



King County

King County Meeting Agenda

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

King County Ferry District

*Boardmembers: Julia Patterson, Chair; Jane Hague, Vice Chair; Dow Constantine,
Reagan Dunn, Bob Ferguson, Larry Gossett, Kathy Lambert, Larry Phillips,
Pete von Reichbauer*

Room 1001

November 3, 2008

1:30 PM

SPECIAL MEETING

1. Call to Order
2. Roll Call
3. Approval of Minutes of July 28, 2008

Discussion and Public Hearing

4. **FD Resolution No. FD2008-17**

A RESOLUTION related to the operations and finances of the King County Ferry District, adopting the district's 2009 budget and work program and authorizing a property tax levy to implement the 2009 budget.

5. Adjournment

The King County Ferry District is a special purpose government created to provide passenger ferry service in King County. The Board is composed of the members of the King County Council as ex officio members.

The Clerk of the King County Council provides administrative services to the District.



*Sign language and communication material in alternate formats can be arranged given sufficient notice (296-1000).
TDD Number 296-1024.*

ASSISTIVE LISTENING DEVICES AVAILABLE IN THE COUNCIL CHAMBERS.



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King County

King County
Meeting Proceedings
King County Ferry District

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Boardmembers: Julia Patterson, Chair; Jane Hague, Vice Chair; Dow
Constantine,
Reagan Dunn, Bob Ferguson, Larry Gossett, Kathy Lambert, Larry Phillips,
Pete von Reichbauer

Room 1001

July 28, 2008

1:30 PM

SPECIAL MEETING
-DRAFT MINUTES-

1. Call to Order

The meeting was called to order at 1:41 p.m.

2. Roll Call

Present: Ms. Patterson, Mr. Dunn, Mr. Ferguson, Mr. Gossett, Ms. Hague, Ms. Lambert, Mr. Constantine, Mr. Phillips and Mr. von Reichbauer

3. Approval of Minutes of June 30, 2008

Ms. Hague moved to approve the minutes of the June 30, 2008 meeting as presented. Seeing no objection, the Chair so ordered.

Discussion and Possible Action

4. **Substitute FD Resolution No. FD2008-14.2**

A RESOLUTION relating to fares and fare policies beginning July 1, 2008.

Kjris Lund, Executive Director, summarized her staff report.

A motion was made by Ms. Hague that this matter be Passed. The motion carried by the following vote:

Votes: Yes: 8 - Ms. Patterson, Mr. Dunn, Mr. Ferguson, Mr. Gossett, Ms. Hague, Ms. Lambert, Mr. Constantine and Mr. Phillips
No: 1 - Mr. von Reichbauer
Excused: 0

5. Adjournment

The meeting was adjourned at 1:47 p.m..

Approved this _____ day of _____.

Clerk's Signature



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

October 30, 2008

FD Resolution

Proposed No. FD2008-17.1

1 A RESOLUTION related to the operations and finances of
2 the King County Ferry District, adopting the district's 2009
3 budget and work program and authorizing a property tax
4 levy to implement the 2009 budget.

5
6 BE IT RESOLVED BY THE BOARD OF THE KING COUNTY FERRY
7 DISTRICT:

8 SECTION 1. Findings:

9 A. The Puget Sound region has a long history of waterborne transportation, with
10 waterways such as the Puget Sound and Lake Washington being the first major
11 transportation routes in the area.

12 B. In 1993, the Washington state Ferry System produced a passenger-only
13 implementation plan which called for expanded passenger-only ferry service in Puget
14 Sound.

15 C. In 1998, Referendum 49 provided a state funding source for expansion of the
16 state's passenger-only ferry fleet.

17 D. In 1999, the passage of Initiative 695 reduced the state funding source for
18 passenger-only ferry service provided for in Referendum 49.

19 E. In 2003, following the failure of Referendum 51, the legislature agreed to
20 continue operating some passenger-only service while eliminating other passenger-only
21 service in Puget Sound.

22 F. In 2003, the legislature also made statutory changes to facilitate passenger-
23 only ferry service by transit agencies and county ferry districts.

24 G. In 2005, the legislature established the Passenger-Only Ferry Task Force to
25 study the most reliable and cost-effective means of providing passenger-only ferry
26 service, including the viability of different service providers, cost to ferry passengers,
27 state subsidies and the availability of federal funding for different service providers. The
28 Passenger-Only Ferry Task Force completed this study in January 2006 and presented its
29 findings to the legislature.

30 H. The task force found that passenger-only ferry service is an important
31 component of state, regional and local transportation infrastructure but is not sustainable
32 at this time without public subsidies.

