

SKAGIT COUNTY



Fourteen-Year Ferry Capital Improvement Plan 2014 - 2027



Prepared by
Skagit County Public Works Department

OVERVIEW

The fourteen-year program is a general guide for the effective, efficient and continuing operation of the Skagit County ferry system. This program will assist the County Engineer and Ferry Division management in planning for capital projects that pertain to replacement, maintenance and improvements for the Skagit County ferry system.

This program serves as a guide for long range planning, thus does not require strict adherence. As events unfold, future plans will change as the needs of the ferry system and the available financing become clearer. The Board of Skagit County Commissioners, with advice from the County Engineer, will ultimately decide capital improvement based on priority and available funds.

The capital projects listed here are the result of input from various county departments, governmental agencies, citizen groups, and approximately fifty years of operating and maintaining the ferry system, while complying with applicable state law.

Enacted in 1975, Revised Code of Washington (RCW) 36.54.015 states: The legislative authority of every county operating ferries shall prepare, with the advice and assistance of the county engineer, a fourteen-year long range capital improvement plan embracing all major elements of the ferry system. Such plan shall include a listing of each major element of the system showing its estimated current value, its estimated replacement cost and its amortization period.

HISTORICAL HIGHLIGHTS OF THE GUEMES ISLAND FERRY SYSTEM

- Late 1800's, a private ferry system was established.
- Early 1900's the first vehicle ferry carried 6 cars, was privately owned and subsidized by the County.
- 1958, the privately operated ferry expanded its service and purchased the M/V Almar with a capacity of 11 vehicles.
- 1962, Skagit County purchased the M/V Almar and all ferry facilities and began full management of the ferry system.
- 1978, Skagit County began planning for a larger ferry vessel and related dock improvements.
- 1979, Skagit County purchased the M/V Guemes, which currently serves Guemes Island with a capacity of approximately 21 vehicles and 99 passengers. The County also began to keep statistics regarding ferry ridership at this time.
- 2010, Skagit County replaced the creosote dolphins at the Guemes Island landing with steel pilings, and replaced the 4 wing walls at the Anacortes and Guemes landings.
- 2010, Skagit County built a new terminal building at the Anacortes landing,
- 2011, Skagit County replaced the girders on both the Anacortes and Guemes Island docks and completed an asphalt overlay at the Anacortes terminal.
- 2013, Skagit County hired Elliott Bay Design Group to prepare a ferry replacement plan for future replacement of the M/V Guemes.



Anacortes Ferry Terminal Facilities

The first Guemes Island Ferry Capital Improvement Plan was adopted by the Board of Skagit County Commissioners in December, 1991. In 1997, the Transportation Systems Plan (TSP) provided an update of the Guemes Island ferry system plan for inclusion in the transportation element of the 1997 Skagit County Comprehensive Plan. Over the years, several capital facility improvements to the ferry system have been included in the annual Six-Year Transportation Improvement Program (TIP).

TABLE 1: FERRY SYSTEM CURRENT AND REPLACEMENT VALUES

This table meets the requirement set forth in (RCW) 36.54.015 showing the current value, replacement cost, and amortization periods for the vessel and facilities. The current value of the vessel is the insured value, the closest approximation of true worth. The facilities current value is book value, original cost less depreciation.

RCW 36.81.121 (1) states: "...the legislative authority of each county, after one or more public hearings thereon, shall prepare and adopt a comprehensive transportation program for the ensuing six calendar years...and for those counties operating ferries shall also include a separate section showing proposed capital expenditures for ferries, docks, and related facilities. Copies of the program shall be filed with the County Road Administration Board (CRAB) and the secretary of transportation not more than thirty days after its adoption by the legislative authority..." Subsection (2) requires expanded information on how a county will spend all its money on the various facets of the transportation program. This RCW Section was enacted in 1961.

