Rachel Rowe

From: Gina H <gina@haggina.com>
Sent: Saturday, August 15, 2026 2:20 PM
To: Commissioners; Ferry Comments
Cc: Harrison-Smith, Jeremy (GOV); Joe Burns
Subject: Ferry 2027 Fare Proposal

Commissioners,
>As noted in the past, the budgeting still appears to be overstated. The actual expenses for 2025 are **16% below the budgeted amount -** why does this matter? Because it raises serious concerns again about the "packing" of the current year budget, which is the material basis for the ferry rate revenue calculations.
>Because we only have actual figures for 2026 for half the year, we can't see the variance percentage However, based on run rate analysis, it appears the expenses will again be under budget - of special note is that Repairs and Maintenance through June was at a cost of **$163K**, out of a budget of **$1.122K**!!!.
>Expenses have gone up materially over the last 2 years. I agree with the comment during the work session- we need to focus on what is necessary, when it comes to costs for sure. **Why aren't these increases being explained? Why the big jump in insurance cost - isn't the county on an accrual basis for accounting?**

>It is noted in the report that maintenance costs continue to increase, although the comment was made in the work session that the new engines put in place in 2025 (capital costs) will reduce maintenance costs. Which is it?

	Actual 2024	Actual 2025	Budget 2026	2 Year Change	2 Year Change%
Salaries & Wages	1,171,006	1,338,537	1,564,402	393,396	34%
Personnel Benefits	384,785	482,100	488,370	103,585	27%
3120 - Operating Supplies	44,939	101,972	154,500	109,561	244%
3200 - Fuel	209,677	159,964	305,066	95,389	45%
4110 - Professional Servi	197,989	294,087	432,500	234,511	118%
4190 - Interfund Information	83,885	98,645	171,834	87,949	105%
4510 - Rentals	76,375	463,803	215,000	138,625	182%
4610 - Insurance	199,480	99,341	467,830	268,350	135%
4810 - Repairs & Maint.	244,042	1,433,849	**1,122,000**	877,958	360%
Other	280,081	221,839	299,358	19,277	7%
Total Expenses	**2,892,259**	**4,694,137**	**5,220,860**	**2,328,601**	**81%**
excluding R&M, Rental	**2,571,842**	**2,796,485**	**3,883,860**	**1,312,018**	**51%**

While ferry rate adjustements are necessary to take into account pricing sensitivity (and will therfore ncrease revenue), costs need to be justified - including those related to "electronic" ticketing and excessive administrative costs.

Footnote: I assume the CPI for 2028 is 0.0246 (document says for 2026). Becuase this is a unique division within the county, due to a material retail revenue source, the accounting format should be expanded to better analyze costs - fixed and variable would be a good start.

Respectfully,
Gina Haggerty
7282 Holiday Blvd
Anacortes WA 98221

Rachel Rowe

From: Tim Driedger <timdriedger@gmail.com>
Sent: Friday, August 14, 2026 6:50 PM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposal

You don't often get email from timdriedger@gmail.com. Learn why this is important

Dear Ferry Division and Commissioners,

I'm a full-time Guemes Island resident and regular ferry rider. I've read the 2026 Draft Ferry Fare Revenue Target Report along with the 2025 report and the supporting budget documents published in the Ferry Division's document archive. I have eight questions, grouped below: two about the revenue forecast and the treatment of federal operating funds, four about individual 2026 budget lines, and two about what is offset against O&M before the recovery percentage is applied. The budget-line questions matter because 2026 is the base year for the five-year average and is then escalated into the 2027 and 2028 columns, so those amounts carry more weight than a single year's budget normally would.

I recognize that the report already explains several 2025 variances in the Summary on page 9, and I've tried not to ask questions it already answers. Where the report explains, I've noted it and framed my question around what it doesn't cover.

Part one: the revenue forecast and the recovery calculation

1. The 2027 farebox revenue projection, and how last year's projection performed.
The 2025 Ferry Fare Revenue Target Report, on page 10, contains two different figures for 2026 farebox revenue. The fare tool estimated that a 30 percent increase would produce $2,306,674, which it stated was "without fare elasticity factored in." The same page also records budgeted 2026 farebox revenue of $1,900,000. The budgeted figure was $406,674, or 17.6 percent, below the fare tool estimate. The current report therefore projects the same $1,900,000 that was budgeted last year, rather than the $2,306,674 the fare tool estimated (page 10).
The current report projects $2,529,428 of 2027 farebox revenue with a 14 percent fare increase (page 10), again stated to be "without elasticity factored in." That is roughly a 33 percent increase in projected farebox revenue against the $1,900,000 the same report carries for 2026, produced by a 14 percent increase in fares. If fares rise 14 percent and traffic and ticket mix are unchanged, the result would be roughly $2,166,000, about $358,000 short of the $2,524,069 target. The remainder appears to require a substantial increase in ridership or a favorable shift in ticket mix.
I raise this because the report itself supplies the evidence that the method has not been predicting well. Page 9 states that the 30 percent increase implemented in February 2025 "was not successful in meeting a 50 percent revenue recovery target and led to a 7 percent increase in farebox revenue over 2024," and Table 2 records a 2025 shortfall of $363,873 against target. A 30 percent rate increase producing 7 percent revenue growth is the central fact for anyone forecasting what a 14 percent increase will produce.

Please provide the fare model inputs behind the $2,529,428 projection: baseline transaction counts by fare category, any assumed change in ridership or transaction volume, peak and non-peak mix, pass versus single-ride mix, and any elasticity assumption used. Specifically, how does a 14 percent fare increase produce roughly a 33 percent increase over the County's own current 2026 farebox figure? I would also ask that the underlying calculation worksheet be published alongside the report, rather than only the summary tables.

