RESOLUTION NO. _____

RESOLUTION RESCINDING R20040393, RESCINDING R20080018, DIRECTING THE FORMATION OF A GUEMES ISLAND FERRY OPERATIONS PUBLIC FORUM, AND REESTABLISHING A GUEMES ISLAND FERRY TICKET FARE METHODOLOGY

WHEREAS, Skagit County (County) operates the Guemes Island ferry between the City of Anacortes and Guemes Island, Washington; and,

WHEREAS, it is in the mutual interests of the County and Guemes Island ferry riders, as well as the citizens at-large, to have a structured process to provide the County with advisory input on issues relative to the operational needs and concerns of the Guemes Island ferry which include, but are not limited to, fares, operating costs, and policy; and,

WHEREAS, on February 9, 2004, the Board of Skagit County Commissioners (Board) accepted the final recommendations of the *Guemes Island Ferry Schedule and Fare Task Force* that included a recommendation for the creation of an Operations and Performance Roundtable by adoption of Resolution R20040051; and,

WHEREAS, on November 8, 2004, the Board adopted Resolution R20040393 establishing the Guemes Island Ferry Operations and Performance Roundtable; and,

WHEREAS, on December 5, 2006, the Board adopted Resolution R20060418 adopting the *Guemes Island Ferry Operating Policies and Procedures Manual*; and,

WHEREAS, on January 15, 2008, the Board adopted Resolution R20080018 establishing the Guemes Island Ferry Ticket Fare Methodology; and,

WHEREAS, on December 16, 2008, the Board adopted Resolution R20080556 establishing the Guemes Island Ferry Hours of Operation; and,

WHEREAS, on December 23, 2008, the Board adopted Resolution R20080577 establishing the Guemes Island Ferry Fare Structure; and,

WHEREAS, the Board has directed the Skagit County Public Works Department (Public Works) to propose revisions to Resolution R20040393 that would restructure the Guemes Island Ferry Operations and Performance Roundtable to provide a structured forum to include a broader perspective of stakeholders having interest in the Guemes Island ferry operations; and,

WHEREAS, Public Works has conducted a number of meetings with the Guemes Island Ferry Committee during the past several months for the purpose of identifying issues which may be considered by the County in the operations of the Guemes Island ferry; and,

WHEREAS, Public Works, together with input from the Guemes Island Ferry Committee, has developed a list of issues which may be considered by the County in the operations of the Guemes Island ferry. An annual process has been identified that Public Works would administer to engage Guemes Island ferry users and other citizens at-large in a structured manner to provide the County with advisory input on issues relative to the operational needs and concerns of the Guemes Island ferry; and

WHEREAS, the Board deems it desirable to rescind Resolution R20040393 in order to establish a new process which will include a broader based advisory public forum whereby the County and citizens at-large can effectively and collaboratively discuss issues of concern as pertains to the Guemes Island ferry operations in a formal and participatory process; and,

WHEREAS, the Board finds that it is in the mutual interests of the County, Guemes Island ferry users, and citizens at-large to have such a public forum for discussing Guemes Island ferry operations; and,

WHEREAS, the Board has been advised by the Washington State Department of Transportation ("State") that the County will be asked to report the County's results for the operation of County ferry service based upon the County's calendar fiscal year, rather than upon the state fiscal year; and,

WHEREAS, due to the modification of the County's reporting cycle as pertaining to reimbursement to the County from the State for the County's previous year's annual operating deficit incurred in the operation and maintenance of the County's ferry system, the Board deems it desirable to rescind Resolution R20080018, and to reestablish the dates for data to be used by the County to calculate the County's ferry fare revenue target, and also to establish the date Public Works is to provide to the Board the annual report and ferry fare recommendations.

NOW, THEREFORE, BE IT RESOLVED AND IT IS HEREBY ORDERED, that the Board hereby rescinds Resolution R20040393 in its entirety.

