

Lummi Island Ferry Advisory Committee (LIFAC) Work Session

April 26th, 2018 at 6:00 pm

**At the 2nd Floor Conference Room, Public Works Buiding
322 N. Commercial St, Bellingham, WA**

CALL TO ORDER

Chairman Nancy Ging called the meeting to order at 6:04 PM.

ROLL CALL

Present: Charles Bailey, Rhayma Blake, Jim Dickinson, Patricia Dunn, Nancy Ging

Excused: Cris Colburn

Also in Attendance: Roland Middleton-Whatcom County Public Works Special Projects Mgr., Richard Hudson-Senior Master, Mike Anderson-Director of Marine Transportation (kpff), Cassandra Shoenmakers-Project Mgr. (kpff); Todd Donovan-Whatcom County Council Liaison; Lummi Island residents: Stuart Rich, Mike Skehan; Off-Island residents: Barbara Craig, Bobbie Jo Gregor

FLAG SALUTE

OPEN SESSION

Mike Skehan – Asked how Protect Lummi Island Community (PLIC) could access drafts of documents. Ging suggested addressing that later in the meeting.

WORK SESSION

Revised Work Schedule – Ging proposed the following changes to the work schedule in order to allow more time to prepare the questionnaire. Colburn agreed to these changes as well. It shifts the second PLIC Town Hall meeting to May 23rd. Bailey moved and Dunn seconded the following revisions, and the motion carried 5-0:

- 05/09/18 – LIFAC Regular Meeting (LI Fire Hall)
- 05/22/18 – kpff Public Input Meeting (Beach School)
- 05/23/18 – Launch questionnaire
- 06/10/18 – Close questionnaire
- 06/13/18 – LIFAC Regular Meeting (LI Fire Hall)
- 06/26/18 – LIFAC Special Meeting (LI Fire Hall) for final recommendations
- 07/11/18 – LIFAC Regular Meeting (Bellingham) to plan Council presentation
- 07/24/18 – County Council Meeting at 7:00 pm vote on the resolution for Level of Service (LOS)

Middleton discussed coordinating inclusion of the final recommendation into the Council packet with Donovan on July 12th. Middleton offered to provide an update to the Public Works Committee on July 10th or before. Budgeting estimates will be provided after the LOS is approved.

Questionnaire – PLIC has proposed distributing the upcoming questionnaire as a flyer in The Tome. The Tome goes to every home on the island and 69 persons living off island. Dunn moved and Bailey seconded a motion that we duplicate the electronic questionnaire distribution methodology used with the most recent survey and accommodate citizens who wish to provide their answers in writing. Bailey commented that our response rate was high and consistency would provide an element of clarity to the process. Nine surveys were submitted in writing. Ging called about 12 of those not online. Several of those responding to the first survey provided their email address to be used for further updates. Dunn estimates that 400 property owners live off island and she can provide those mailing addresses. A link could be provided in the May Tome

(distributed May 18th) with the link going live May 23rd. Stuart Rich stated that PLIC feels strongly that it is in the best interest of the community to build consensus on the way forward by reaching as many as possible. He recommends that The Tome include a hard copy of the questionnaire as well as an online link and there should be a mailer to property owners not reached by The Tome. PLIC offered to assume the cost of a separate mailing. Ging expressed concern that an 8-page questionnaire would be beyond bulk mailing weight allowances, and LICA has been unwilling to assume those costs in the past. Ging clarified that the last survey was promoted with a link in The Tome, flyers on the ferry and at the Islander, with paper copies of the survey in the Islander. The link to the survey was also announced on Nextdoor and to all the email lists LIFAC had available. A reminder was sent at the halfway mark, with another reminder a few days before it closed. Ging feels this methodology reaches the people on island who want to be reached although there is room for improvement reaching those off island. Dunn suggested a postcard with the link to the survey mailed to off-islander property owners. Ging reminded all that this is a public opinion survey not a vote. The motion was approved 5-0. Bailey moved and Dunn seconded a motion that we reach off-islanders with a printed postcard with basic information on where they can access the questionnaire, either through a link online or at the Islander. Dunn offered and Bailey approved a friendly amendment that PLIC assume the cost of postage and printing of the postcard. Dickinson suggested posting the survey on Nextdoor Lummi Island, which Ging affirmed. The motion was approved 5-0.

