

RESOLUTION NO. _____

RESOLUTION AMENDING RESOLUTION 20230152 AND ESTABLISHING THE 2025 FERRY
FARE SCHEDULE

WHEREAS, Skagit County (“County”) owns and operates a vehicle and passenger ferry (herein “ferry”) between Anacortes, Washington, and Guemes Island, Washington; and

WHEREAS, on July 27, 2023, the Board of Skagit County Commissioners (“Board”) adopted Resolution R20230152, establishing the 2023/2024 Guemes Island Ferry fare schedule; and

WHEREAS, the **Exhibit A** of Resolution R20230152 establishes the ferry fare revenue target methodology, and it is the desire of the Board to implement fare increases to reach a 65% fare box revenue target phased over a 5-year period from August 15, 2023, through December 31, 2028; and

WHEREAS, the ferry fare target methodology further states that the Public Works Department shall prepare an annual report pursuant to the revenue target formula found in **Exhibit A** of Resolution R20230152, and will recommend a ferry rate schedule for the upcoming calendar year with an estimate of revenues based on those rates; and

WHEREAS, in accordance with Resolution R20230152, and the requirements contained therein, Public Works Department staff prepared the 2024 Ferry Fare Revenue Target Report; and

WHEREAS, the Board desires to amend **Exhibit B** of R20230152 to include the 2025 fare revenue target, and an estimate of revenues based on the 2025 fare schedule (and a copy of revised **Exhibit B** is attached and incorporated herein); and

WHEREAS, the Board desires to amend **Exhibit C** of R20230152 to adopt the 2025 Guemes Island Ferry fare schedule, as described per attached revised **Exhibit C** (and incorporated herein), to establish the ferry fare schedule for 2025, to become effective thirty (30) days from the date this resolution; and

WHEREAS, pursuant to R20240256, a public hearing was held on December 20, 2024, to solicit input on the 2024 Ferry Fare Revenue Target Report and the 2025 Guemes Island Ferry fare proposal; and

WHEREAS, the amended 2025 Guemes Island Ferry fare schedule, attached as revised **Exhibit C** (and incorporated by reference), establishes the ferry fare schedule, to be effective thirty (30) days from the date this resolution through December 31, 2025, considering recommended input from the Public Works Department staff and the oral and written comments received; and

WHEREAS, it is the desire of the Board to adopt the 2025 Guemes Island Ferry fare schedule (as more particularly described per the attached revised **Exhibit C** and incorporated herein), effective thirty (30) days from the date of this resolution.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that **Exhibit C** of Resolution R20230152 is amended and revised as per the attached **Exhibit C** (incorporated herein) and is adopted as the 2025 Guemes Island Ferry fare schedule, effective exactly thirty (30) days from the date of this resolution (below); and

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that **Exhibit B** of Resolution R20230152 is amended and revised as per the attached **Exhibit B** (incorporated herein) and is adopted as the 2025 fare revenue target, and an estimate of revenues based on the 2025 fare schedule, effective exactly thirty (30) days from the date of this resolution (below); and

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY FURTHER ORDERED, that the 2025 Guemes Island Ferry fare schedule shall be in effect through December 31, 2025, before which time the Public Works Department shall prepare and submit a report for the upcoming calendar year with a recommended rate schedule for 2026, in accordance with **Exhibit A** (copy attached and incorporated herein) of R20230152.

DATED this ____ day of _____, 2024.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

Peter Browning, Chair

Ron Wesen, Commissioner

Lisa Janicki, Commissioner

Attest:

Clerk of the Board

Approved as to form:

Approved as to Content:

Civil Deputy Prosecuting Attorney

Department Head

EXHIBIT A

GUEMES ISLAND FERRY FARE REVENUE METHODOLOGY

Overview:

The Guemes Island Ferry 2023 Rate Study was conducted to evaluate the Guemes Island Ferry fare schedule and fare policies, and to provide a rate schedule for 2023/2024, as well as policy for setting future fare increases.

Ferry Fare Revenue Target:

It is the desire of the Board to implement fare increases to reach a 65% fare box revenue target phased over a 5-year period from August 15, 2023, through December 31, 2028, as follows:

- Implement the first fare increase in summer 2023, to be effective through December 2024. The recommended fare schedule is provided in Exhibit B.
- Adjust fares on an annual basis beginning in January 2025 to achieve a 65% fare box recovery by 2028. Such fare adjustments shall be made subject to an annual public hearing.
 - Update the 2028 5-year average annual O&M cost with new expenditure data and updated cost escalation rates.
 - Re-run the fare model to confirm the required fare adjustment to achieve the updated 2028 average O&M and establish new fare levels.

