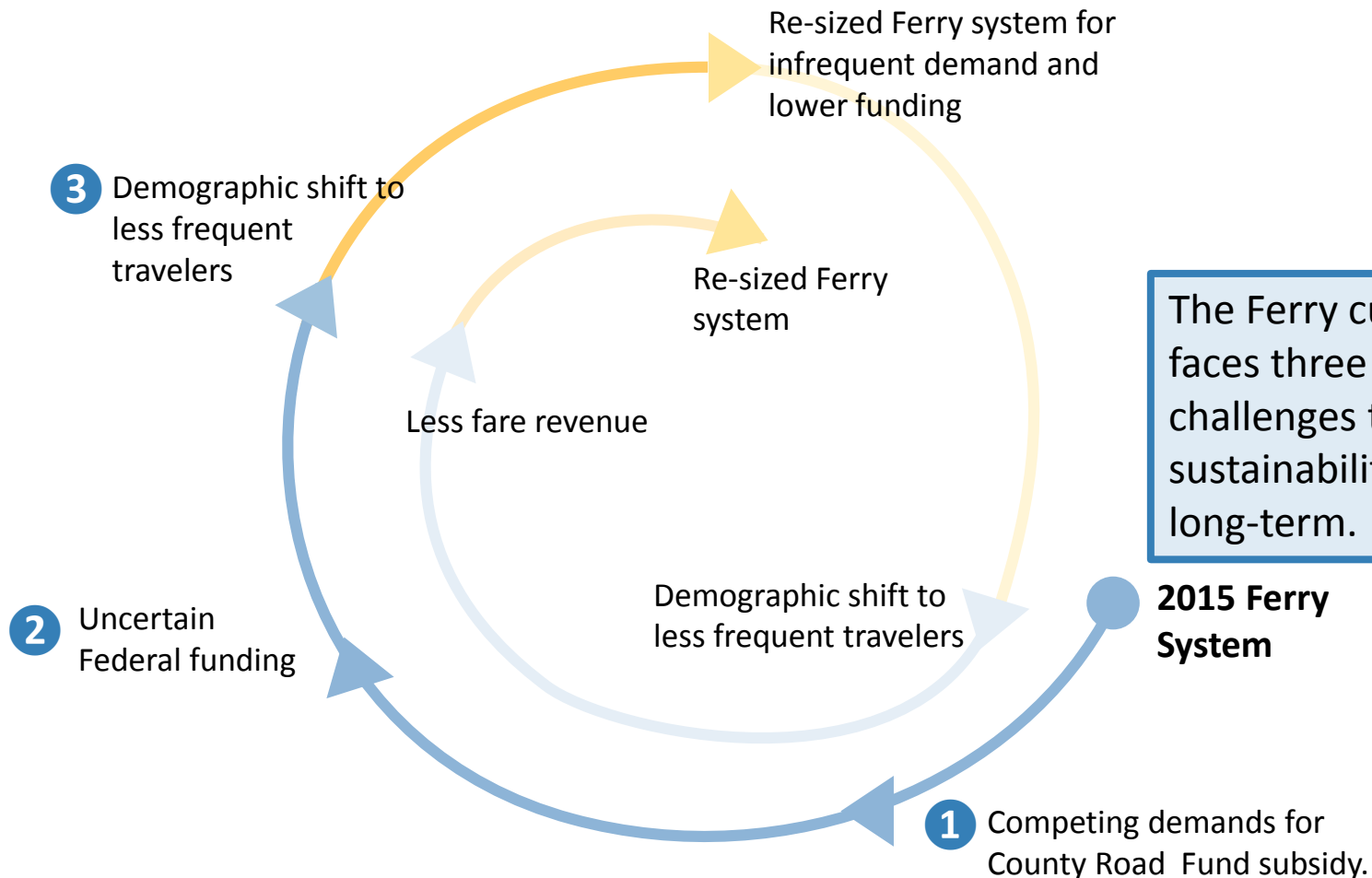


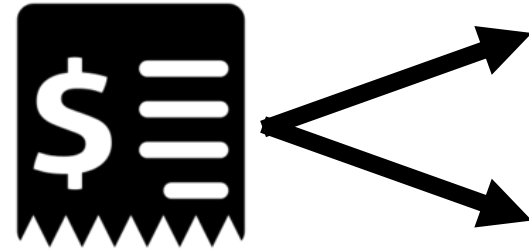
The Challenge

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



The Ferry currently faces three interrelated challenges to financial sustainability over the long-term.