33 I. In March 2006, the legislature made additional statutory changes related to
34 local government passenger-only ferry service funding, establishing a passenger ferry
35 account to be used for operating and capital grants for ferry systems and requiring the
36 submittal of a business plan for assuming Vashon Island service that included a proposed
37 service description with operating, vessel, labor and passenger terminal facility needs
38 along with anticipated funding scenarios by local governments to the governor and state
39 legislature by November 1, 2006.

40 J. In 2006, King County prepared and submitted to the governor a business plan
41 for passenger-only ferry service between Vashon Island and downtown Seattle, and the
42 governor approved this plan in 2007.

43 K. On April 30, 2007, the King County council adopted Ordinance 15739,
44 establishing the King County ferry district. As authorized by RCW 36.54.110, the ferry
45 district is a municipal corporation, an independent taxing authority within the meaning of
46 Article VII, section 1 of the state Constitution, and a taxing district within the meaning of
47 Article VII, section 2 of the state Constitution.

48 L. On November 13, 2007 the ferry district expressed the intent of the King
49 County council in creating the ferry district to enable the provision of passenger-only
50 ferry service to various parts of the county, including, but not limited to, potential routes
51 serving Vashon Island, West Seattle, Des Moines, Downtown Seattle, North Bay,
52 Magnolia, Shilshole, Shoreline, Lake Union, North Renton, the University of
53 Washington, Kenmore and Kirkland.

54 M. On May 23, 2008, the ferry district through Ferry District Resolution No.
55 2008-05 and the county through Ordinance 16055 finalized an interlocal agreement to
56 provide the terms and conditions under which the county would provide its technical
57 expertise to the District in order for the ferry district to effectively and efficiently provide
58 passenger-only ferry service to the people of King County.

59 N. Beginning in April 2008, the ferry district provided passenger ferry service
60 between West Seattle and downtown Seattle and increased ridership by ___percent over
61 ridership in 2007. And, on July 1, 2008, the ferry district began funding passenger-only
62 ferry service between Vashon Island and downtown Seattle.

63 O. In August and September 2008 the ferry district met with community
64 representatives in the candidate demonstration ferry service areas and gathered
65 information to inform future decisions regarding the implementation of demonstration
66 service.

67 P. During 2008 the ferry district and county worked in partnership to deliver
68 planned services efficiently and under the budget approved for such service in 2007.

69 Q. Section 3.6 of the interlocal agreement requires that each year of the
70 agreement the county shall prepare and submit for review and approval a proposed
71 annual budget and annual plan.

72 R. Consistent with the interlocal agreement the King County marine division
73 provided the ferry district with a preliminary proposed budget on July 31, 2008, and the
74 county executive provided a final proposed budget on October 13, 2008.

75 S. On November 3, 2008, the district held a public hearing on the work plan
76 transmitted to the district by King County.

77 T. RCW 36.54.130 allows the governing body of a ferry district to levy each year
78 an ad valorem tax on all taxable property located in the district not to exceed seventy-five
79 cents per thousand dollars of assessed value.

80 U. In 2009, the district requires an increase in property tax revenue of one
81 percent in addition to that resulting from the addition of new construction and
82 improvements to property and any increase in the value of state-assessed property, in
83 order to implement the 2009 work program in the best public interest and discharge the
84 expected expenses and obligations of the district.

6

85 SECTION 1. The board of supervisors hereby adopts the 2009 budget for the
86 King County ferry district as set forth in Attachment A to this resolution.

87 SECTION 2. The board finds that the 2009 budget for the district as set forth on
88 Attachment A has been prepared consistent with the requirements of the interlocal
89 agreement and is sufficient to carry out the 2009 work program.

90 SECTION 3. The 2009 work program for the district is hereby approved and
91 adopted, consisting of the programs and activities set forth in Attachment B to this
92 resolution and the capital projects set forth in Attachment C to this resolution.

93 SECTION 4. The six-year capital improvement program for the District is
94 hereby approved and adopted, consisting of the capital projects set forth in Attachment C
95 to this resolution.

96 SECTION 5. An increase in the regular property tax levy, in addition to the
97 increase resulting from the addition of new construction and improvements to property
98 and any increase in the value of state-assessed property, is hereby authorized for the 2009
99 levy in the amount of \$ [REDACTED], which is a percentage increase of one percent from the
100 previous year.

101 SECTION 7. A. The November 2007 Business Plan and Work Plan of the King
102 County ferry district serve as the long-term plans of the District.

103 B. For improvements that are to be constructed including terminals and vessels,
104 preliminary engineering studies and plans will be made, consisting of one or more of the
105 following: the 2007 Business and Work Plans, preliminary feasibility analyses,
106 conceptual designs, design manuals, least-cost alternatives and value engineered cost-
107 estimates.

108 C. Estimated costs of service and capital improvements together with supporting
109 data are set forth on Attachments B and C.