2. Federal operating assistance is deducted after fares rather than before.
Table 3 on page 4 sets out the 2025 Road Fund contribution in this order:

Step	Amount
O&M expenditures	$4,694,137
Less deficit reimbursement, MVFT, Youth Ride Free	($398,963)
Adjusted O&M expenditures	$4,295,174
Less farebox revenue	($1,455,098)
Subtotal	$2,840,076
Less FHWA Ferry Boat Program funding	($604,964)
Road Fund contribution	$2,235,112

The farebox recovery target is calculated from Adjusted O&M. The FHWA FBP funding of $604,964 is subtracted two steps later, after fares, so it reduces the Road Fund contribution rather than the base against which the fare target is set. Page 5 reports that this was 13 percent of total ferry funding in 2025, and its footnote states the FBP funding "was used for operational expenditures for the first time in 2023."

If that federal money is in fact paying operating costs, then those costs appear in the O&M figure that drives the fare target while the revenue that covers them does not offset it.

What is the policy basis for treating federal operating assistance differently from the MVFT, WSDOT deficit reimbursement, and Youth Ride Free reimbursement, all of which are deducted before the recovery percentage is applied? When FBP funds are used to pay O&M expenses, why are those expenses not reduced by the corresponding federal revenue before the fare target is calculated?

Part two: 2026 budget lines

3. Account 1200, Part-time salaries: $517,096 budgeted, no expenditures recorded to the account.
Appendix D shows this account budgeted at $284,676 in 2024, $300,003 in 2025, and $517,096 in 2026, with no expenditures recorded to account 1200 in 2024 or 2025, and 100.0 percent of the 2026 budget still available as of June 30, 2026. Between 2025 and 2026, the budgeted amount rose 72 percent. The report notes on page 9 that salaries and wages came in $150,714 under budget in 2025 because "staffing levels were adjusted due to reduced ridership," which I understand, but that makes the increase in this particular line harder to follow rather than easier.

I also note that account 1190, Leave Salaries, carries no budget but shows substantial actual spending, including $165,786 in 2025. It may be that costs budgeted to 1200 are recorded to 1190 when incurred, in which case the money is being spent, just not in the account it was budgeted in.

What positions does account 1200 fund, where are the costs budgeted to it actually recorded when incurred, and on what basis does the full $517,096 remain in the 2026 base year used to calculate the 2027 revenue target?

4. Account 4610, Insurance: actual spending has varied by more than a factor of six over seven years, with no published basis.
Reading the published expenditure appendices back through several fare reports, actual spending in this account has been:

Year	Insurance actual
2019	$93,612

Year	Insurance actual
2020	$122,832
2021	$121,528
2022	$572,868
2023	$271,802
2024	$199,480
2025	$99,341

The 2026 budget is $467,830. The County's year-end projection for the account, as shown in the OpenBook system at the time of the export I worked from, was $94,100; if that has since been revised, I would welcome the current figure.

I recognize the 2022 figure means a budget of this size is not without precedent. But that is close to my point: this account has ranged from $93,612 to $572,868 in seven years, and I could not find an explanation anywhere in the fare report, the Fourteen-Year Plan, or the budget documents for what drives the swings. The 2025 Detailed Expenditures report shows the entire $99,341 spent that year consisted of two transactions: a $900 payment to Life Rescue Inc on January 28 and a $98,441 internal "Insurance Cost Allocation" journal entry booked December 31, which suggests at least part of this account is an internal allocation the County calculates for itself rather than a market premium. I note the explanation on page 9 that 2025 was under budget "due to changed policy dates," which would explain a timing shift between years but not the size of the 2026 figure.

What is actually charged to account 4610, in what proportion between external premiums and internal cost allocation, what accounts for the variation between years, and what specific basis supports the $467,830 budgeted for 2026?

5. Account 4190, Interfund Information Services: the budget doubled from 2025 to 2026.

On a budget-to-budget basis, this account went from $85,127 in 2025 to $171,834 in 2026, an increase of 101.9 percent. Actual spending was $83,885 in 2024, $98,645 in 2025, and $39,605 had been spent as of June 30, 2026, leaving 77.0 percent of the budget available. The County's year-end projection for the account, again as shown in OpenBook at the time of my export, was $62,000. As an interfund charge, the rate and allocation basis are set internally by the County rather than by an outside vendor.

What changed in the interfund information services allocation basis to double this charge for 2026, and what does the County now expect the actual 2026 charge to be?

6. Account 4110, Professional Services: a fivefold budget request with no accompanying explanation.

The 2026 Ferry Division Preliminary Expense Budget requested $657,000 for this account against $130,000 in the 2025 budget-as-modified column, with no explanation offered beyond the account title itself. The adopted figure was subsequently reduced to $432,500, which is the amount carried into the fare calculation, and $78,925 had been spent as of June 30, leaving 81.8 percent available. For reference, actual spending was $197,989 in 2024 and $294,087 in 2025.

What specific services, contracts, or projects make up the $432,500 adopted for account 4110 in 2026?

Part three: two further questions about what is offset before the percentage is applied

7. Insurance recoveries are not credited against the O&M base.

The 2026 Budget Monitoring Report shows $93,529.70 received in account 9520, Insurance Recoveries and Proceeds, as of June 30, 2026 (against $9,438 in 2025). Table 1 of the fare report deducts motor vehicle fuel tax, WSDOT deficit reimbursement, and Youth Ride Free revenue from O&M before applying the recovery percentage, but does not appear to deduct insurance recoveries.

If the loss underlying those recoveries was expensed through O&M, is there a reason the offsetting recovery is not credited against the O&M base used to set fares?