BE IT FURTHER RESOLVED AND HEREBY ORDERED, that the Board, seeking to encourage regular and structured advisory discussion of operational issues associated with the effective operation of the Guemes Island ferry, hereby establishes the Guemes Island Ferry Operations Public Forum (Public Forum), which shall function according to the purposes and principles set forth in Attachment "A" attached hereto and incorporated herein.

BE IT FURTHER RESOLVED AND HEREBY ORDERED, that the Board hereby directs the Public Works Director to conduct and facilitate the Public Forum as a venue for public advisory input on issues concerning Guemes Island ferry operations where the County and the public can come together and address ferry issues of mutual interest, and that these meetings are open to the general public.

BE IT FURTHER RESOLVED AND HEREBY ORDERED, that the Board hereby rescinds Resolution R20080018 in its entirety.

BE IT FURTHER RESOLVED AND HEREBY ORDERED, that the Board, seeking to reestablish the County's ferry fare revenue target calculation consistent with the requirements of the annual deficit reimbursement reports submitted to the State, and also to establish the date that Public Works is to provide to the Board an annual report that calculates the ferry fare revenue target and includes the County's ferry fare rate schedule recommendations, hereby adopts such terms, procedures, and requirements as set forth in Attachment "B", attached hereto and incorporated herein.

BE IT FURTHER RESOLVED AND HEREBY ORDERED, that this resolution is effective upon adoption.

WITNESS OUR HANDS AND THE OFFICIAL SEAL OF OUR OFFICE this 16th day of February, 2010.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON

SKAGIT COUNTY COMMISSIONERS SEAL COURT STATE OF WASHINGTON

SHARON D. DILLON, Chair

RON WESEN, Commissioner

KENNETH A. DAHLSTEDT, Commissioner

APPROVED AS TO FORM:

Civil Deputy

ATTEST:

Clerk of the Board

ATTACHMENT "A"

GUEMES ISLAND FERRY OPERATIONS PUBLIC FORUM

Purpose:

The Public Forum process is intended to:

1. Provide opportunities for collaborative discussion between the County and the public on issues related to the Guemes Island ferry operations; and

2. Provide the County, the Guemes Island Ferry Committee, other organizations, and citizens at-large with a venue to provide public advisory input on issues concerning Guemes Island ferry operations.

Public Works will consider and evaluate information and advisory input gathered through the Public Forum process when making decisions on the various aspects of the Guemes Island ferry operations and in development of recommendations made to the Board.

Administration:

Public Works is expected to:

- Hold a Public Forum meeting two (2) times a year or as otherwise deemed necessary or desirable to address operational needs and other issues of concern relative to the Guemes Island ferry operations.

- Prepare and distribute to the public a Guemes Island Ferry Operations Work Plan (Work Plan) at the beginning of each calendar year which should include topics on which Public Works intends to gather public advisory input during the ensuing calendar year together with information as to how the public may provide advisory input on the topics included on the Work Plan to Public Works throughout the year.

- Provide the public with information which encourages effective and collaborative discussion on issues and topics contained within the Work Plan and brought forward in the Public Forum meetings.

- Develop Public Forum meeting agendas, times, and locations and provide notification of such information at least two (2) weeks prior to each scheduled Public Forum meeting, by posting such information at the Guemes Island ferry terminal(s) and by placing such information on Skagit County's website.

- Gather advisory input from the Guemes Island Ferry Committee, other interested organizations, and citizens at-large through the Public Forum process.

- Post Public Forum meeting summaries at the Guemes Island ferry terminal(s), and place such information on Skagit County's website.

- Meet with the Guemes Island Ferry Committee, other interested organizations, and citizens at-large as is deemed necessary. These sessions are for the purpose of facilitating detailed and collaborative dialogue between such interested parties and Public Works and are intended to develop recommendations as to operational practices relative to the Guemes Island Ferry operation. Such on-going meetings will be used to discuss and work toward resolving issues identified in the Work Plan. Inclusive of these meetings is the development of progress reports, updated annual Work Plans, and recommendations to the Board. It is further expected that the Public Works Director and senior management of the department will actively participate in such on-going meetings.