1. **Implement a Formula-based fare revenue target.** A one-time assignment of costs to fare and non-fare revenue sources.



2. **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.

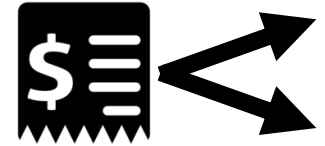
3. **Pursue other Non-Fare Operating Revenues.**

- a) Establish charter and lease rates for 2nd vessel
- b) Advertising income
- c) Concessions during peak season



1. Implement a Formula-based fare revenue target

Establish a policy-level formula that assigns certain costs to the customer base, which would become the fare revenue target.



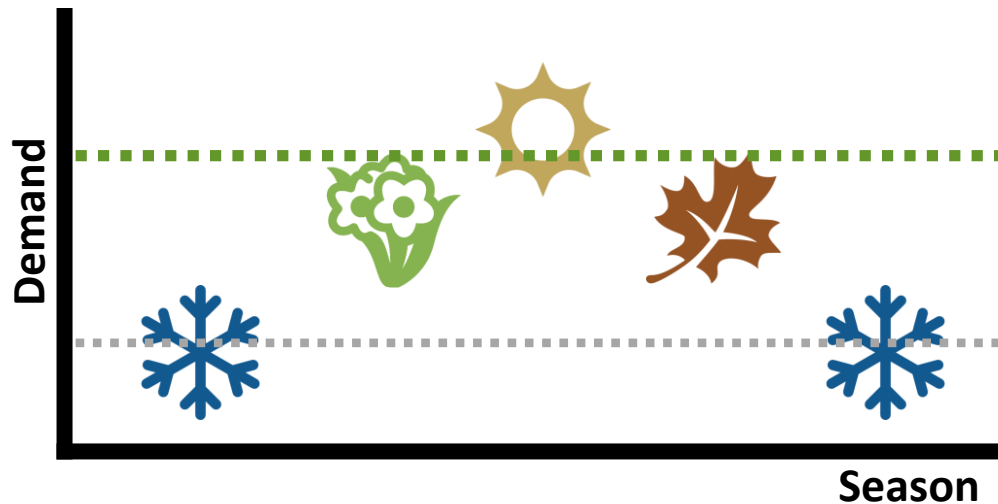
CONCEPTUAL EXAMPLE USING GENERALIZED CURRENT COSTS AND REVENUES

Fare Revenue Requirement	
County Road Fund Allocation	\$900,000
minus annualized capital & maintenance needs	(\$1,300,000)
Plus annualized capital grant funds	\$100,000
Net Road Fund for operations	\$0
Maintenance costs in excess of Road Fund	\$300,000
Annual operating costs (ex. maintenance)	\$3,100,000
minus Net Road Fund support	\$0
plus excess maintenance costs	\$300,000
Net costs to be recovered from operating revenue	\$3,400,000
minus FTA operating support	(\$800,000)
minus State Deficit reimbursement	(\$300,000)
minus State MVFT Ferry funds (State)	(\$100,000)
minus non-fare operating revenue	(\$150,000)
minus other revenues	\$0
Net costs to be recovered from fare revenue	\$2,050,000

1. Add flexibility to LOS language. To meet the winter weekday standard through adding capacity or implementing operational or pricing demand management strategies

2. Develop a summer Level of Service standard. Options could be based on:

- a) Number of vehicles that are overloaded
- b) Average vessel utilization throughout the day
- c) Percent of vessels that are leaving full



Recommended:
Two LOS standards for Summer and Off-Peak

Current:
One Year-Round LOS standard based on winter demand

1. Acquire new fare collection system.



- **Reservations.** Reservations can be deployed in many ways. Depending on how much of the boat is reserve-able, they can help spread demand and still allow last-minute trips.



- **Account-based system.** A fare collection system that can offer an account-based approach would add significant flexibility to better tailor pricing to different customer groups.