8. Expenditures are projected forward with inflation; the revenue offsets are not.

Table 1, on page 2, subtracts MVFT, the WSDOT deficit reimbursement, and Youth Ride Free reimbursement from O&M before the recovery percentage is applied. I note that footnote 5 explains the method for two of these: actual revenue is used for 2024 and 2025, and the five-year average for 2021 through 2025 is used for each of 2026, 2027, and 2028. That is why those rows show the same figure three times:

Row	2024	2025	2026	2027	2028
MVFT	$62,400	$93,103	$114,406	$114,406	$114,406
Deficit reimbursement	$269,830	$291,086	$281,931	$281,931	$281,931

My question is not what the method is but why it is appropriate. The expenditure side of the same calculation is not treated this way. Page 3 explains that the 2027 and 2028 O&M columns are escalated using Seattle CPI forecasts of 0.0326 and 0.0246. So costs are projected forward with inflation while the revenues netted against them are held at a historical average. Because the offsets are subtracted before the recovery percentage is applied, that asymmetry increases the resulting target.

What is the rationale for holding a 2021 through 2025 historical average constant across all three projection years for MVFT and the deficit reimbursement, while the O&M expenditures they are netted against are escalated forward for inflation?

I'm not proposing a particular fare figure here, and I recognize the County faces real constraints, including the report's own observation on page 9 that the pace of revenue growth required to reach 65 percent "may not be sustainable given current ridership trends." My request is narrower: that these eight questions be answered, and the figures corrected if the answers warrant it, before the 2027 fare schedule is finalized.

Thank you for the work that goes into producing these documents. The level of detail published in Appendix D and in the 117-4 reports is what made it possible to ask these questions specifically, and I appreciate it.

I look forward to the August 19 community meeting.

Sincerely,

Tim Driedger
Guemes Island, WA

Rachel Rowe

From: Pat Richley-Erickson <dearmyrtle@gmail.com>
Sent: Friday, August 14, 2026 4:46 PM
To: Ferry Comments
Subject: 2027 fares PLEASE PAUSE IMPLEMENTATION

You don't often get email from dearmyrtle@gmail.com. Learn why this is important

Skagit BCC:
My husband and I are full time Guemes Island homeowners these past four years.

REQUEST
With regard to the proposed 14% increase in ferry fares for 2027, I request that implementation be paused since they are described by Public Works as based on an unknown variable — namely, the 2026 fares that have been deemed inappropriate by a court of law.

BACKGROUND
After a group of concerned GI residents, known as "Fair Fares" sued Skagit County and won, the county has **not** complied with the judge's order that 2026 fares be recalculated based on appropriate accounting practices where capital expenditures are no longer misfiled under operations and maintenance.

LOGIC
Since the 2026 fares have not yet been recalculated, it is impossible to base 2027 fares on those unknown 2026 fares.

ALSO
It should be noted, the judge also ruled that "no expiration" ferry passes are just that — having no expiration.

And it should be noted that though months have passed, Skagit County has not compiled with any of the judge's orders. In August 2026, Fair Fares again sued Skagit County to compel compliance, and the judge gave a series of deadlines.

RELIABILITY
Given this recent history, it's getting hard to believe that the Skagit County Board of Commissioners are acting as good faith public servants by respecting the rule of law and encouraging best practices accounting in the ferry department of Skagit Public Works.

SUMMARY

- Imposing a hike in ferry fares for 2027 is ill-advised at this point.
- Skagit County BCC must comply with court orders concerning accounting practices and ferry fares.

Respectfully submitted,

Pat Richley

5458 W Shore Road
Anacortes, WA 98221

Rachel Rowe

From: Kathy Malley <kathy@snowmesa.com>
Sent: Friday, August 14, 2026 9:27 AM
To: Ron Wesen; Joe Burns; Peter Browning; Ferry Comments
Cc: bushman; Gabe Murphy; Jep Burdock (jepburdock48@gmail.com); Pat Richley-Erickson; pinotmaster@msn.com; Stephen Orsini (sailingorsini@gmail.com)
Subject: Ferry Fare Revenue Target Report Comments

Some people who received this message don't often get email from kathy@snowmesa.com. Learn why this is important

To the Skagit County Board of Commissioners and the Ferry Division;

In response to the early public comment period for the 2027 ferry fare target report, the Guemes Island Planning Advisory Committee (GIPAC) submits the following comments:

1) Skagit County should delay the 2027 fare process until the legal activity around the 2025 fares has been completely settled. The 2025 fares, which in part have been found illegal, serve as the basis for the 2026 and now the 2027 fares. It makes no sense to continue to build a fare structure on a faulty foundation.

2) We understand that the county is facing budget shortfalls and is looking to trim budgets. Over that last five years (2021-2025) the costs to operate the Guemes ferry has ballooned. Staffing expenses increased by 42% and the service and pass-through costs by 65%. Rather than only looking to another big fare increase and a potential reduction in service, the County needs consider the staffing levels that are really needed to operate the boat. For decades, the boat ran efficiently and effectively with a considerably smaller operations/management staff of three-four people. Without any significant operational changes (i.e. same number of daily runs), there are now seven people running and managing the boat. We don't think you can have an honest conversation about raising fares without considering the expense and staffing side of the equation.

1) The ferry is an essential, lifeline service and Islander's need to trust that it is reliable, safe, efficient and financially sustainable. In the wake of dramatic fare increases, and loss of guaranteed after hours EMS service, the public's trust in ferry operations has eroded. This has been further amplified by the recent legal decision around faulty accounting practices. ***It's time to rebuild the trust of the people that you serve***. A good first step is to re-establish a formal relationship with the Guemes Island Ferry Committee or create another structure that gives Islanders an ongoing and constructive voice in ferry operations. The recent TAG group shows that collaboration with county staff *before decisions are made* can be successful.

Looking ahead, there are many decisions that impact Guemes Island's transportation and emergency management network. Whether it's a new boat, parking lot changes, ADA access, ridership levels or fares – all of these things work in concert and they need to be considered that way – rather than in a piecemeal manner. For example, with more people walking on the boat in response to higher fares, finding parking on both the Guemes Island and Anacortes side is becoming more difficult, yet the County is looking to reduce parking on both sides. It's imperative that the voice of the people you serve – people who truly understand what it means to ride the ferry and how it affects their lives – be involved in these decisions. Good and durable lasting public policy starts with the engagement of the people who are truly impacted that the decisions government makes.