The methodology establishes a 5-year average O&M expenditure projection using the past two years actual expenditures, the current year's approved budget, and the next two year's projected expenditures using cost escalation factors.

Additional assumptions:

Other tax revenue:

- Contributions from the Motor Vehicle Fuel Tax (MFVT) attributable to the ferry system, and the Washington State Department of Transportation (WSDOT) deficit reimbursement will be applied before the 65% revenue target is calculated.

Reporting Requirements:

During the annual preparation of the department's budget, Public Works will prepare and submit a report to the Board that calculates the County's ferry fare revenue target, pursuant to the above formula, and will recommend a ferry rate schedule for the upcoming calendar year with an estimate of revenues based on those rates. The first evaluation and report shall be prepared in summer 2024 in preparation for the January 1, 2025, fare adjustment.

EXHIBIT B
REVENUE TARGET CALCULATION

2025 Fare Revenue Target Calculation

Revenue Target Calculation Table						
Year	Actual (2)		Adjusted Budget	Projected (2)		Five Year Average
	2022	2023	2024	2025	2026	
O&M Expenditures	2,904,593.61	3,672,133.00	4,169,791.50	4,690,434.00	4,830,677.97	4,053,526.02
MVFT	132,992.00	150,119.00	132,050.60	132,050.60	132,050.60	135,852.56
Deficit Reimbursement (1)	451,672.00	212,507.00	244,828.00	244,828.00	244,828.00	279,732.60
Adjusted O&M (1)	2,319,929.61	3,309,507.00	3,792,912.90	4,313,555.40	4,453,799.37	3,637,940.86
Fare Recovery Requirement						65%
2025 Ferry Fare Revenue Target						2,364,661.56

(1) 5-year average (2019-2023), used for 2024, 2025, and 2026 projected

(2) Cost escalation has been adjusted for recent inflation projections -Seattle area CPI

Projected Revenue at 2025 Fare Levels	1,991,647
Fare Box Recovery	54.7%

EXHIBIT C

2025 GUEMES ISLAND FERRY FARE SCHEDULE

Effective January 1, 2025, through December 31, 2025

2025 Guemes Island Ferry Fare Schedule	POSTED FARE		SURCHARGE	
	NON-PEAK	PEAK	NON-PEAK	PEAK
FARES ^{(1) (2) (3)}				
PASSENGER ^{(1) (2) (3)}				
Adult	5.50	6.75	1.00	1.00
Senior (+65)/Disabled	3.00	4.00	0.00	0.50
Youth - 18 and under ⁽⁴⁾	Free	Free	0.00	0.00
Rider & Bicycle	6.75	8.50	1.00	1.00
Riders & Bicycle senior/disabled	4.50	5.75	0.00	0.50
PASSENGER CONVENIENCE PASS ^{(1) (2) (3) (5)}				
25-trip adult passenger	122.50	153.75	10.00	10.00
25-trip senior/disabled	81.00	93.50	6.00	6.00
VEHICLE (22 FT OR LESS INCLUDING OVERHANG) ^{(1) (2) (3)}				
Motorcycle & rider	9.75	14.00	1.00	2.00
Vehicle/driver under 22 feet	17.00	21.00	2.00	3.00
Vehicle/driver senior/disabled under 22 feet	14.00	17.00	2.00	2.00
VEHICLE & DRIVER CONVENIENCE PASS ^{(1) (2) (3)}				
20-trip under 22 feet	326.00	386.00	26.00	26.00
20-trip under 22 feet senior/disabled	260.00	320.00	20.00	20.00
20-trip Motorcycle	190.00	255.00	15.00	15.00
VEHICLE NEEDS-BASED PASS ^{(1) (2) (3) (6)}				
5-trip Senior/Disabled (RCW 84.36.381) needs-based	56.00	68.75	5.00	5.00
OVERSIZED VEHICLES ^{(1) (2) (3)}				
Over 22 feet under 30 feet	27.75	33.25	4.00	6.00
Under 40 feet	51.25	60.75	8.00	11.00
Under 50 feet	77.25	91.00	11.00	18.00
Under 60 feet	100.50	120.00	19.00	23.00
Each 10 foot over 60	21.25	23.25	4.00	4.00
Over width charge (over 8 feet 6 inches)	Double Length Charge			
OVERSIZED VEHICLES 5-TRIP CONVENIENCE PASS ^{(1) (2) (3)}				
Over 22 feet under 30 feet	138.75	166.25	20.00	30.00
Under 40 feet	256.25	303.75	40.00	55.00
Under 50 feet	386.25	455.00	55.00	90.00
Under 60 feet	502.50	600.00	95.00	115.00
MISCELLANEOUS				
Operating Hours Extra Run ⁽⁷⁾	582.70			
Hazardous Materials (HAZMAT) Run ⁽⁸⁾	786.64			
After-Hours Charter ⁽⁹⁾	2560.84			
After-Hours Intergovernmental Emergency Services ⁽¹⁰⁾	Actual Cost			