PLIC Request for Release of Draft Documents – Ging has received a request to release drafts of documents under consideration to the PLIC board members. It has been an ongoing LIFAC policy to only release documents after final approval. Ging stated that it makes sense for the public to have access to documents at least a week before the public meeting so questions can be formulated beforehand. Dunn said that Public Disclosure Requests (PDRs) do not include draft documents in order to prevent incorrect costs and typos from being publically circulated. However, watermarked pdfs of Final Draft Forms are often used as a vehicle for public comment periods. The authors of those drafts are the decision-makers as to when the documents are ready for release. Bailey asked for clarification of the status of LIFAC documents. Ging clarified that “Existing Conditions” and “Ridership” drafts are currently posted on the LIFAC website for comment. Schoenmakers confirmed that drafts could be made available by May 15th. Anderson prefers that working documents not be released prematurely because it might be considered inferior work. Middleton, on behalf of Whatcom County Public Works, wants to be as open and transparent as possible, but he defers to kpff as to how their documents are released. He suggests the liberal use of disclaimers on all drafts. Ging said documents are being leaked and published already and so perhaps latest versions should always be posted. Stuart Rich suggested that once a document is discussed in a public meeting, it is a public document. Middleton agreed that once a document is discussed in an open meeting, it is discoverable. Bailey moved and Dickinson seconded a motion that once working documents are discussed in an open meeting they are posted on the LIFAC website the next day with a disclaimer. Anderson suggested that kpff would prefer that comments be received in writing. Ging suggested a disclaimer on each cover page. Anderson said he would confer with the kpff legal team for language. The motion carried 5-0.

KPFF

Timeline - KPFF prefers written/emailed comments and their schedule allows for ongoing opportunities for comment. They are still targeting the draft document for 6/5/18 with comments accepted until 6/25/18. The LOS memo will be released shortly. Tasks 4 and 5 memos as well as the terminal improvement options will also be released soon.

Costs - Dickinson suggested regarding Vessel Characteristics that Elliot Bay Design should be offering more options. Four lane ferries are not able to be lengthened based on the experience of the Lake Champlain ferries, and he is concerned that the lanes in the current proposals are too narrow for easy ingress and egress. The propulsion systems are burning too much fuel, and the costs provided by Elliott Bay are low. Schoenmakers agreed that the costs did not include contingency funding. Kpff has applied a 30%

contingency for upland construction, but yields to LIFAC for an appropriate ferry replacement contingency figure. Dickinson suggested allowing for a 3.0% or 3.5%/yr. increase in vessel building costs. Ging suggested Dickinson forward his concerns in writing. Anderson reminded the group that we are not in the design process yet. We are focusing on LOS, which includes the size of the vessel. The design phase comes later, but is based on the size stipulated now. Dickinson does not disagree with a 34-car ferry recommendation, but is concerned that in 2008, we were told that the design that was recommended could not be modified. Anderson reiterated that the designs they are showing are conceptual, used to prompt some rough order of magnitude (ROM) costs. Fisher Island, off of Miami contracted in August 2017 for two 30-car vessels for \$11.3 million. There are other examples of recent contracts for \$9 or \$10 million per vessel. Costs can vary widely depending on the design, propulsion system, how it is outfitted, and where you get it built. Dickinson said that in 2007, Washington State legislature mandated that all ferries had to be built within the state. Anderson indicated he thought that has been modified so that if a bid from outside the state is 5% or 10% outside that range, it can be accepted.