Thank you for considering these comments.

Sincerely –

Kathy Malley – GIPAC Board Chair

Rachel Rowe

From: William Heft <billheft47@gmail.com>
Sent: Friday, August 14, 2026 8:09 AM
To: Ferry Comments
Subject: Why a 81% rise in O&M since 2024?

You don't often get email from billheft47@gmail.com. Learn why this is important

Please take the time to explain the extreme rise in Operations and Maintenance expected costs for 2026 & 2027. In two year it seems excessive to anticipate expenses so high as Repairs and Maintenance jumping 360% in two years. Why do you expect in the same period to have Operating Supplies increase by 244%. Please explain the need to raise Travel expenses by 811%. I found eight categories of anticipated expenditures with an increase over 100% in the two years. I am in hopes that this can be explained in the meeting at the Community Center on the 19th.

Thanks for your attention to these matters!

Bill Heft
President
Holiday Hideaway Association

Rachel Rowe

From: Gina H <gina@haggina.com>
Sent: Thursday, August 13, 2026 9:18 PM
To: Ferry Comments; Commissioners
Cc: Harrison-Smith, Jeremy (GOV); Joe Burns
Subject: Re: Ferry 2027 Fare Proposal

Commissioners,
Correction! Please disregard the point about the CPI index - I did find the rates in the report. Sorry for the confusion, mea culpa.

Respectfully,
Gina Haggerty
7282 Holiday Blvd
Anacortes WA 98221

72

On Thu, Aug 13, 2026 at 4:04 PM Gina H <gina@haggina.com> wrote:

> To the Commissioners:
> With particular attention to the work session
>
> The Consulting Firm referenced during the work session, is an Engineering firm, not an accounting firm – **KPFF.** They made several recommendations, many of which have been disregarded with no explanation, and is counterproductive. A comment was made during the work session about ridership being down (maybe the State ferry ridership is down too (irrelevant)) and elasticity was completely passed over.
>
> ## From the KPFF recommendations:
> >Monitor monthly ferry sales reports for indications of **fare elasticity by fare type**.
> - Possible fare type increase adjustments
> - Possible model adjustments to reflect ridership response to fare increases such as changes to ridership numbers reflected in the fare sales report
>
> >Added new fare category: vehicles under 14 feet, which is priced at 80% of the under 22-foot fare
>
> >Standardized discount amount at 15% of the single ride nonpeak fare for multi-ride passes
>
> >Furthermore, potential ridership loss due to the increasing cost of ferry travel may be less with a gradual fare increase. A review of past Guemes Island Ferry fare increases did not provide any reliable measure of elasticity that could be used to predict the ridership demand change triggered by a fare increase. However, a larger fare price increase is likely to cause a greater reduction in demand…..Without any data to predict the elasticity of Guemes Island Ferry prices, we cannot quantify the loss in ridership related to a 65% fare increase nor can we predict how much of the 65% price increase will actually be realized in fare revenue growth. Any increase in fare price will likely affect demand for ferry services in some way but a phased rate of increase may have a less severe negative impact on near- and long term ridership and long-term fare revenue. Based on pro forma average O&M expenditures, the periodic fare increase for passengers and vehicles under 22 feet would be **14%**.
>
> >Responding to the changes in fare levels riders may alter their travel behavior.

>Year round pricing for multi-ride discounted products at non-peak price is maintained but the expiration period for both Vehicle & Driver passes and Passenger passes is shortened to 90 days in order to focus the discount on frequent users and bring the Guemes Island Ferry
fare practices more in alignment with peer ferry services.
>Review of similar fare schedules also compared the multi-ride passes (also known as commuter or "punch card" passes) offered by each ferry service. Most services offer this discount fare category as a discount to the under 20- or 22-foot "standard" size vehicle and driver fare as well as the walk-on passenger fare.

>>Elasticity is mentioned no less than 10 times in the KPFF report. However, Ferry Management has not focused on this topic at all.
>It should also be noted that the KPFF report failed to take into account all revenue, when looking at methodologies and fare percentage targets. Other revenue is a material consideration.

>There was no recommendation in the KPFF report to abolish the punch card system. The county has been asked to provide a typical cost benefit analysis on the implementation of this software, which has dramatically altered operations at the ferry.

>There was no mention in the report that an assistant manager be hired for a 20 person department. However, if that person is necessary due to the aggravations of the electronic ticketing system, then those costs should be included in the cost benefit analysis.

OTHER COMMENTS

What is the justification of the full time maintenance engineer? True, the hourly rate may be lower, but are the total costs actually lower? Often, that is not the case.

2026 BUDGET – The budget was posted online last year and it differs from what is presented in the report. (One would hope that with a new County Auditor, there will be some consistency in financial reporting.)

Budget 2026

	Previously reported	as of 8/6/2026	Variance
Salaries & Wages	$ 1,564,402	$ 1,564,402	$ 0
Personnel Benefits	$ 524,704	$ 488,370	-$ 36,334
Supplies & Consumables	$ 459,223	$ 482,223	$ 23,000
Services & Pass-throughs	$ 3,594,481	$ 2,685,865	-$ 908,616
Total	$ 6,142,810	$ 5,220,860	-$ 921,950
Less Maint&Repairs	-$ 1,650,000	-$ 1,122,000	
Before Mainte&Repairs	$ 4,492,810	$ 4,098,860	
Annualize M&R	$ 906,204	$ 906,204	
	$ 5,399,014	$ 5,005,064	-$ 393,950

As previously noted, the budget accounts for 60% of the fare recovery calculation, based on the current methodology and thus, has potential to be inflated.
>The Methodology in Resolution R20230152 states: the current year's **approved budget.** There is no "adjusted budget" mentioned and there is no "annualization" of maintenance and repairs.

