



# San Juan County Council

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January 13, 2009

Mr. David Moseley, Assistant Secretary of Transportation  
Washington State Department of Transportation  
Washington State Ferries  
2901 Third Avenue, Suite 500  
Seattle, WA 98121-3014

Dear David:

RE: WSF's Draft Long-Range Plan

The San Juan County Council and Ferry Advisory Committee have jointly reviewed the December 19, 2008 Draft Long-Range Plan and **reject the option of Plan B** as an unrealistic representation of state ferry service.

- By eliminating the Anacortes/San Juans/Sidney vessel, over 80% of the domestic service capacity on that vessel is eliminated for seven months of the year, which is a 20% reduction in daily service capacity during this period.
- Plan B does not meet current or future service demands.
- There is insufficient information and time on both plans to allow the legislative bodies and communities to participate in a meaningful review.
- Lack of a financing component, as required by ESHB 2358, makes qualitative decisions impossible.
- Plan B removes one vessel from a totally ferry-dependent community.

We have entered the tenth year of difficult state decisions on state ferry funding in the post-I 695 transportation funding environment. We are entering the first year of what everyone hopes is a temporary economic downturn, particularly in elastic revenues received by state and local governments that necessarily slow during these economic conditions. Our first fear is that short-term finances will drive long-term funding decisions. ***Balancing the state budget for the 2009-11 biennium should not be the justification for a long-term state service mistake.***

The passage of time and the change in economic and government revenue fortunes have positioned WSF to be considered the ugly step-child of the state budget. Addressing the funding gap is the answer, not divestiture. Select what is right over what is easy. If the Plan A gap of \$3.5 billion is divided by the 22-year planning horizon, it is a difference of \$160 million per year. The loss of MVET in strict 1999 dollars was larger than this by many times. The legislature found a way to replace a good deal of the highway funding as a result of public pressure to fix and improve the roads. Over time (not necessarily all in this session), the legislature must do the same for the ferry system. It is clearly the east/west highway system over the waters of the Puget Sound.

The WSF Long Range Plan presents the ferry-served communities and, to a lesser extent, the citizens of this state with the age-old comparison of price versus value. While it was a conscious point of demarcation not to include economic analysis as part of the study, that decision required the

highlighting of cost centers in the WSF budget, while large portions of the overall value disappear into the general funds of the state and local governments in the form of sales tax and lodging tax.

San Juan County is a ferry-dependent community (as compared with a ferry-advantaged community) and is composed of a complex set of users representing four distinct groups: full-time residents, part-time residents, tourists and commercial users, including those that provide essential supplies. The Anacortes/San Juans route is an extension of State Highway 20 and has been identified as one of the highlights and most scenic elements of Washington State's most recently designated Scenic Byway. Maintenance and continued development of a functioning ferry system is critical to the economic viability of the San Juan community.

**Generally, Plan A meets the needs of the San Juan County community by providing reasonable transportation options for the multiple-user groups in the San Juan Islands.** However, it is not as specific as it should be when considering how the adaptive management strategies, particularly reservations, will appropriately balance the needs of those distinct user groups. It in itself is the minimum to which WSF should peg the level of service, and other targeted improvements; emergency back-up and passenger efficiencies should also be considered.

**Plan B will set in motion a divestiture approach that would make it very difficult to re-build the ferry system to the level of service provided today; it does not provide sufficient ferry capacity to meet current or future requirements.** The Plan decreases the number of runs within the San Juan Islands by eliminating the Anacortes/San Juans/Sidney boat and decreases the overall number of new vessels, which will also have a significant economic impact on San Juan Island communities. It also requires passenger-only ferries to be developed and managed by locally-funded entities. It forces mode and travel choices in adaptive management strategies rather than providing them by way of incentive.

The following comments apply primarily to Plan B:

1. **Economic Analysis - ESHB 2358 stated that WSF shall develop fare and pricing policies that: "consider the impacts on users, capacity and local communities"; however a long term economic analysis is conspicuously missing.** The decrease of any ferry service to the San Juan Islands will have a negative impact to the economic viability and health of this ferry-dependent community. For the past three legislative sessions, San Juan County has requested that such an analysis be undertaken. Without data from the economic analysis impact study, WSF cannot make sound decisions about the fate and subsequent impacts of eliminating the Anacortes/San Juans/Sidney route, as well as the loss of non-WSF tourism revenue to the state by diminishing service to the San Juans.

2. **Vessel Replacement – Ridership forecasts tell you to increase capacity; Plan A allows for that in a marginal manner over time without increasing the number of vessels, but Plan B, with no capacity increase, represents poor planning in the midst of the largest comprehensive ferry planning effort to date.** According to WSF planning staff, Plan A retires vessels early partially in the name of keeping shipyards happy in the hope they will give you better bids. The public should not make all the compromise. Explore lengthening by a year some of the later replacements to take vessels to their full life expectancy and to spread capital costs. Also, *the bidding advantage given to the private shipyards which have no out-of-state competition must be explored for an equitable solution and to provide qualification for federal funding.*

The nickel gas tax provided some dedicated funding to vessel replacement. **A movement toward Plan B appears to be a second abdication of the promise made by that prior legislature.** A ferry-dependent community with no state highways can view that financial redirection with only a profound sense of loss.

