



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 17, 2008

11:00 AM

SPECIAL MEETING

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

Action Item

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.

On 11/3/2008, the King County Ferry District Deferred.

On 11/3/2008, the King County Ferry District Hearing Held.

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.





King County

King County Meeting Proceedings

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 -- DRAFT MINUTES --

1. **Call to Order**

The meeting was called to order at 2:11 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 July 28, 2008**

Mr. Constantine moved to approve the minutes of the July 28, 2008 meeting as presented. Seeing no objection, the Chair so ordered.

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.

The following people appeared to speak on 11/3/2008 :

Susan White
Kevin Silis
David Baker
Stephen Edwin Lundgren
Nels Sultan
Mike Ennis
Ross Damm

On 11/3/2008, a public hearing was held and remained open.

Deferred

Kjris Lund, Executive Director, summarized her power point presentation, Accomplishments of the District in 2008.

The Chair indicated that the Board will take action on this item at the November 17, 2008 meeting.

5. Adjournment

The meeting was adjourned at 2:31 p.m.

Approved this _____ day of _____.

Clerk's Signature

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KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

November 14, 2008

FD Resolution

Proposed No. FD2008-17.2

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.

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

SECTION 1. Findings:

A. On April 30, 2007, the King County council passed Ordinance 15739, establishing the King County Ferry District. As authorized by RCW 36.54.110, the district is a municipal corporation, an independent taxing authority within the meaning of Article VII, section 1 of the state constitution, and a taxing district within the meaning of Article VII, section 2 of the state constitution.

B. By Resolution FD2007-06.2, adopted on November 13, 2007, the board of supervisors of the district stated that the intent of the King County council in creating the district was to enable the provision of passenger-only ferry service to various parts of the county, including, but not limited to, potential routes serving Vashon Island, West

Seattle, Des Moines, Downtown Seattle, North Bay, Magnolia, Shilshole, Shoreline, Lake Union, North Renton, the University of Washington, Kenmore and Kirkland.

C. Pursuant to the authorization of Resolution FD2008-05, adopted on May 12, 2008, the district entered into an interlocal agreement with the county, under which the county would provide its technical expertise to the district in order for the district to effectively and efficiently provide passenger-only ferry service to the people of the county.

D. Beginning in April 2008, the district provided passenger ferry service between West Seattle and downtown Seattle and increased ridership by 13 percent over ridership in 2007 and 70% over ridership in 2005. On July 1, 2008, the district began funding passenger-only ferry service between Vashon Island and downtown Seattle.

E. In August and September 2008, representatives of the district met with community representatives in the candidate demonstration ferry service areas and gathered information to inform future decisions regarding the implementation of demonstration service.

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

G. Pursuant to the interlocal agreement between the county and the district, the County is required to prepare and submit to the district for review and approval a proposed annual budget and annual plan.

H. Consistent with the interlocal agreement, the King County marine division provided to the district a preliminary proposed budget and work plan on July 31 and the county executive provided to the district a final proposed budget on October 13, 2008.

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I. On November 3 and 17, 2008, the district held a public hearing on the work plan transmitted to the district by King County.

J. RCW 36.54.130 authorizes the board of supervisors of the district to levy each year an ad valorem tax on all taxable property located in the district not to exceed seventy-five cents per thousand dollars of assessed value.

K. By Resolution FD2007-06.2, the district authorized a 2008 ad valorem property tax levy for collection beginning in 2008 on all parcels within the district subject to the levy of 5.5 cents per one thousand dollars of assessed value.

L. By Resolution FD2007-06.2, as authorized by RCW 84.55.092, the district reserved its "banked capacity" for the second and subsequent regular levies of the district. The "banked capacity" is the difference between the first regular levy of 5.5 cents per one thousand dollars of assessed value and the maximum levy of seventy-five cents per thousand dollars of assessed value.

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

SECTION 2. The board of supervisors of the district ("board") hereby adopts the 2009 budget for the King County ferry district ("district") as set forth in Attachment A to this resolution.

SECTION 3. The board finds that the 2009 budget for the district as set forth on Attachment A has been prepared consistent with the requirements of the interlocal

agreement between the district and the county, and is sufficient to carry out the 2009 work program.

SECTION 4. The 2009 work program for the district is hereby approved and adopted, consisting of the programs and activities set forth in Attachment B to this resolution and the capital projects set forth in Attachment C to this resolution.