>Why isn't the CPI stated, rather than include a link to a website? What rates were used?

>The **2024 O&M** budget variance (lower expenses) was 26% and never explained. **The Road Fund contribution for 2024 was 32% - less than the targeted 35%.** To ignore price elasticity of demand is irresponsible.

>The **2025 O&M** budget variance (lower expenses) was 20% and never explained. These variance levels were not seen in the past, before the new methodology was adopted.

Comparing the cost of a ride on a state ferry to the San Juans is a stretch – the shortest ride, with onboard facilities and many recreational facilities at the destination, is 30 minutes one way. The ride to Guemes Island is 14 minutes round trip.

There are 1500 property taxpayers on Guemes Island. On a per-capita basis, real property taxes collected on **Guemes Island are roughly 3 to 5 times higher** than the average for the rest of Skagit County.

Thank you for taking the time to read these comments and observations.

Respectfully,
Gina Haggerty
7282 Holiday Blvd
Anacortes WA 98221

Rachel Rowe

From: Gina H <gina@haggina.com>
Sent: Thursday, August 13, 2026 4:04 PM
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Subject: Ferry 2027 Fare Proposal

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>The Methodology in Resolution R20230152 states: the current year's **approved budget.** There is no "adjusted budget" mentioned and there is no "annualization" of maintenance and repairs.

>Why isn't the CPI stated, rather than include a link to a website? What rates were used?

>The **2024 O&M** budget variance (lower expenses) was 26% and never explained. **The Road Fund contribution for 2024 was 32% - less than the targeted 35%.** To ignore price elasticity of demand is irresponsible.

>The **2025 O&M** budget variance (lower expenses) was 20% and never explained. These variance levels were not seen in the past, before the new methodology was adopted.

Comparing the cost of a ride on a state ferry to the San Juans is a stretch – the shortest ride, with onboard facilities and many recreational facilities at the destination, is 30 minutes one way. The ride to Guemes Island is 14 minutes round trip.

There are 1500 property taxpayers on Guemes Island. On a per-capita basis, real property taxes collected on **Guemes Island are roughly 3 to 5 times higher** than the average for the rest of Skagit County.

Thank you for taking the time to read these comments and observations.

Respectfully,
Gina Haggerty
7282 Holiday Blvd
Anacortes WA 98221

Rachel Rowe

From: Fair Fares LLC <fairfaresllc@gmail.com>
Sent: Thursday, August 13, 2026 8:13 AM
To: Ron Wesen; Joe Burns; Peter Browning
Cc: Ferry Comments
Subject: Ferry 2027 Fare Proposal

Commissioners Wesen, Browning, and Burns:

Fair Fares has completed a detailed review of the County's July 30, 2026 Draft Ferry Fare Revenue Target Report and has identified significant errors — internal mathematical inconsistencies, contaminated numbers, figures that do not reconcile with the County's own underlying records, and departures from the County's own adopted fare-setting methodology and resolutions.

These are not minor discrepancies. They include contaminated numbers — figures that the County's own staff have acknowledged (publicly and on the record at the August 6, 2026 Public Works Work Session) remain incomplete pending the County's preliminary 2027 budget. When the underlying inputs are still being assembled, the outputs built from them cannot be treated as settled, and the Board should not be asked to rely on them as though they were.

We further note that this Report includes O&M figures currently subject to a Skagit County Superior Court order requiring recalculation.

We are bringing this to the Board's attention now, ahead of the August 18th presentation, because the Board should not be asked to hear this report presented as settled and reliable when it is neither.

We are not asking the Board to take our word for it. We are asking the Board to direct staff to review the report's internal consistency and its conformance with the County's own adopted methodology before this Report is presented as a basis for the proposed 2027 fare increase.

We recognize that staff has put considerable work into this report. We hope that effort and page count are not mistaken for accuracy and reliability, and that corrections are made prior to further publication.

Respectfully,

Fair Fares Board
Armen "Chip" Bogosian, Michael Brown, Joseph Burdock, Cindy Kamp, Jodi Meekins, Steve Orsini and Glen Veal

From: Douglas Gapp
To: Ferry Comments; Tom Weller
Cc: kgapp@yahoo.com
Subject: Ferry 2027 Fare Proposal
Date: Monday, September 7, 2026 7:25:08 PM

You don't often get email from gappde@yahoo.com. Learn why this is important

Dear Skagit County Commissioners and Management-
I would first like to thank you for the well-organized meeting held on August 19 with the many representatives from Skagit County and the Guemes Islanders. The information provided gave a much clearer picture of the budgetary challenges the County is facing regarding the overall road fund, and more specifically, the Guemes Island Ferry budget. Looking at the math, it is clear that rate hikes alone cannot realistically fix the revenue gap. Between ridership declining and/or riders adjusting their riding category (walk-on vs. drive on), the County needs to find new ways to reduce or eliminate the deficit.

At the community meeting on the island, Skagit County stated they have already done some things to cut expenses, such as implementing a hiring freeze, but it became clear to me that we are in this together and we need to help find solutions together. The County explicitly stated that they are actively looking for new ideas and openly asked residents to bring forward any funding sources or grants they might have missed.