Vessel Size – Bailey suggested that kpff is jumping to a 34-car size unnecessarily which may increase operating costs if a larger vessel is operating at less than capacity. Both Anderson and Shoemakers recommend that size if we do not want the LOS to deteriorate from its current level based on the ridership demand projection. Operating costs across a range of vessel sizes typically improve over the those of older vessels. Shoemakers assured Bailey that his comments are being reviewed. Ging interjected that kpff had addressed his request to identify the largest vessel size to maintain three round trips per hour as the 20-car vessel. Anderson reminded him that this was not a sustainable schedule, that the operating tempo is 8 round trips over 3 hours. Schoemakers and Anderson confirmed that projections suggest that they could not do more than two round trips per hour with vessels larger than 20 cars with high volumes on both sides. Double-lane loading or other dwell-time modifications might change that. Dickinson suggested that big propellers with low-speed engines would lower fuel use compared with a small propeller with a high-speed engine. An increase in the length of the vessel should make fuel use almost identical because of lower drag on the vessel. A larger vessel carrying more cars might increase revenue. Anderson agreed that longer and newer hull forms are more efficient than older hull forms. He also agreed that the hardest decision for boat owners to make is the vessel size because it is difficult to design for “the sweet spot”. Kpff’s recommendation for a 34-car vessel is based on an average weekday ridership projection, not the high peak. Donovan asked what would precipitate higher operating costs, and Anderson suggested more complicated electronic operating systems. Hudson suggested that a seasonal schedule might address the issue of “pushing an empty vessel through the water” at certain times of the year. Bailey suggested lengthening a smaller vessel 20 years from now might be an option. Middleton thought that providing vehicular service for the year needed to lengthen the vessel might not be possible. Schoemakers indicated there are additional costs involved with lengthening a vessel as well. Anderson said that sometimes a longer version of “the same design” is built, but rarely is the decision made to actually lengthen a vessel. Dickinson suggested that paying a premium for a larger vs. smaller ferry should be considered in light of these other expenses.

Vessel Design – Blake asked whether crew input is being considered in these recommendations. Anderson said he assumed Hudson was representing crew concerns in these LIFAC meetings, and Hudson agreed. Alternatives under consideration now will inform cost discussions. Anderson noted that the most successful designs in his experience with Washington State Ferries included crew input. Middleton noted that Public Works was also keeping the Public Works engineers and maintenance operations crew involved in these discussions. But we are in the Level of Service, not design phase of the project.

TREK Availability – Dickinson shared that the TREK would be available for dry dock. Ging suggested that be addressed when the dry dock bids are requested.

Costs - Schoenmakers reminded the group that ROM is the term used for discussing planning level costs. Elliott Bay Design Group has provided these costs for vessel construction and kpff engineers for terminal costs based on industry knowledge. Costs under discussion are 2018 costs. Three options were presented for discussion purposes:

Vessel Construction

Whatcom Chief	\$ 2.0 million – major overhaul required in 8 years
New 20-Car	\$ 7.3 million
New 34-Car	\$10.7 million

Notes:

Hybrid diesel electric propulsion is \$1.6 million more.
Inflation factors and contingency costs are not included.

Terminal Improvements (before 2026)

Lummi Island (LI)	\$11.0 million – double-lane queuing, not loading, ADA, floating dock
Gooseberry Point (GP)	\$4.5-\$8 million – trestle replacement between now and end of lease

Notes:

\$7-8 million of LI dock improvements would be to expand the trestle for longer new vessel.
Inflation factors and contingency costs are not included.

Dunn requested that lifecycle costs be considered. Donovan asked which of the terminal improvements were necessary in light of the lease. Middleton explained that the GP trestle replacement is absolutely necessary. And Lummi Island dolphins, wing walls, and breakwater all need to be upgraded. He also reminded the group that this an 11 to 21 year project.

Phase 1 at the Lummi Island terminal would include double-queuing, ADA restrooms, and cameras. Operational costs for any of the new vessels will be the same or lower than the Whatcom Chief (assuming it is still operating in 2026).