SECTION 5. The six-year capital improvement program for the district is hereby approved and adopted, consisting of the capital projects set forth in Attachment C to this resolution.

SECTION 6. An increase in the regular property tax levy, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property is hereby authorized for the 2009 levy in the amount of \$ 186,703, which is a percentage increase of one percent from the previous year. The board hereby certifies the amount of regular property taxes to be levied for collection in 2009 is \$19,315,035.

SECTION 7. As authorized by RCW 84.55.092, the district continues to reserve its "banked capacity" for the second and subsequent regular levies of the district.

SECTION 8. A. The November 2007 business plan and work plan of the King County ferry district shall serve as the long-term plan of the district.

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

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C. The annual service plan and the 2009 fare policies are set forth in Attachment B to this resolution.

D. Estimated costs capital improvements are set forth on Attachment C to this resolution.

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

SECTION 9. A certified copy of this resolution shall be transmitted to the King County council and such other agencies as required by law.

KING COUNTY FERRY DISTRICT
KING COUNTY, WASHINGTON

ATTEST:

Attachments A. 2009 Budget for the King County Ferry District, B. Service Plan and Fare Policy, C. 2009 Capital Plan

Attachment A: 2009 Budget for the King County Ferry District

| Budget Category | Expenditure |
|--|--------------------|
| Operating Budget | |
| Existing Service (net of revenue) ¹ | |
| Vashon Island service through Washington State Ferries Contract January 1-June 30, 2009 | 1, 109,395 |
| Elliott Bay Water Taxi service from April 1 – October 31, 2009 | 389,802 |
| Demonstration Routes ² | |
| Technical Analysis – engineering, permitting, RFP for operations | 125,000 |
| Technical Analysis – ridership, parking, transit connections | 130,000 |
| Service on route 1 including terminal and vessel leases and capital | 596,875 |
| Free Transit and Shuttle Service ³ | |
| Vashon, Elliott Bay, Demonstration Route 1 | 861,000 |
| King County Contract for Services ⁴ | |
| Management, engineering, transit, labor relations, human resources, director's office, cost allocation, grant writing, customer service | 600,000 |
| Marketing, Advertising, Passes ⁵ | 150,000 |
| District Management & Oversight ⁶ | 594,000 |
| Total Operating Budget | 4,556,072 |
| Capital Budget | |
| Vessel Leases ⁷ | 2,000,000 |
| Seacrest Terminal | 2,358,270 |
| Total Capital Budget | 4,358,270 |
| Total 2009 Budget Expenditures | 8,914,342 |
| Operating and Capital Reserve (Includes beginning balance of \$14 million, interest, state and federal grants) | 31,570,801 |

¹ Service is a continuation of existing agreements. This amount will increase pending outcome of Vashon service provider for period from July 1 – December 31, 2009. \$146,000 of this amount is for terminal operations from July 1- December 31.

² Technical analysis will inform choice of first demonstration route as well as viability of starting service in 2009. Funds in the amount of \$150,000 were designated for some analysis in 2008 and those funds are carried-forward to pay for those studies beginning in 2009.

³ Detailed transit service plans are required from the Marine Division before these funds will be released.

⁴ This amount assumes 6-months of King County support pending detailed staffing plan to support 2009 service levels.

⁵ Prior to expenditure plans for marketing, advertising, and participation in pass programs will be submitted to the Ferry District for review and action

⁶ This amount is status-quo support to the District for legal services, accounting, management and communications. The Executive Director will submit a detailed work plan to the Ferry District for review and approval by January 1, 2009.

⁷ Prior to expenditure the Marine Division will submit a plan for leasing vessels including multi-year need and need for back-up vessels.

Attachment B: Service Plan and Fare Policy

Vashon Island Passenger Only Ferry Service:

This route will operate between Pier 50 in Seattle and the Washington State Ferries Vashon Island Ferry Terminal. The route will be operated on the schedule listed below from January through June 30, 2009. The schedule for July 1- December 31, 2009 will be included in a detailed plan to be prepared by the Marine Division.

Schedule

Provide weekday service under the existing service contract with Washington State Ferries through June 30, 2009.

Leave Seattle Pier 50

7:35 a.m.

4:45 p.m.

6:10 p.m.

Leave Vashon

7:00 a.m.