With that in mind, I employed the help of Artificial Intelligence (AI) to look for grant programs or other funding sources the county is not fully utilizing or maximizing. The response fell into two categories: operating grants missed out on, and capital grants that could be aggressively expanded to relieve pressure on the Skagit County Road Fund. [1]

Here is the response I received:

1. The Federal "Rural Ferry" Operating Grant (Underutilized)

The biggest missed opportunity for daily expenses is the FTA's Ferry Service for Rural Communities Program. [1]

- **The Issue:** Historically, Skagit County has focused almost entirely on capital (hardware) grants. Because federal rules changed to allow this specific rural program to pay for *operating assistance*, it is a direct line to cash for day-to-day overhead. [1]
- **Why it's not fully utilized:** To get this money, the county cannot apply alone; the **Washington State Department of Transportation (WSDOT)** must bundle the request into a statewide application. If Skagit County has not aggressively lobbied WSDOT to prioritize the Guemes route for the operating assistance portion of this grant, federal dollars are being left on the table.

2. The Carbon Capital Shortfall (The $11 Million Gap)

Skagit County is fully aware of the FTA's **Low or No Emitting Ferry Program**, but they are currently stuck. [1]

- **The Issue:** The county went out to bid to build the new all-electric ferry, but the construction bids came back much higher than estimated. The county is currently **$11 million short** on funding to

actually build the vessel. [1]
- **The Impact on Fares:** Because they haven't closed this capital gap, they are forced to keep patching up the old, 40-year-old M/V Guemes. Maintenance costs shot up by 62% recently due to an extended mechanical haul-out. High maintenance costs drive up the operating deficit, which the county then tries to fix by proposing a 14% fare hike.

- **The Solution:** Securing a chunk of the federal *Bipartisan Infrastructure Law passenger* ferry capital funds would completely close the $11 million build gap. Getting the new electric boat built would permanently drop maintenance and fuel costs, naturally shrinking the revenue gap without raising ticket prices. [1, 2]

Alternative Local Funding Methods (Beyond Grants)

Since grants are highly competitive, other counties in Washington use creative, non-fare revenue methods that Skagit County could explore:

- **Public-Private Sponsorships & Advertising:** The terminal buildings and the vessel itself have visible space. Partnering with local businesses in Anacortes and Skagit Valley for vessel naming rights, terminal banners, or digital ad screens can bring in steady, non-fare revenue.
- **State Ferry Deficit Reimbursement (RCW 47.56.725):** Under Washington state law, the state can provide operational cost-sharing specifically for county-operated ferries. Residents and the county can collectively lobby the 40th District state legislators to increase the statutory cap on how much the state reimburses Skagit County for its annual ferry deficit.
- **Differential Tourism Pricing:** Many residents advocate for a pricing model that shields daily commuters while shifting the burden to visitors. This involves keeping multi-ride commuter pass prices flat while charging higher, premium single-ride rates for tourists and commercial vehicles during peak summer months. [1]

Please seriously consider these ideas. The advertising idea seems a bit far-fetched, but unless it is specifically prohibited by law, I don't see why it can't work, as long as all businesses in the county are given an opportunity to bid on the advertising. The income would help everyone in the County if it is targeted toward the road fund. I thank you for your time.

Sincerely,

Douglas E. Gapp

7037 Holiday Blvd

Cell 702-875-2238

From:	Gina H
To:	Commissioners; Ferry Comments
Cc:	Joe Burns; Guemes Island Ferry Committee
Subject:	Comment Regarding Remand to recaculate the 2024 Ferry Expense Budget Variance of 21%
Date:	Saturday, September 12, 2026 4:28:50 PM

Commissioners,
1. The ferry fare resolutions always reference the "**approved budget**" for the ferry. This ferry budget should be included with the approved county budget resolution so there is no doubt as to what is the approved budget.

2. Different expense budget numbers for 2024:
From the Draft 2024 Ferry Fare Revenue Target Report (FFRTR): $3,461,980
From the Budget Request Report $3,313,310
From the Budget monitoring Report dated 3/5/2026 $3,651,575 > This is the one I am using below, which I believe was the Approved Budget.

3. A budget is made up of assumptions. Without the assumptions, there is no budget to review and approve.

4. I have assumed that all parties are in agreement that the remand is looking for the recalculated 2024 budget figures, not 2025.

5. The budget variances for 2022 and 2023 were 2% and 9% **over**, respectively. The budget for 2024 took a dramatic turn and was inflated, total budget variance was **under** by 21%. This inflated expense budget was then carried forward into the 2 year projections, hyper inflating the ferry fare target amount.

	Actual, from Budget Monitoring	Budget	under	under %
	2024	2024	2024	2024
Salaries & Wages	$ 1,171,006	$ 1,366,585	$195,579	14%
Personnel Benefits	$ 384,785	$ 501,832	$117,047	23%
Supplies & Consumables	$ 255,441	$ 343,850	$88,409	26%
Services & Pass-throughs	$ 1,081,903	$ 1,439,308	$357,405	25%
Total	$ 2,893,135	$ 3,651,575	$ 758,440	21%

Respectfully,
Gina Haggerty
7282 Holiday Blvd
Anacortes, WA 98221

From: Tim Driedger
To: Ferry Comments
Subject: Re: Ferry 2027 Fare Proposal
Date: Tuesday, September 15, 2026 8:35:16 AM

You don't often get email from timdriedger@gmail.com. Learn why this is important

Dear Ferry Division and Commissioners,

I'm following up on my Aug. 14 comment letter, sent ahead of the Aug. 18 Commissioners' presentation. I haven't seen a response yet and wanted to check in, particularly since the County issued a Comment Response Memo during the prior cycle on Oct. 28, 2025.

Now that the formal written comment period is open, I want to reiterate the central concern from that letter: recent actual cost trends do not appear to support several assumptions in the proposed budget. As discussed at the Aug. 19 meeting, the ferry operation finished 2025 under budget, while the County is now facing broader budget-reduction pressures. Against that backdrop, several ferry budget assumptions appear materially higher than recent actual costs, and those assumptions directly affect the fare calculation.