2. Improve communications system. Possibilities include:

- Alerts, on-line, apps, and push technologies, terminal cameras



- Signage, both static and variable message



- Terminal area and highway radio messages

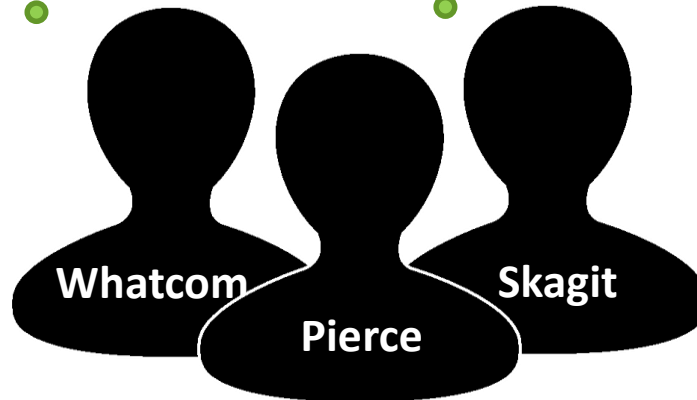


The recently launched County Ferry Operator's group is an ideal platform for sharing costs and leveraging resources.

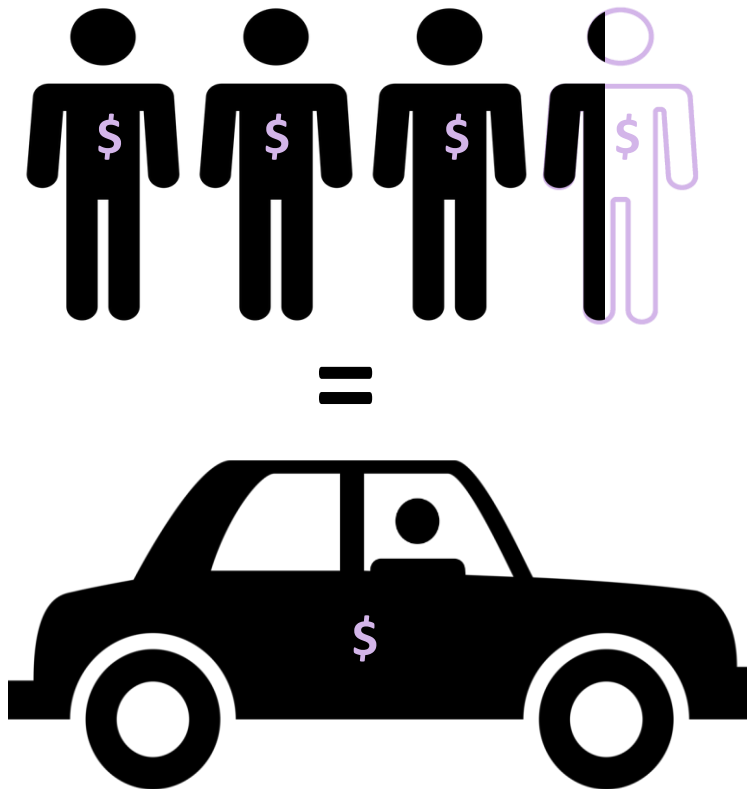
1. Share some system investment costs, such as the backbone fare collection system or core communications platforms, such as mobile apps.

2. Formalize emergency vessel replacement plans, including options to tap other resources outside County operators.

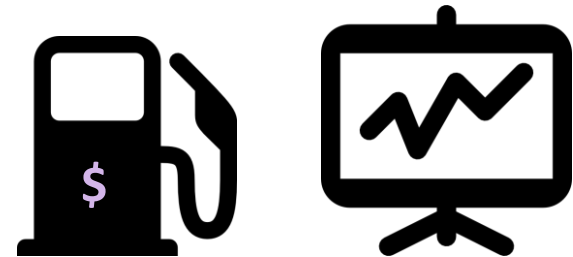
3. Lease the 2nd Pierce boat for dry-dock maintenance periods if the vessel is not otherwise in use.



1. **Gradually increase the vehicle-passenger fare ratio over time from 3.4:1 to 4.0:1**

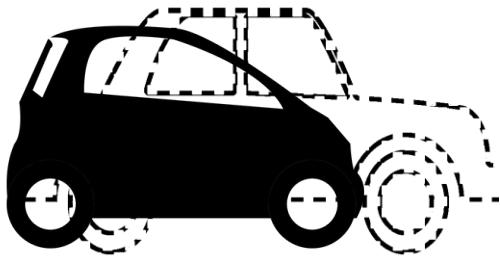


2. **Develop a fuel surcharge policy.** To allow Pierce County to mitigate the impacts of a rapid increase in the price fuel.