Middleton explained that based on his experience with the TIGER grant application, there is still the possibility of trading the right-of-way for where the GP dock is now for a federal Bureau of Indian Affairs (BIA) right-of-way over the proposed marina breakwater. Lummi Shore Road would move to the north to allow for the Lummi Nation fish processing plant expansion.

LIFAC will be making a recommendation on phasing the implementation of recommended changes. Middleton suggests that with 5-7 years in EIS and permitting, 2 years in new vessel design, and 2 years in vessel construction, it would be year 2030 before a new GP terminal would be available for a new vessel. The lowest cost would be achieved by building the new GP terminal, trestle and vessel at the same time. But Ging noted this plan would include the cost of the recommended \$2 million recommended overhaul on the Whatcom Chief and that Public Works mechanics are recommending a new vessel sooner vs. later. The new vessel could be designed to use the existing GP terminal with minor modifications. Public Works is already planning to extend the LI breakwater for the Whatcom Chief.

Funding – Schoenmakers reminded the group that grants usually require a local match of at least 20%, even up to an 80% local funding.

Grant Opportunities

- CRAB – up to \$10 million of a \$20 million project with a 30% local match
- FHWA Ferry Boat Program - \$300k/year based on formula
- FHWA Surface Transportation Program – Competitive \$15 million to rural projects
- Better Utilizing Investments to Leverage Development (BUILD – formerly TIGER grants)

Ging commented that Skagit had been offered CRAB funding of 50% of their project cost if they set up a taxing district, 30% if they did not, and they opted to not set up a taxing district.

Other Funding Sources

- Vessel Replacement Surcharge (Middleton said this will be required)
 - \$1 on each fare = \$200,000/yr. or
 - \$1 on passengers, \$2 on vehicles = \$330,000/yr.
- Ferry District Property Tax – <\$.75 per \$1,000 assessed valorem (\$200-240,000 - LI)
- Bond Funding – County issued or Public Works Trust Fund

Middleton warned that not having a taxing district will limit our ability to apply for several of the grant opportunities. Donovan said he could not imagine County Council approving a county-wide taxing district unless it is a utility. Ging shared that a county-wide tax does not require a vote, but a district tax must go on the ballot. Middleton suggested the trestle, etc. might be treated as a road improvement since it is considered a bridge.

Timing – Schoenmakers reviewed several basics. We know that a new vessel will be built. The GP trestle will require major repairs by 2026. And LI breakwater improvements are needed. Kpff is recommending the 34-car ferry to meet demand projections for average weekdays in 2060. Middleton suggested that the larger vessel will also ease the queuing congestion experienced by GP neighbors.

Kpff is looking for direction in phasing in terminal and vessel improvements. Dickinson suggested that vessel replacement is the priority, with minimal terminal improvements, otherwise we could be without a ferry for quite awhile. Hudson went on record suggesting he does not have concerns about the integrity of the Whatcom Chief, but it has come to the end of its design life and it is not meeting LOS requirements of the community. It is not ADA accessible. A new vessel is more important than terminal improvements. Dunn suggested that Schoenmakers provide three or four scenarios including costs to inform our evaluations. Ging suggested a timeline including lease payments, trestle replacement, and vessel overhaul as a tool to develop appropriate phases. The basis of the timeline would be the end of the useful life of the various assets. Anderson said the existing GP trestle is not sustainable until a new GP terminal can be permitted and built. Middleton suggested that a Gantt chart might be instructive, and Anderson suggested using “red bars” to indicate critical periods. Middleton said the CRAB funding sequence is absolute with 2020 and 2024 being the application due dates. Middleton recommended that LIFAC present a detailed project timeline in resolution format to the County Council to meet an agreed-upon LOS. Anderson asked whether the recapitalization fund would cover both the vessel and the terminal. Middleton clarified that the fund would be for the vessel only since the terminal is considered a bridge for recapitalization purposes. Schoenmakers will provide some scenarios based on useful life and funding opportunities using a Gantt chart schedule overlaying funding options. She will continue to revise memos based on comments she receives.

ADJOURN – The meeting adjourned at 8:29 PM.