

# Corrections by Ferry Committee

## Guemes Island Ferry Committee / Skagit County Public Works Roundtable Meeting Summary

Wednesday, January 24, 2007  
2:00 - 3:30 p.m.

Skagit County Public Works, Sauk Conference Room

### **Attendance:**

#### Committee:

Glen Veal  
Carl Cady  
Dyvon Havens  
Marilee Fosbre

#### Staff:

Gene Sampley  
Steve Cox  
Linda Christensen  
Jean Alden

#### Guests:

David Wehrly  
Steve Schmokel

**Commenced:** 2:00 pm

### **Resolution Review**

Resolutions R20040051, R20040054, and R20040393 were briefly reviewed. R20040051 addresses the policy recommendations of the Guemes Island Ferry schedule and fare task force. R20040054 addresses the establishment of a policy for setting the fare revenue requirement of the Guemes Island Ferry. R20040393 establishes a Guemes Island Ferry operations and performance roundtable. **The FC noted that R20040393 specifies that reports to the BCC are to be developed and presented jointly by Public Works and the FC.**

Gene briefly noted the items on the agenda that are underlined were added to the Ferry Committee's recommended agenda.

### **Public Comment Period**

There was no public comment. **Mr. Wehrly commented he had a right to be part of the Round Table meeting because the Ferry Committee had not been recognized by the BCC. The FC pointed out that Resolution 20040393 in effect recognized the FC by establishing work rules and procedures for the RT meetings, including the 15 minute public comment period. When Mr. Wehrly interjected his comments into the meeting at a later time Carl stated that we should be following the resolution process as to public comments. Gene said that he would deal with the issue.**

### **Framework for Operation of Roundtable**

Gene discussed the draft rate increase resolution. February 20, 2007 is the target date (public hearing) to present the resolution to the (BCC). This resolution

attempts to clarify the unclear areas of the R20040054 and R20050298 that established new rates, in January 2006. Carl Cady requested that the committee review the new resolution and submit at a later date with their comments. Gene pointed out that it is important that everyone agree that the new resolution states that the intent of the resolution is to recover fares based on certain criteria. ACTION: Considering the Ferry committee's concern with the timing, a new target date was set for March 5.

The Committee asked for clarification of the public hearing process. The public hearing will be advertised for two consecutive weeks in the Skagit Valley Herald, the public hearing/discussion will be held on March 5 and a possible resolution could be signed by the Board on consent agenda the following week or as soon as possible thereafter. The time frame for signature on consent depends on issues brought up by the Board.

The Committee needed further understanding of the new resolution. Jean Alden mentioned that the new resolution does not rescind R20040054, it only clarifies it.

**ACTION:** The Committee will review the new resolution and submit their comments to Gene by February 14, which is one week prior to the next Round Table Meeting scheduled for February 21. March 5 is the date Gene will present the new rate resolution before the BCC (public hearing). Possible implementation could be in May. Gene also mentioned that he needs their (ferry committee) comments regarding the fare structure.

There was a discussion regarding the 100% fee recovery. The FC said they were uneasy with the proposed resolution since it does not follow the requirement of implementing Resolution #20040054 Phase I schedule requirements and did not develop a criteria with Public Works and FC to move from Phase I to the 100% crew wages and benefits target. FC noted that Resolution #20040054 called for revenue evaluation in November and that the recovery of \$788,000 in the last 12 months should be considered before additional fares were asked for. Gene mentioned that he doesn't know of any option other than recovering 100%. It is well defined in R20040054 as to what the County needs to recover. Discussion was held on the effect of cost containment issues. Any cost containment plan would be reflected in the actual costs that are used to calculate the Revenue Target. Any cost containment plan will; therefore, be part of the operations discussion and not part of the discussion on the Revenue Target calculation and methodology.

**ACTION:** Gene and Jean Alden agreed to the FC's request for the use of the fiscal year ending June 30 for accounting discussions and calculations.

#### **4th Person Crew**

Glen Veal led a discussion regarding the 4<sup>th</sup> person crew. He said that one of the reasons that a 4<sup>th</sup> crew person was removed from the calculation during Phase 1 of the new fares was to give County incentive to try to work on that issue and find another solution to the findings from the state audit instead of adding a 4<sup>th</sup> person. Gene discussed his understanding on the 4<sup>th</sup> person crew as it relates to the risk of three consecutive audit findings that ultimately affect the County bond rating. The current constraints include the Coast Guard standards and the County Auditors standards for checks and balances, and the cash handling policies as set by the Finance Committee. Gene believes the 4<sup>th</sup> person crew is a done deal. Steve Cox discussed the logistics of a 3<sup>rd</sup> & 4<sup>th</sup> person crew. The Committee felt the trial run in late 2005 with a 3 person crew worked as a temporary solution.