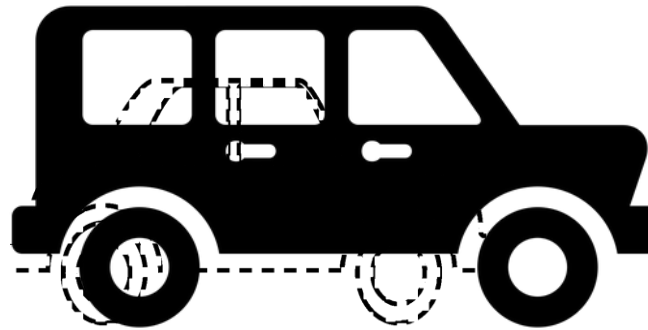
- Fuel comprises nearly 20% of the ferry operating budget.
- Sets a quarterly surcharge trigger linked to prices in excess of the fuel budget. It would be removed as prices allow or a new budget cycle starts.

1. Add small car fare category.



- Minimal revenue impacts
- Potential to increase vehicle deck utilization
- Consider ways to “prequalify” to expedite terminal processing

2. Standardize oversize fares on a linear per foot basis.

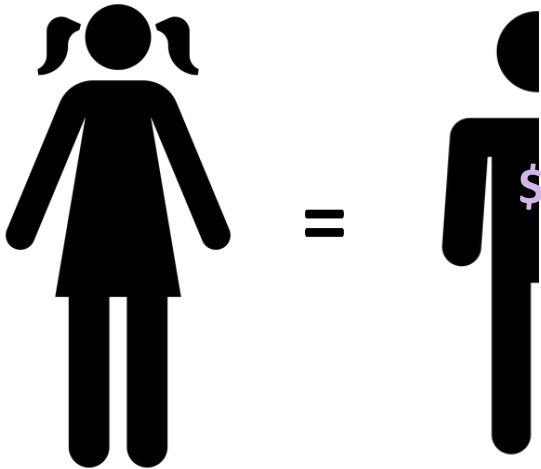


- Can be revenue neutral and reached over time
- Creates logical relationship between fares
- Easily integrated more advanced vehicle measuring technology

3. Increase summer surcharge on vehicles from 25% to 30%

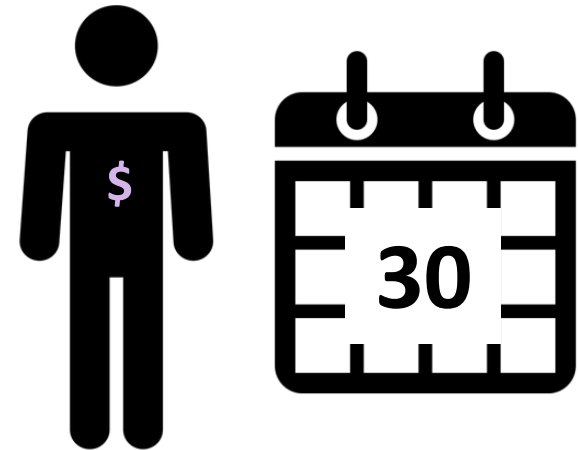
- Addresses most capacity constrained times of year
- Limited impacts to year-round residents using value passes
- Offsets cost of 2-boat summer service

1. Change youth fare to 50% of full passenger fare (from 64%)



- Increases family affordability
- Minimal revenue impacts

2. Introduce monthly passenger pass



- Encourages utilization of passenger deck
- Encourages car sharing
- Can streamline processing



Service

Monday – Thursday

Departs (PM shaded):

Steilacoom	Ketron	Anderson
5:45	--	6:15
6:45	6:55	7:30
8:00		
9:00		
10:00 *		
12:00		
2:10	--	2:40
3:10	--	3:40
4:10	--	4:40
5:10	6:00	5:40
6:30	--	7:00
7:30	--	8:00
8:40 **	9:30 **	9:10 **

1. Add early morning weekday service and/or late evening service year-round

2. Add a new triangle run to improve frequency of service to Ketron in the afternoon

Friday and Saturday

Departs (PM shaded):

Steilacoom	Ketron	Anderson
5:45	--	6:15
6:45	6:55	7:30
8:00	--	8:30
9:00	--	9:30
10:00	--	10:30
12:00	12:55	12:30
2:10	--	2:40
3:10	--	3:40
4:10	--	4:40
5:10	6:00	5:40
6:30	--	7:00
7:30	--	8:00
8:40		
10:00 *	11:00	
11:00 **	11:00	