TABLE 2: PROJECTED EXPENDITURES

The capital expenditure portion of RCW 36.81.121 (1) is satisfied by Table 2, showing all expenditures for the system that meet Subsection (2) requirements. Operational expenditures are categorized between vessel and non-vessel costs. Projected vessel costs include wages and benefits, fuel, general maintenance, supplies, insurance, and dry-docking and shipyard expenditures. United States Coast Guard regulations require that ferries be dry-docked every two years for inspection purposes. Skagit County has adopted an aggressive maintenance program which provides for an annual dry docking of the vessel or as deemed necessary by Public Works. This regular maintenance program improves reliability, lowers costs and protects our capital investment. The last dry-docking of the Guemes Island Ferry took place October 8 through October 24, 2012. The ferry will be hauled out for dry dock again in 2014.

Projected non-vessel costs include facility maintenance and repair, administration, supplies, external taxes, and miscellaneous expenditures.

The dock and bridge structures are inspected regularly as required by the National Bridge Inspection Standards administered through the Washington State Department of Transportation. This inspection report helps us identify and schedule major maintenance and replacement of these facilities. The last routine bridge inspection was completed in October, 2012 and the last underwater inspection was performed in May, 2012.

RCW 36.81.121 also provides the reporting requirement and timing of program submission, as well as establishing the annual update requirement.

Capital expenditures for 2014 are shown in Table 2 as \$1.5 million for dolphin replacement at the Anacortes slip. This project will replace the last five creosote dolphins in the ferry system with steel pilings. Skagit County received \$1.2 million in funding from the Department of Transportation's Ferry Boat Discretionary Program. Dolphins and wing walls at the Guemes Island ferry slip as well as wing walls at the Anacortes ferry slip were replaced in 2010. In 2014,

design will also begin for the replacement of old creosote sections of the breakwater at the Anacortes landing. Construction for the breakwater replacement is scheduled for 2015. Skagit County has received \$232,326 in funding from the Ferry Boat Discretionary Program for this project. Upon completion, Skagit County will have successfully eliminated all creosote pilings and timbers from the Guemes Island Ferry landings.



Anacortes Piling and Breakwater

TABLE 3: CAPITAL IMPROVEMENT PLAN

This table is meant to provide general guidance for specific capital facilities programming for the Guemes Island Ferry system from 2014-2027. As required by RCW 36.54.015 “Ferries” and WAC 136-400-040 “Six-Year Transportation Improvement Program and ferry system Fourteen-Year Capital Improvement Plan submittal”, portions of this plan along with other modified portions will be updated annually and submitted to the Washington State Secretary of Transportation.

TABLE 4: PROJECTED REVENUE

This table includes ferry fare receipts, motor vehicle fuel tax attributed to ferry operations, ferry deficit reimbursement, county road fund subsidy and any grant funds anticipated.

SKAGIT COUNTY FOURTEEN-YEAR PLAN 2014 - 2027
TABLE 1: FERRY SYSTEM CURRENT AND REPLACEMENT VALUES

VESSEL

<i>CURRENT STATISTICS</i>	<i>M/V GUEMES</i>	<i>CURRENT BOOK VALUE</i>	<i>REPLACEMENT VALUE-2014</i>
Length	124'		
Beam	52'		
Displacement	91 GT		
Year Built	1979		
Capacity - Passengers	99		
Capacity - Cars	21		
Current Insured Value	\$3,175,000		
Total Vessel Current Value	\$3,175,000	\$3,175,000	

<i>REPLACEMENT STATISTICS</i>	<i>M/V GUEMES</i>		
Year	2018		
Capacity - Passengers	99		
Capacity - Cars	21		
Total Vessel Replacement Value	\$12,000,000		\$12,000,000