- Report annually to the Board during the month of September regarding Guemes Island ferry operations. Included in the annual report shall be a financial evaluation, fare recommendations for the following year, results of the past year's Work Plan activity, and the proposed Work Plan for the coming year.

Meetings:

The public is invited to attend, observe, and participate in an orderly fashion at any Public Forum meeting.

Calendar of Events:

January – Public Works staff distributes to the public the Work Plan, reviewed by the Board during the previous year end. The Work Plan will include topics on which the County intends to gather public advisory input during the ensuing Work Plan year, and information as to how the public can provide advisory input in the topics included on the Work Plan to the County throughout the year.

Spring – Public Works staff conducts the first of two (2) annual Public Forum meetings for the purpose of discussing issues and efforts included on the Work Plan.

Summer – Board may conduct a public meeting on Guemes Island (or at such other location as may be deemed appropriate by the Board) for the purpose of hearing advisory input as to any and all community concerns relative to the Guemes Island community.

August – Public Works staff prepares a Draft Annual Ferry Fare Revenue Target Report (which shall include a recommended ferry rate schedule for the upcoming calendar year), and prepares a Draft Ferry Operations Status Report regarding Guemes Island ferry operations annual accomplishments, including progress achieved on the current Work Plan; and prepares a Draft Work Plan for the coming year. Public Works staff conducts the second of two (2) annual Public Forum meetings for the purpose of continuing discussion of issues and efforts included on the Work Plan, and to solicit advisory input on the Draft Annual Ferry Fare Revenue Target Report.

September – Public Works staff presents to the Board the Annual Ferry Fare Revenue Target Report; the Ferry Operations Status Report; and the coming year's Work Plan.

October through December – Public Works staff works with the Board in the final adoption of the Ferry Division's portion of the Public Works budget for the upcoming year, and finalizes the coming year's Work Plan.

Written Communication:

Written comments or questions relative to the Guemes Island ferry operations may be submitted to:

Skagit County Director of Public Works
1800 Continental Place
Mount Vernon, WA 98273-5625

ATTACHMENT "B"

GUEMES ISLAND FERRY TICKET FARE METHODOLOGY

Purpose:

It is the desire of the Board that the County's ferry fare revenue target be calculated as a percentage of the overall system operating and maintenance costs as computed in the annual Deficit Reimbursement Report provided to the State less revenues from the Motor Vehicle Fuel Tax and State Ferry Deficit Reimbursement. In order to balance and mitigate potential large variations in year-to-year maintenance costs and revenues from the Motor Vehicle Fuel Tax and State Ferry Deficit Reimbursement, these costs and revenues will be averaged over the previous five (5) County calendar fiscal year periods.

Ferry Fare Revenue Target:

The ferry fare revenue target shall be calculated as follows:

- The ferry fare revenue target, using data from January 1st through December 31st of each calendar year, is equal to:

- The five (5) calendar year average of ferry operating and maintenance costs as computed in the prior annual deficit reimbursement reports submitted to the State. For purposes of this resolution, capital expenditures are not included in the ferry operating and maintenance costs and shall be defined as all capital expenditures defined in WAC 136-400-030 and other capital costs including financing and depreciation expenses applied to the replacement, expansion, or creation of ferry system physical elements, less

- the five (5) year average of the State Motor Vehicle Fuel Tax received by the County for operation and maintenance of the ferry system, less

- the five (5) year average of the State Ferry Deficit Reimbursement received by the County,

- the total of the above multiplied by 65%

Reporting Requirements:

Prior to September 30th of each year, Public Works shall prepare and submit a report to the Board that calculates the County's ferry fare revenue target pursuant to the above formula, and shall recommend a ferry rate schedule for the upcoming calendar year with an estimate of fare revenues based on these rates. The Draft Annual Ferry Fare Revenue Target Report shall be subject to advisory input through the Public Forum process prior to submittal to the Board. The Board shall review the report and by resolution set fare rates for the following year.