3. Create a "Summer Schedule" by adding 2-boat service in July and August

- Fridays add 1 8-hr shift to run between 12pm & 8pm
- Sundays add 1 8-hr shift to run between 12pm & 8pm

* No Service 1st and 3rd Wednesday

** Thursday

*** 1st & 3rd

* Fridays only Labor Day

1-Lab

Steilacoom Terminal

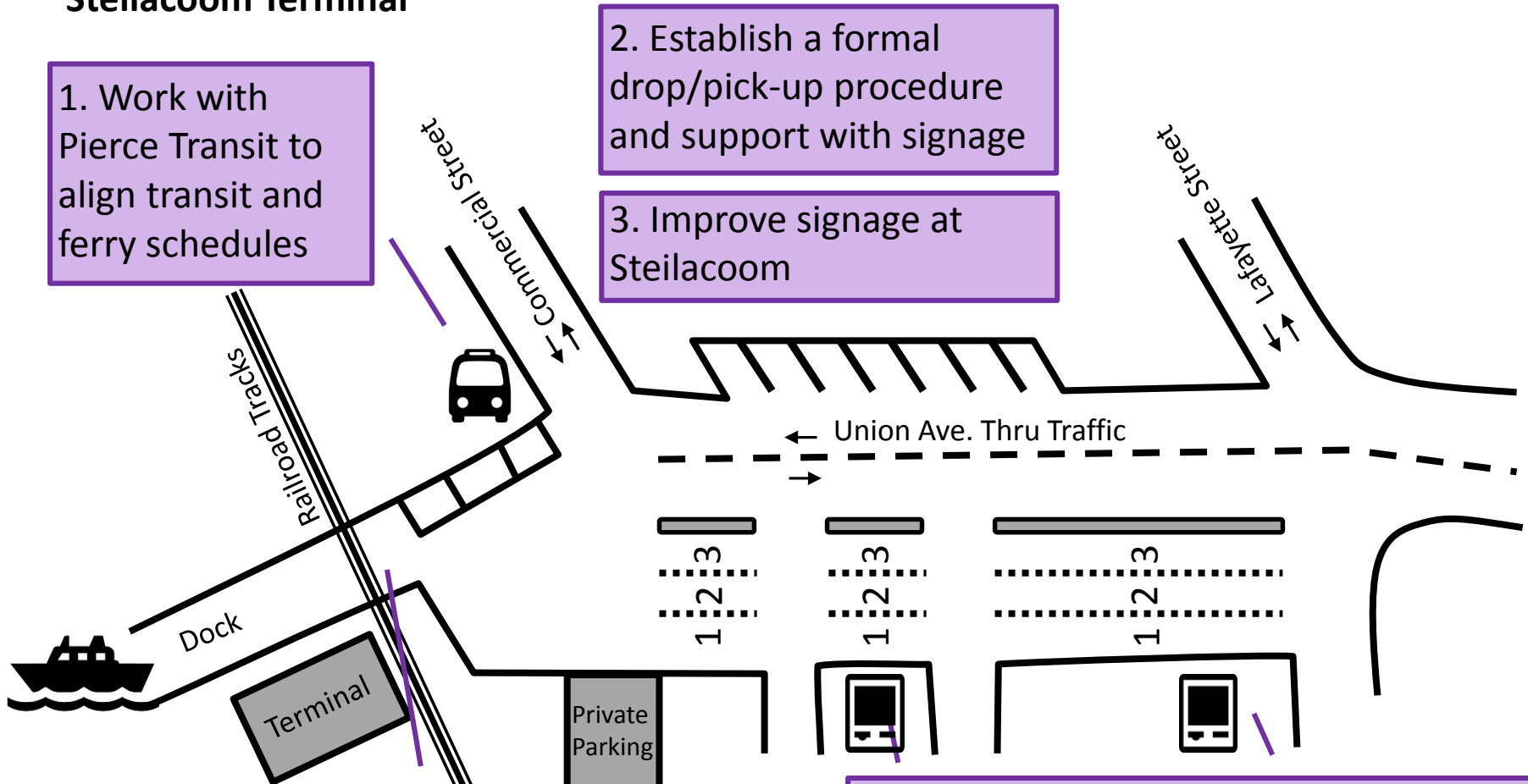
1. Work with Pierce Transit to align transit and ferry schedules