- ⁽¹⁾ All tickets (including convenience passes) are valid through December 31, 2025. Non-peak tickets cannot be used during the peak season (May 20 – September 30).
- ⁽²⁾ No refunds. For questions, contact pw@co.skagit.wa.us.
- ⁽³⁾ Posted fares include capital vessel replacement surcharge.
- ⁽⁴⁾ Includes youth traveling on school bus and youth traveling with bicycle.
- ⁽⁵⁾ Bicycle free with passenger convenience pass.

- (6) Needs-based passes must be purchased in person at 1800 Continental Place, Mount Vernon, ahead of sailing. Eligibility: Guemes Island residents who qualify for, and are actively enrolled in, the County's Senior Citizens and Disabled Persons Exemption Program, as administered by the Skagit County Assessor's Office per RCW 84.36.381, providing certain property tax exemptions for qualifying persons.
- (7) The rate for an extra run during operating hours is \$582.70. This run is typically offered immediately following the 11:15 a.m. sailing, if available as determined by Ferry Division Manager or his/her designee. Advanced reservations are required, and service is not guaranteed. To request advanced reservations, call the ferry terminal main office at (360) 293-6433 or email pw@co.skagit.wa.us.
- (8) The rate for the hazardous materials (HAZMAT) run is \$786.64, which covers one trip to Anacortes and one return trip from Guemes Island. This fare may be split by multiple companies onboard and applies regardless of how many trucks are traveling.
- (9) Private charter after-hours ferry service is dependent on the availability of the vessel and crew, and service is not guaranteed. When the ferry is available, as determined by Ferry Division Manager or his/her designee, the per callout charge after-hours is \$2,560.84. Multiple callouts in one night will result in the fare being charged more than once. The duration of each call-out may result in fare being charged more than once due to crew available and scheduling. Advance inquiry of this service is highly encouraged. This fare does not apply to after-hours intergovernmental emergency services dispatched by 911.
- (10) Intergovernmental emergency services dispatched by 911 or Sheriff/Fire Dispatch for after-hours ferry service (outside the published sailing schedule), is dependent on the availability of the vessel and crew, and service is not guaranteed. When the ferry is available, as determined by Ferry Division Manager or his/her designee, the fare will be actual hourly costs. Actual costs are proposed to include hourly overtime salaries, wages, benefits, fuel, supplies, consumables, and fixed costs associated with operating the ferry system. Fuel, supplies, consumables, and fixed costs will be based on the cost per hour calculation from the 2025 preliminary budget as follows.

2025 Cost Per Hour
 Operating supplies - \$24.99
 Fuel - \$45.62
 Fixed costs - \$453.20
 Wages & benefits – TBD

Note, after-hours ferry service is not guaranteed. If the request for services is cancelled by 911 or Sheriff/Fire Dispatch, or if the ferry is unavailable, an invoice will be generated for any costs incurred up until cancellation or notice of unavailability.

In accordance with Resolution R20120140, the hours of operation for the Guemes Island Ferry are:

Peak Season (May 20 through September 30)

Monday-Thursday	6:30 a.m. to 8:30 p.m.
Friday-Saturday	6:30 a.m. to 11:00 p.m.
Sunday	8:00 a.m. to 10:00 p.m.

Non-Peak Season (October 1 through May 19)

Monday-Thursday	6:30 a.m. to 8:30 p.m.
Friday-Saturday	6:30 a.m. to 11:00 p.m.
Sunday	8:00 a.m. to 8:00 p.m.

After-hours service is defined as any services requested outside the hours of operation listed above. These times coincide with the published sailing schedule.