FACILITIES

<i>LOCATION</i>	<i>YEAR BUILT</i>	<i>REPLACEMENT YEAR</i>	<i>CURRENT BOOK VALUE</i>	<i>REPLACEMENT VALUE-2014</i>
<i>Guemes Island Landing</i>				
Dock	2011	2041	\$1,424,008	\$1,424,008
Transfer Span/Machinery	1979	2020	\$1,317,000	\$2,000,000
Dolphins/Wingwalls	2010	2040	\$954,736	\$1,098,925
Head Frame and Towers	1979	2016	\$100,000	\$300,000
Passenger Shelter	1979	2015	\$1,000	\$10,000
Parking Lot	1979	2021	\$150,100	\$564,275
Subtotal of Guemes Landing			\$3,946,844	\$5,397,208
<i>Anacortes Landing</i>				
Dock	2011	2041	\$1,368,182	\$1,368,182
Transfer Span/Machinery	1979	2020	\$1,317,000	\$2,000,000
Breakwater	1979	2015	\$200,000	\$450,000
Dolphins/Wingwalls	2010	2014	\$500,000	\$1,500,000
Head Frame and Towers	1979	2019	\$100,000	\$300,000
Terminal Building(s)	2010	2050	\$778,316	\$778,316
Parking Lots	2004	2040	\$1,067,948	\$1,617,667
Walkway	2010	2040	\$68,481	\$68,481
Subtotal of Anacortes Landing			\$5,399,927	\$8,082,646
Total Facilities Values			\$9,346,771	\$13,479,854
Total Vessel & Facilities Values			\$12,521,771	\$25,479,854

SKAGIT COUNTY FOURTEEN-YEAR PLAN 2014 - 2027

TABLE 2: PROJECTED EXPENDITURES

(in 1000's of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Operations: Vessel														
Dry Docking-Shipyard ⁽²⁾⁽³⁾	\$351	\$358	\$365	\$372	\$380	\$0	\$0	\$300	\$0	\$312	\$0	\$325	\$0	\$338
Wages & Benefits ⁽¹⁾⁽²⁾	\$1,050	\$1,071	\$1,092	\$1,114	\$1,137	\$1,159	\$1,182	\$1,206	\$1,230	\$1,255	\$1,280	\$1,306	\$1,332	\$1,358
Fuel ⁽¹⁾⁽²⁾	\$249	\$254	\$259	\$264	\$270	\$275	\$280	\$286	\$292	\$298	\$304	\$310	\$316	\$322
General Maintenance ⁽¹⁾⁽²⁾	\$220	\$224	\$229	\$233	\$238	\$243	\$248	\$253	\$258	\$263	\$268	\$274	\$279	\$285
Supplies ⁽¹⁾⁽²⁾	\$71	\$72	\$74	\$75	\$77	\$78	\$80	\$82	\$83	\$85	\$87	\$88	\$90	\$92
Insurance ⁽¹⁾	\$71	\$72	\$74	\$75	\$77	\$78	\$80	\$82	\$83	\$85	\$87	\$88	\$90	\$92
Subtotal - Vessel	\$2,012	\$2,052	\$2,093	\$2,135	\$2,178	\$1,834	\$1,871	\$2,208	\$1,946	\$2,297	\$2,025	\$2,390	\$2,107	\$2,487
Operations: Non-Vessel														
Facility Maintenance / Repair ⁽¹⁾⁽²⁾	\$77	\$79	\$80	\$82	\$83	\$85	\$87	\$88	\$90	\$92	\$94	\$96	\$98	\$100
Administration ⁽¹⁾⁽²⁾	\$121	\$123	\$126	\$128	\$131	\$134	\$136	\$139	\$142	\$145	\$147	\$150	\$153	\$157
Supplies ⁽¹⁾⁽²⁾	\$30	\$31	\$31	\$32	\$32	\$33	\$34	\$34	\$35	\$36	\$37	\$37	\$38	\$39
External Taxes ⁽¹⁾⁽⁵⁾	\$25	\$26	\$26	\$27	\$27	\$28	\$28	\$29	\$29	\$30	\$30	\$31	\$32	\$32
Misc. ⁽¹⁾⁽⁶⁾	\$36	\$37	\$37	\$38	\$39	\$540	\$551	\$562	\$573	\$585	\$596	\$608	\$620	\$633
Subtotal - Non-Vessel	\$289	\$295	\$301	\$307	\$313	\$819	\$836	\$852	\$869	\$887	\$905	\$923	\$941	\$960
Capital Expenditures Vessel & Non-Vessel														
(See Table 3 for details)														
Capital Expenditures (see Table 3)	\$1,500	\$960	\$300	\$0	\$12,000	\$300	\$4,000	\$564	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$3,801	\$3,307	\$2,694	\$2,442	\$14,491	\$2,953	\$6,706	\$3,624	\$2,816	\$3,184	\$2,929	\$3,313	\$3,048	\$3,447