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

3. Improve signage at Steilacoom

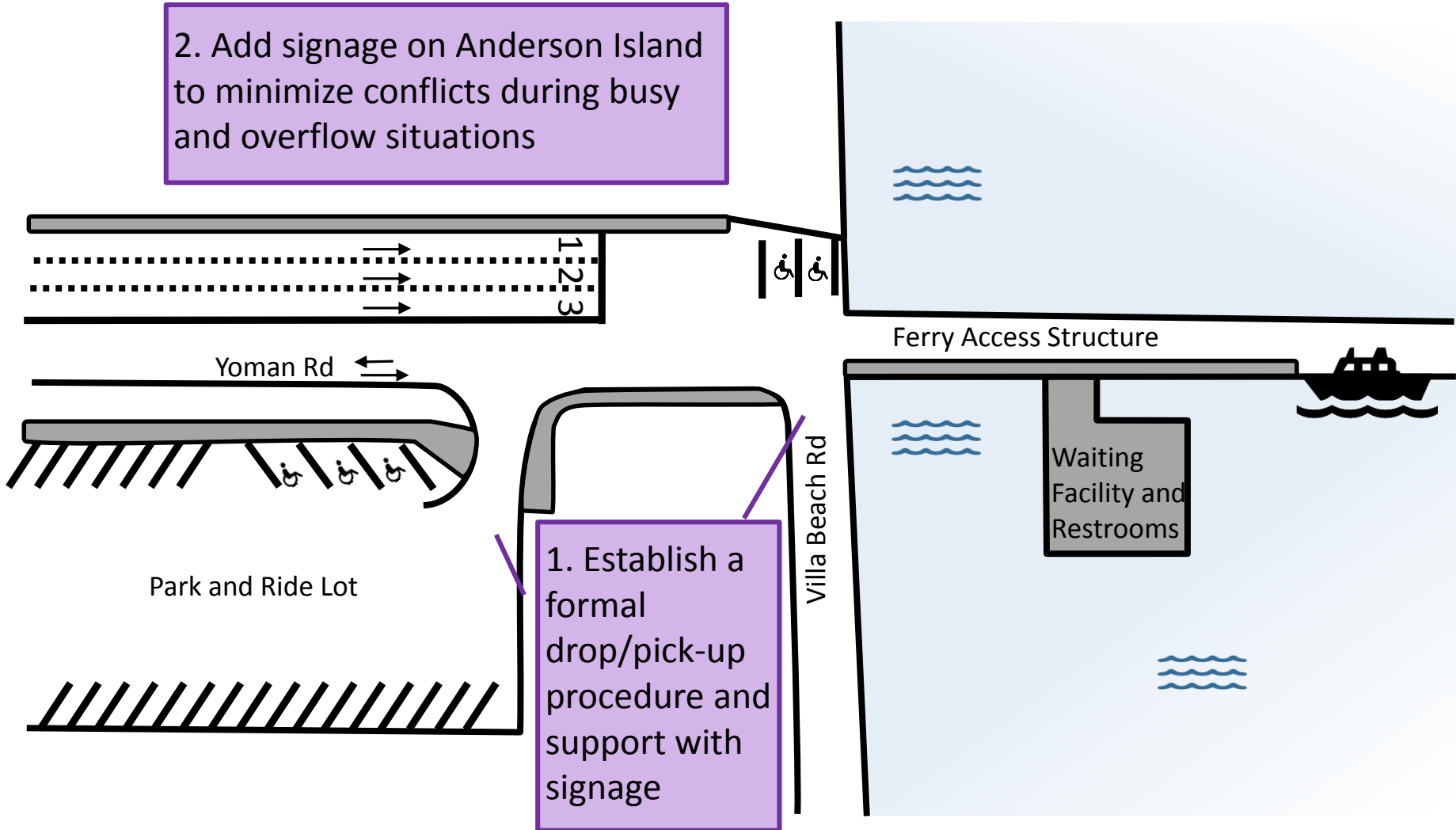
5. Improve signage (and possibly the grade crossing barriers) to prepare for increasing rail traffic