110 D. The services and improvements set forth in Attachments B and C are hereby
111 determined to benefit the county as a whole.

112 SECTION 8. A certified copy of this resolution shall be transmitted to the King
113 County Council and such other agencies as required by law.

114

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Julia Patterson, Chair

ATTEST:

Anne Noris, Clerk of the Council

Attachments None

8

MARINE OPERATING FUND OPERATING PROGRAM

2009 Budget Request
October 5, 2008

The following information summarizes the revised King County Marine Division 2009 operating budget request for consideration by the King County Ferry District.

This request represents a revision to the request submitted by King County on August 1, 2008. The revised request is \$86,000 lower than the original 2009 request submitted to the Ferry District on August 1, 2008. Changes to salary and benefits and central rates are the primary factors for change between the two requests.

The following table displays the 2009 Budget Request by decision package. A ten year financial plan is also included in this submittal.

Operating Program Request Elements	Proposed Status Quo	Change	2009 Ferry District Request
In House Operations	\$ 132,483	\$ 945,327	\$1,077,810
Elliott Bay Water Taxi Contracted Service	\$ 406,488	(\$ 16,686)	\$ 389,802
Vashon - Seattle Contracted Service	\$ 0	\$1,118,256	\$1,118,256
Demonstration Phase Funding	\$ 0	\$ 596,875	\$ 596,875
Elliot Bay Water Taxi Training	\$ 0	\$ 76,335	\$ 76,335
Transit Connections (Shuttle)	\$ 0	\$ 861,032	\$ 861,032
Management and Support	\$ 872,799	\$ 724,497	\$1,597,296
Farebox Revenues to King County		(\$ 220,796)	(\$ 220,796)
Total 2009 Budget Request	\$1,411,770	\$4,084,804	\$5,496,610

MARINE OPERATING FUND OPERATING PROGRAM

2009 Budget Request
October 5, 2008

In House Operations

2009 Budget \$1,077,810

This request includes all direct costs associated with operating the Vashon – Seattle route between July 1 and December 31, 2009. Budget authority is also included in this request to train the crew for one month prior to July 1.

Labor assumptions:

Position	Hire Date
Operating Manager	Existing
Maintenance Manager	April 1, 2009
Vessel Captain (1)	June 1, 2009
Vessel Mate (1)	June 1, 2009
Vessel Deck Hand (1)	June 1, 2009
Vessel Engineer (1)	June 1, 2009

The vessel staffing levels or Certificate of Inspection (COI) will ultimately be determined by the U.S. Coast Guard and through negotiations with the unions. The primary factor in their determination will be the passenger capacity of the vessel used. This budget request assumes a vessel crew of three with an engineer supporting the maintenance and operation of the vessel.

The county has begun negotiations with the maritime unions and in order to achieve the most cost effective crew configurations, we will work to establish as much flexibility as possible in the contracts.

Crewing assumptions:

Existing models were used to generate vessel operating and maintenance labor costs. This request assumes the following configuration for vessel operations:

In 2009, it is assumed that the vessel will be operated 8 hours per day, weekdays. This will entail the use of part-time or split shifts to cover each commute period (4 hours each). The staffing configuration proposed is:

- 2 licensed deck officers, 8 hours per day each, five days per week
- 1 deck hand, 8 hours per day, five days per week.
- 1 licensed engineer, 8 hours per day, five days per week.

MARINE OPERATING FUND OPERATING PROGRAM

2009 Budget Request
October 5, 2008

Although we do not anticipate the USCG will require it, the vessel staffing proposal in this request provides for two licensed deck officers. This will allow the Marine Division to provide staff relief at the lowest level (deck hand). This staffing configuration will only be required until the EBWT comes in house (January 1, 2010) and the Marine Division employee pool is increased and relief staff is available. At that time, all in-house vessel configurations will utilize the following model:

- 1 licensed deck officer
- 1 senior deck hand
- 1 deck hand

For budget purposes, it is assumed that one licensed engineer will support this route during service hours for the first six months. The plan assumes that maintenance staffing will increase incrementally as routes are brought in-house. When the EBWT comes in-house in January, 2010, maintenance support will be required 7 days per week resulting in an increase in county staffing and shared support for the two routes.

The operating and maintenance managers will support the Vashon route and the EBWT as it prepares for in-house service in 2010.

Total estimated labor and benefit costs for 2009 are \$540,000.

For a ten year projection of vessel crew staffing needs, see the next page.

Fuel assumptions:

The average fuel price for 2009 is budgeted at \$4.32 in this request. This request assumes a 149 passenger vessel that consumes approximately 76 gallons per service hour. The total fuel budget for the last six months of 2009 is \$328,000 for in-house service. Recent declines in fuel prices could result in a savings.