8:15 a.m.

5:25 p.m.

Fares to be in effect through June 30, 2009:

Full fare is \$8.70 round trip. Fares are collected at Seattle; no fares are collected at Vashon.

Commuter 10-round trip card is \$73.60.

Monthly passes for 31 round trips is \$117.80.

Senior (\$4.35/round trip) and youth (age 6-18; \$7.40/round trip) discounts are available.

Children under 6 ride free.

Services to be performed by King County on behalf of the Ferry District:

1. Negotiate with Washington State Ferries to extend contract through December 31, 2009.
2. Implement complimentary shore-side transit service to improve connections and increase ridership on the route.
3. Provide detailed plan to the Ferry District Board for in-house service, including a schedule for labor negotiations, crew and maintenance staff requirements, hiring and training crews, acquiring vessels, and designing and implementing terminal improvements at Vashon and Seattle by June 1, 2009.

Elliott Bay Water Taxi Service:

This route will operate between Pier 55 in Seattle and Seacrest Park Terminal in West Seattle from April 1 through October 31, 2009.

Schedule

The route will be operated Monday through Thursday from approximately 6:50 a.m. to 7:10 p.m. and from 6:50 a.m. to 11:00 p.m. on Fridays. On Saturdays service will begin at 8:30 a.m. and end at 1:00 p.m. On Sundays service will begin at 8:30 a.m. and end at 7:00 p.m. Extended evening service will be provided Monday through Thursday for Mariner home games. Frequency of service shall be at least every 40 minutes during the weekday peak hours and every hour during the midday on evenings and weekends.

Fares

| | |
|---|--|
| All passengers | \$3.00 one way |
| Children 5 and under | Free |
| Use of any of the following passes: PugetPass, Visitor pass, Regional Reduced Fare Permit, Saturday/Sunday Day Pass | No additional charge |
| With valid Metro transfer | \$1.00 one way |
| Metro Tickets | Treated as cash toward payment of the \$3.00 fare |
| Bicycles | No additional charge |

Services to be performed by King County on behalf of the Ferry District:

1. Negotiate and execute service contract.
2. Provide free shuttle service in West Seattle.
3. Provide recommendation to Ferry District about free shuttle service or shuttle partner from Pier 55 by March 1, 2009.
4. Provide detailed plan to the Ferry District Board for in-house service, including a schedule for labor negotiations, crew and maintenance staff requirements, hiring and training crews, acquiring vessels, and designing and implementing terminal improvements at Seacrest and Pier 50 in Seattle by June 1, 2009.

Additional Services to be performed by King County on behalf of the Ferry District:

1. Develop and implement a detailed marketing plan based on criteria provided by the Ferry District by March 1, 2009.
2. Using criteria established by the Ferry District, plan and recommend a detailed branding work program that includes proposals for a brand identity and branding material for the District's services such as logos, signs, uniforms, vessel naming, painting, and graphic scheme by March 1, 2009.
3. Provide Ferry District with a work plan to maximize revenue from advertising, concessions, and other non-fare box sources by March 1, 2009.



4. Develop an integrated fare collection process and procedures in cooperation with regional efforts including smart card and other pass programs by June 1, 2009.
5. Complete labor negotiations.
6. Develop and implement terminal engineering plans for Seacrest Park Terminal improvements.
7. Carryout ferry customer service including information on routes, schedules, fares, and incidents including web-based information, printed materials, telephone accessible information, and other public information tools.
8. Assist Ferry District with grant writing and coordination with Puget Sound Regional Council for federal funding and other grant sources.
9. Assist Ferry District with fuel contract administration and other cost saving measures related to fuel.

Demonstration Routes:

Subject to amending the existing Interlocal Agreement between King County and Ferry District conduct technical studies and develop a plan for implementation of the first demonstration route by July 1, 2009.

Attachment C: 2009 Capital Plan

King County will work with the Ferry District to provide a detailed 6-year capital improvement plan that responds to the Ferry District's capital priorities for improvements at the Seattle Terminal, Vashon Terminal, and a major maintenance facility. King County will also provide a detailed plan for leasing and commissioning of vessels.

King County will submit the detailed 6-year capital improvement plan to the Ferry District by March 1, 2009.

Work is authorized to proceed with interim improvement planning, design and pile replacement for Seacrest Terminal not to exceed \$2,358,270.