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

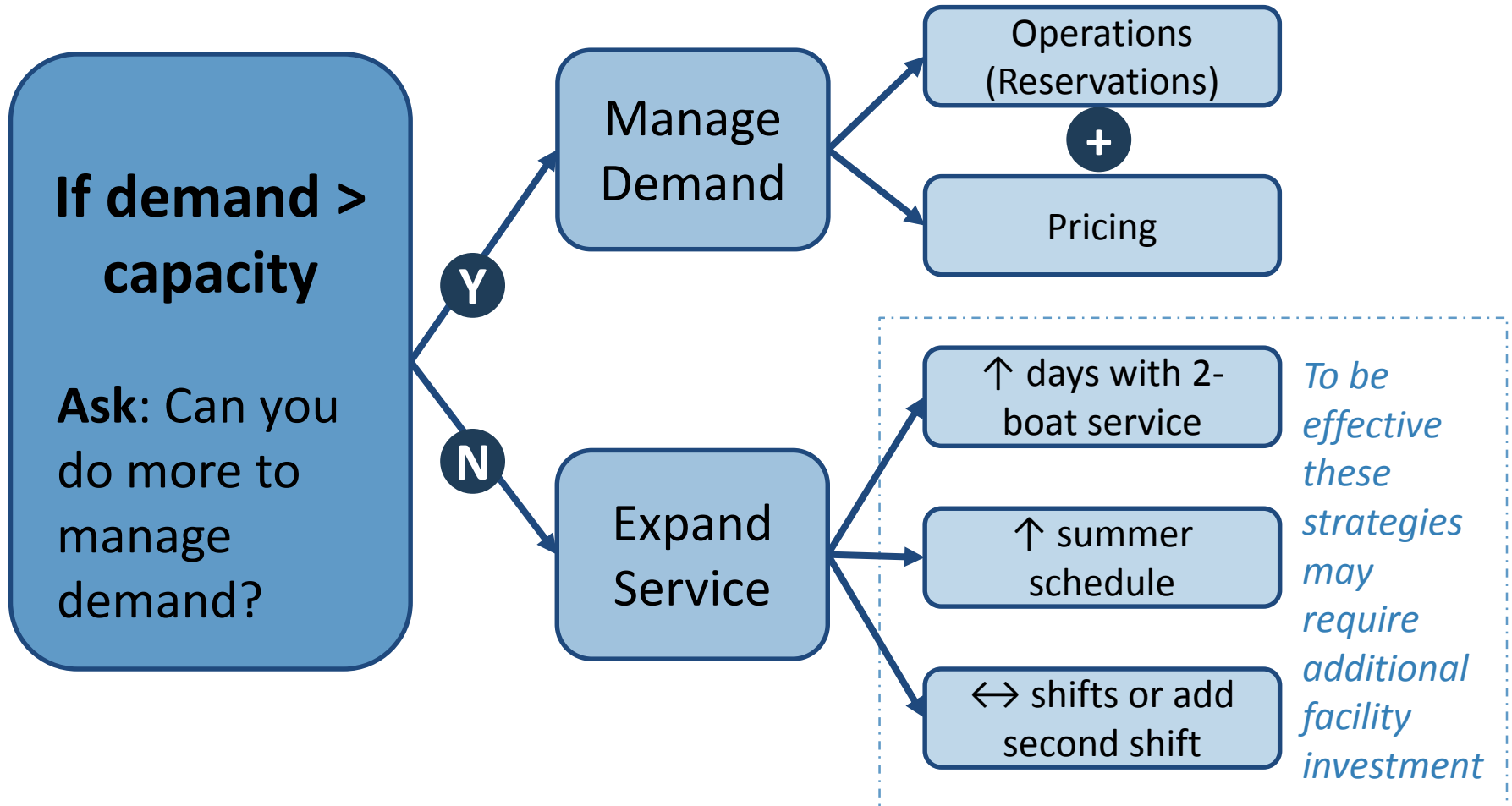


Anderson Island Terminal

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



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:



Steilacoom Terminal

1. Terminal expansion. Running a 2-boat operation over an extended period of time will be enhanced by converting the tie-up slip at the Steilacoom terminal to a second operating slip.

3. Parking. Remote parking facilities that could be supported with shuttle services and/or shared parking at existing County and other public facilities (e.g. Pierce College, Steilacoom Park, Steilacoom Golf Course, or park and ride facilities).

2. Automated measurement and fare determination. To streamline processing and ticketing of vehicles at Steilacoom.