I'm also concerned about the revenue assumptions. The County's own report states that the 30 percent fare increase for 2025 produced only about 7 percent growth in fare revenue. Yet the 2027 proposal projects farebox revenue increasing from approximately $1.9 million in 2026 to approximately $2.53 million in 2027, roughly 33 percent, while proposing only a 14 percent fare increase. That gap may reflect assumptions beyond the fare increase itself, but the report doesn't appear to incorporate a meaningful fare-elasticity adjustment despite the response observed after the last two major increases. In my view, that's a significant analytical gap. At minimum, the County should explain the ridership, demand, and elasticity assumptions underlying the $2.53 million projection before this proposal goes to hearing.

I'd appreciate a response to the original questions before the Sept. 22 hearing, if possible. I plan to attend via Zoom.

Thank you, Tim Driedger

On Fri, Aug 14, 2026 at 6:49 PM Tim Driedger <timdriedger@gmail.com> wrote:

> Dear Ferry Division and Commissioners,
>
> I'm a full-time Guemes Island resident and regular ferry rider. I've read the 2026 Draft Ferry Fare Revenue Target Report along with the 2025 report and the supporting budget documents published in the Ferry Division's document archive. I have eight questions, grouped below: two about the revenue forecast and the treatment of federal operating funds, four about individual 2026 budget lines, and two about what is offset against O&M before the recovery percentage is applied. The budget-line questions matter because 2026 is the base year for the five-year average and is then escalated into the 2027 and 2028 columns, so those amounts carry more weight than a single year's budget normally would.
>
> I recognize that the report already explains several 2025 variances in the Summary on page 9, and I've tried not to ask questions it already answers. Where the report explains, I've noted it and framed my question around what it doesn't cover.
>
> ## Part one: the revenue forecast and the recovery calculation

1. The 2027 farebox revenue projection, and how last year's projection performed.

The 2025 Ferry Fare Revenue Target Report, on page 10, contains two different figures for 2026 farebox revenue. The fare tool estimated that a 30 percent increase would produce $2,306,674, which it stated was "without fare elasticity factored in." The same page also records budgeted 2026 farebox revenue of $1,900,000. The budgeted figure was $406,674, or 17.6 percent, below the fare tool estimate. The current report therefore projects the same $1,900,000 that was budgeted last year, rather than the $2,306,674 the fare tool estimated (page 10).

The current report projects $2,529,428 of 2027 farebox revenue with a 14 percent fare increase (page 10), again stated to be "without elasticity factored in." That is roughly a 33 percent increase in projected farebox revenue against the $1,900,000 the same report carries for 2026, produced by a 14 percent increase in fares. If fares rise 14 percent and traffic and ticket mix are unchanged, the result would be roughly $2,166,000, about $358,000 short of the $2,524,069 target. The remainder appears to require a substantial increase in ridership or a favorable shift in ticket mix.

I raise this because the report itself supplies the evidence that the method has not been predicting well. Page 9 states that the 30 percent increase implemented in February 2025 "was not successful in meeting a 50 percent revenue recovery target and led to a 7 percent increase in farebox revenue over 2024," and Table 2 records a 2025 shortfall of $363,873 against target. A 30 percent rate increase producing 7 percent revenue growth is the central fact for anyone forecasting what a 14 percent increase will produce.

Please provide the fare model inputs behind the $2,529,428 projection: baseline transaction counts by fare category, any assumed change in ridership or transaction volume, peak and non-peak mix, pass versus single-ride mix, and any elasticity assumption used. Specifically, how does a 14 percent fare increase produce roughly a 33 percent increase over the County's own current 2026 farebox figure? I would also ask that the underlying calculation worksheet be published alongside the report, rather than only the summary tables.

2. Federal operating assistance is deducted after fares rather than before.

Table 3 on page 4 sets out the 2025 Road Fund contribution in this order:

Step	Amour
O&M expenditures	$4,694
Less deficit reimbursement, MVFT, Youth Ride Free	($398,9
Adjusted O&M expenditures	$4,295
Less farebox revenue	($1,455
Subtotal	$2,840
Less FHWA Ferry Boat Program funding	($604,9
Road Fund contribution	$2,235

The farebox recovery target is calculated from Adjusted O&M. The FHWA FBP funding of $604,964 is subtracted two steps later, after fares, so it reduces the Road Fund contribution rather than the base against which the fare target is set. Page 5 reports that this was 13 percent of total ferry funding in 2025, and its footnote states the FBP funding "was used for operational expenditures for the first time in 2023."

If that federal money is in fact paying operating costs, then those costs appear in the O&M figure that drives

the fare target while the revenue that covers them does not offset it.

What is the policy basis for treating federal operating assistance differently from the MVFT, WSDOT deficit reimbursement, and Youth Ride Free reimbursement, all of which are deducted before the recovery percentage is applied? When FBP funds are used to pay O&M expenses, why are those expenses not reduced by the corresponding federal revenue before the fare target is calculated?

Part two: 2026 budget lines

3. Account 1200, Part-time salaries: $517,096 budgeted, no expenditures recorded to the account.

Appendix D shows this account budgeted at $284,676 in 2024, $300,003 in 2025, and $517,096 in 2026, with no expenditures recorded to account 1200 in 2024 or 2025, and 100.0 percent of the 2026 budget still available as of June 30, 2026. Between 2025 and 2026, the budgeted amount rose 72 percent. The report notes on page 9 that salaries and wages came in $150,714 under budget in 2025 because "staffing levels were adjusted due to reduced ridership," which I understand, but that makes the increase in this particular line harder to follow rather than easier.

I also note that account 1190, Leave Salaries, carries no budget but shows substantial actual spending, including $165,786 in 2025. It may be that costs budgeted to 1200 are recorded to 1190 when incurred, in which case the money is being spent, just not in the account it was budgeted in.

What positions does account 1200 fund, where are the costs budgeted to it actually recorded when incurred, and on what basis does the full $517,096 remain in the 2026 base year used to calculate the 2027 revenue target?