The lack of an emergency backup vessel for more than the next five years is tantamount to driving a vehicle without insurance for that period. Emergency back-up vessels have been needed numerous times in just the past two years – there is no reason to expect the likelihood of that need to be any different over the next five years; therefore the situation should be included in any plan, not ignored.

Elimination of the Anacortes/San Juans/Sidney route has a significant impact on the mainland capacity of island traffic. Over 80% of the capacity in the off-season is assigned to domestic service.

**3. Transit – Regardless of the Plan, better coordination with local transit agencies is required to ensure that this mode shift is a realistic option** The Skagit/San Juan routes are the most difficult coordination opportunity due to the obvious need of residents, weekenders and tourists to move more materials than can be carried by an individual. As a result, it was ignored in either plan without even a footnote of the need to study it. Transit improvements were ignored because of an apparent default to commuters in the vision of the study. Mode shift can be achieved, but Skagit Transit, the County and WSF must work together to make it happen. Appendix F does not include any specific transit improvements for the Anacortes terminal, let alone any of the other terminals within the San Juan Islands. This is an item which has generated extensive comments in a number of community forums, most recently during WSF’s inter-island information meeting last fall. Provisions for transit improvements at both ends of the Anacortes/San Juan route are necessary to coordinate with ferry service if any decrease in vehicle traffic is to be supported. Any effort to encourage walk-on traffic must also address parking fees. As long as the costs of parking a car at the Anacortes terminal approximate the cost of driving a car onto the islands, patrons will choose to drive their cars as it is more convenient.

**4. Reservations – This is a key component in both Plans and one which San Juan County supports, provided that no reservation fee is imposed.** As stated in Appendix G, development of a workable system must be developed with “Island agents”. This is interpreted to mean representatives of San Juan County in order to ensure meaningful involvement in developing such a strategy, including the possibility of piloting the reservation strategy at one of the San Juan Island terminals this summer. The San Juan’s have four distinct user groups: islanders, weekenders, tourists, and commercial. A poorly designed system based on indiscriminately filling vessels runs the risk of leaving groups at a disadvantage. In particular, island residents are still dependent on professional services and certain retail services available on the mainland. Being ferry dependent, and subject to the hours of those businesses, islanders cannot drive around the problem as those using other routes can. The last fare increase proposal engendered militant attitudes of islanders, who showed grass roots power. That attitude will be dwarfed by a reservation system that is not sensitive to ferry-dependent communities.

**5. Level of Service (LOS) –The current LOS is acceptable; however, the reduced LOS in Plan B is not acceptable when considering the long waits that currently exist between vessels to and from certain islands.** Additional information and analysis are required to determine the triggers for the two proposed levels and the subsequent impacts on ferry riders. Hidden in the alteration of the LOS standard is the previous trigger point for increase of vessel capacity. That has been exchanged for adaptive management strategies that could ultimately drive housing choice decisions and change the ridership growth assumptions.

**6. Foot passenger fare increases – It is very important to the San Juan County community that the existing no-charge for walk-ons on the interisland ferry continues.** It is unquestionably the best mode-shift policy employed by WSF on any route, although it currently creates externalities outside the terminal area in the form of parking and transit. It is understood and accepted that passenger fares from the Anacortes terminal could increase. However, additional parking and transit are essential to

encourage increased foot traffic at the terminals at both ends of the route to maximize mode shift in this most unique run among ferry routes.

**7. Passenger-only ferries (POF) – A primary premise of Plan B is that current and future passenger-only ferries will be operated and maintained by locally funded entities; without the certainty, readiness or willingness of the affected counties to step in, Plan B begins to look like an exit strategy that creates a service gap and points to self-taxing enabling legislation as the response.** Before giving any consideration to Plan B, this is a major assumption that needs to be explored further with prospective providers to determine the realistic likelihood of such a change in funding, ownership and management. The legislature must also take a broader view of the natural perception that this is an abdication of a 56-year responsibility. That broader view will engender a move toward partnership, which may cause re-thinking that such an abandonment equals no participation in local provider public subsidy. *There is no guarantee of mode shift (and its positive attributes) in placing POF responsibilities on counties – it is only a guarantee of cost shift.*

This comment letter has been signed by the full San Juan County Council and Ferry Advisory Committee to signify our commitment to working with WSF to develop a logical and manageable plan to maintain the Anacortes/San Juan Island ferry route.

Sincerely,

**COUNTY COUNCIL  
SAN JUAN COUNTY, WASHINGTON**

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Lovel Pratt, Member  
District No. 1, San Juan South  
San Juan County Council

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Richard Peterson, Chair  
District No. 2, San Juan North  
San Juan County Council

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Howard Rosenfeld, Member  
District No. 3, Friday Harbor  
San Juan County Council

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Richard Fralick, Vice Chair  
District No. 4, Orcas West  
San Juan County Council

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Gene Knapp, Member  
District No. 5, Orcas East  
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Bob Myhr, Member  
District No. 6, Lopez/Shaw  
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San Juan Island, Alternate  
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Lance Evans, Member  
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