Carl reviewed again his research from Whatcom County regarding their cash handling procedures and shared those results. If similar language was placed in the Skagit County Cash Handling Policies, then a cost benefit analysis could be done on the 4<sup>th</sup> crew person. The language in the Whatcom policy is more permissive. Whatcom feels there needs to be flexibility, "one shoe doesn't fit all". Carl quoted the state auditor as saying a \$10,000 problem should not be fixed with a \$100,000 solution. The FC presented Whatcom and Pierce Counties' language to the Skagit County Treasurer, Auditor, and Don Munks (Finance Committee) in the past. Their language specifies that if procedures would cause the hiring of additional employees, other methods should be used to insure proper receipt of funds. In September 2005, the Finance Committee denied the request from the Ferry Committee for this change. The Committee requested this question to be asked again of the new Auditor.

**ACTION:** Gene requested that Jean Alden discuss this with Skagit County's new Auditor to review the ferry cash handling procedure. Glen felt this is an opportunity to have a 3-member crew. **ACTION:** Gene asked Steve Cox to look at this issue from an operational stand point while Jean will look at it from an accounting stand point.

Steve Cox added that the County needs to manage its personnel concerning this issue. Gene mentioned that is part of the operational issues. We are technically at the table with the Union. This issue will be brought forward.

### **Resolution R20040393**

A question came to the table, are these good Roundtable operating principles in this resolution? Gene wants to establishing target dates, particularly for those items that require reports to the Board. One is to develop an annual work plan and to present it to the BCC on an upcoming agenda date. Another bulleted item is to report to the BCC on a semi-annual basis on activity progress. These items can be discussed at the April 3 BCC agenda meeting.

Another item that needs to be done is to post the meeting times, location, and meeting summaries at the ferry terminal. **ACTION:** Steve Cox will perform these tasks. Steve will also post on the County website.

Lastly, Gene mentioned that staff will brief the BCC on the Ferry Committee issues and activities on a semi-annual basis. This will be included on the April 3 meeting. After the spring update, the Board will be updated with information each November and April. **The FC reminded Gene that R # 20040054 specifies that the semiannual reports to the commissioners will be developed in the roundtable and presented jointly to the Commissioners.**

### **2007 Work Plan Draft**

Carl led a discussion regarding the draft 2007 Work Plan. Gene would like to add the status reports to the Board (April & November) as part of the Work Plan.

Gene suggested that the cost of the 4<sup>th</sup> person crew cost be reduced to \$100,000 from \$200,000. It was agreed **that** it is still a significant financial issue.

Gene mentioned that the Haul Out will be in May for an estimated period of 10 days, one week and two weekends. If we wait until September, there is a risk that the boat may go out of service during the summer because of the out-drive.

**ACTION:** Steve Cox will discuss with Janice Marlega, Assistant County Public Works Engineer, about the Guemes Island Road widening project. Steve will bring this information to the next round table meeting.

An additional item, passengers obtaining Senior Passes at the ferry dock in addition to the Public Works Administration building, should be considered. Marilee mentioned that it is difficult for some passengers to travel to Mount Vernon. The problem with issuing passes at the Ferry dock is the requirement for photo ID on the pass.

Gene would also like to add capital facilities planning to the Work Plan and off-site ticket

### **Parking near 6<sup>th</sup> Street**

Marilee reported on the status of the parking issue. New signs are in the works. Rumble strips need to be installed. **Street** striping has been completed. Sixth Street residents are concerned about the striping near the parking lot. The public transportation issue is still on-going with SKAT. **The FC expressed concerns that many parking spaces in the recently-paved lower parking lot would be lost if the lot is striped. According to Steve Cox, there will be no striping at this time.**

### **Ferry District**

Gene discussed the possibility of pursuing a Ferry District as described in the handout, RCW 36.54.110. Skagit County would consider this possibility according to paragraphs one through four of the RCW. The BCC asked Gene to present this issue to the Roundtable and to include it on the Work Plan.

### **Summer Fees**

Glen brought up summer surcharge, noting that the surcharge added \$40,000 to \$50,000 to revenues, but was discarded. A small discussion continued. Gene advised that the Ferry Committee could bring proposals for alternate fee structures back to the table.

### **SKAT**

Glen asked how the County can reach out to encourage SKAT transportation in regards to the ferry system and coordinate a funding effort. Which agency should we reach out to? Our RTP? Gene feels that Skagit County should be a partner in this effort while SKAT takes the lead. Gene asked Glen to draft a letter to SKAT and Public Works will support the effort.

### **Extended Service**

Carl wonders what the process is for evaluating extended service? What is the criterion for wages, hours, etc. What are the implications of extended service? He wants to put together a process for future evaluation. Gene asked Carl to draft a document from which the Roundtable can work. Gene reviewed the action items for the next meeting.

**Emergency Ferry Service runs** – At some point in the meeting the ferry committee requested that it is important to the islanders that to have adequate coverage for 911 calls and that having the crew carry pagers should be on the negotiations agenda. Gene Sampley stated that this item had been on the agenda but that the union refused to consider it.

There being no further business, the meeting adjourned

Linda Christensen, Public Works Note taker

Attached: Ferry Committee proposed 2007 RT Work Plan