(1) Projected 0% growth, 2% inflation

(2) 2014 projection from proposed 2014 budget

(3) Haul-out expenditures based on annual haul-out at 2% inflation; beyond 2018 projections based on vessel replacement in 2018

(4) 2014 Projection based on recent experience

(5) DNR lease, plus projected excise taxes

(6) Beginning in 2019 debt service of \$9 million at 1% interest on 20-year PWTF loan for new ferry, \$500,000 per year

SKAGIT COUNTY FOURTEEN-YEAR PLAN 2014 - 2027
TABLE 3: CAPITAL FACILITY IMPROVEMENT PLAN

(in 1000's of dollars) Capital Projects

Capital Item	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Dolphin replacement Anacortes ⁽¹⁾⁽⁴⁾	\$1,500													
Breakwater replacement sections ⁽²⁾⁽⁴⁾		\$450												
Head frame and towers/Anacortes						\$300								
Head frame and towers/Guemes ⁽⁴⁾			\$300											
Outdrive/Engine Replacement ⁽²⁾		\$500												
Dock / substructure repairs / Anacortes														
Dock / substructure repairs / Guemes														
Ferry replacement or modification/rebuild ⁽³⁾⁽⁴⁾					\$12,000									
Parking lot Guemes Island								\$564						
Passenger shelter Guemes Island ⁽²⁾		\$10												
Transfer span/machinery-Anacortes							\$2,000							
Transfer span/machinery-Guemes							\$2,000							
Total Estimated Annual Costs	\$1,500	\$960	\$300	\$0	\$12,000	\$300	\$4,000	\$564	\$0	\$0	\$0	\$0	\$0	\$0

(1) \$1,200,000 grant with \$300,000 road fund

(2) County funds

(3) \$3 million grant & \$9 million, 20 year PWTF Loan at 1%

(4) Included in Six-Year Transportation Improvement Plan

SKAGIT COUNTY FOURTEEN-YEAR PLAN 2014 - 2027

TABLE 4: PROJECTED REVENUES

(in 1000's of dollars)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Ferry Fare Receipts ⁽¹⁾	\$937	\$956	\$975	\$994	\$1,014	\$1,035	\$1,055	\$1,076	\$1,098	\$1,120	\$1,142	\$1,165	\$1,188	\$1,212
Motor Vehicle Fuel Tax (Ferry Portion)	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120	\$120
Ferry Deficit Reimbursement	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
County Road Fund Subsidy	\$1,444	\$1,859	\$1,499	\$1,227	\$1,256	\$1,699	\$5,431	\$2,328	\$1,498	\$1,844	\$1,567	\$1,928	\$1,639	\$2,015
Grant Funding	\$1,200	\$272	\$0	\$0	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PWTF Loan					\$9,000									
Total Revenue:	\$3,801	\$3,307	\$2,694	\$2,442	\$14,491	\$2,953	\$6,706	\$3,624	\$2,816	\$3,184	\$2,929	\$3,313	\$3,048	\$3,447

⁽¹⁾ Based on 2014 Budgeted Fare Box Revenue; Projected 0% Growth; 2% Inflation