4. Account 4610, Insurance: actual spending has varied by more than a factor of six over seven years, with no published basis.

Reading the published expenditure appendices back through several fare reports, actual spending in this account has been:

Year	Insurance actual
2019	$93,612
2020	$122,832
2021	$121,528
2022	$572,868
2023	$271,802
2024	$199,480
2025	$99,341

The 2026 budget is $467,830. The County's year-end projection for the account, as shown in the OpenBook system at the time of the export I worked from, was $94,100; if that has since been revised, I would welcome the current figure.

I recognize the 2022 figure means a budget of this size is not without precedent. But that is close to my point:

this account has ranged from $93,612 to $572,868 in seven years, and I could not find an explanation anywhere in the fare report, the Fourteen-Year Plan, or the budget documents for what drives the swings. The 2025 Detailed Expenditures report shows the entire $99,341 spent that year consisted of two transactions: a $900 payment to Life Rescue Inc on January 28 and a $98,441 internal "Insurance Cost Allocation" journal entry booked December 31, which suggests at least part of this account is an internal allocation the County calculates for itself rather than a market premium. I note the explanation on page 9 that 2025 was under budget "due to changed policy dates," which would explain a timing shift between years but not the size of the 2026 figure.

What is actually charged to account 4610, in what proportion between external premiums and internal cost allocation, what accounts for the variation between years, and what specific basis supports the $467,830 budgeted for 2026?

5. Account 4190, Interfund Information Services: the budget doubled from 2025 to 2026.

On a budget-to-budget basis, this account went from $85,127 in 2025 to $171,834 in 2026, an increase of 101.9 percent. Actual spending was $83,885 in 2024, $98,645 in 2025, and $39,605 had been spent as of June 30, 2026, leaving 77.0 percent of the budget available. The County's year-end projection for the account, again as shown in OpenBook at the time of my export, was $62,000. As an interfund charge, the rate and allocation basis are set internally by the County rather than by an outside vendor.

What changed in the interfund information services allocation basis to double this charge for 2026, and what does the County now expect the actual 2026 charge to be?

6. Account 4110, Professional Services: a fivefold budget request with no accompanying explanation.

The 2026 Ferry Division Preliminary Expense Budget requested $657,000 for this account against $130,000 in the 2025 budget-as-modified column, with no explanation offered beyond the account title itself. The adopted figure was subsequently reduced to $432,500, which is the amount carried into the fare calculation, and $78,925 had been spent as of June 30, leaving 81.8 percent available. For reference, actual spending was $197,989 in 2024 and $294,087 in 2025.

What specific services, contracts, or projects make up the $432,500 adopted for account 4110 in 2026?

Part three: two further questions about what is offset before the percentage is applied

7. Insurance recoveries are not credited against the O&M base.

The 2026 Budget Monitoring Report shows $93,529.70 received in account 9520, Insurance Recoveries and Proceeds, as of June 30, 2026 (against $9,438 in 2025). Table 1 of the fare report deducts motor vehicle fuel tax, WSDOT deficit reimbursement, and Youth Ride Free revenue from O&M before applying the recovery percentage, but does not appear to deduct insurance recoveries.

If the loss underlying those recoveries was expensed through O&M, is there a reason the offsetting recovery is not credited against the O&M base used to set fares?

8. Expenditures are projected forward with inflation; the revenue offsets are not.

Table 1, on page 2, subtracts MVFT, the WSDOT deficit reimbursement, and Youth Ride Free reimbursement from O&M before the recovery percentage is applied. I note that footnote 5 explains the method for two of these: actual revenue is used for 2024 and 2025, and the five-year average for 2021 through 2025 is used for each of 2026, 2027, and 2028. That is why those rows show the same figure three times:

Row	2024	2025	2026	2027

MVFT	$62,400	$93,103	$114,406	$114,406
Deficit reimbursement	$269,830	$291,086	$281,931	$281,931

My question is not what the method is but why it is appropriate. The expenditure side of the same calculation is not treated this way. Page 3 explains that the 2027 and 2028 O&M columns are escalated using Seattle CPI forecasts of 0.0326 and 0.0246. So costs are projected forward with inflation while the revenues netted against them are held at a historical average. Because the offsets are subtracted before the recovery percentage is applied, that asymmetry increases the resulting target.

What is the rationale for holding a 2021 through 2025 historical average constant across all three projection years for MVFT and the deficit reimbursement, while the O&M expenditures they are netted against are escalated forward for inflation?

I'm not proposing a particular fare figure here, and I recognize the County faces real constraints, including the report's own observation on page 9 that the pace of revenue growth required to reach 65 percent "may not be sustainable given current ridership trends." My request is narrower: that these eight questions be answered, and the figures corrected if the answers warrant it, before the 2027 fare schedule is finalized.

Thank you for the work that goes into producing these documents. The level of detail published in Appendix D and in the 117-4 reports is what made it possible to ask these questions specifically, and I appreciate it.

I look forward to the August 19 community meeting.

Sincerely,

Tim Driedger
Guemes Island, WA

Rachel Rowe

From: Sarah Winston <swinston05@comcast.net>
Sent: Monday, September 21, 2026 10:56 AM
To: Ferry Comments
Subject: Consideration

[You don't often get email from swinston05@comcast.net. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

My name is Sarah Winston.
I have lived full time, then part time, been a property owner on Guemes Island for nearly FIVE DECADES.
Operating the Guemes Island ferry service is expensive. I understand that. I also understand that I pay Skagit County property taxes AND ferry fares for this service. I've never requested a free ride. The huge increases in ferry fares has been difficult.
I support NO single ride fare increases for 2027. And I support creating a multi ride pass that has a 20% discount off current fare rates.
We need to bring back ridership representation and consideration to the Guemes Island Ferry.
Please consider all the citizen suggested items for your October 20, 2026 meeting agenda.
Thank you.
Sarah Winston swinston05@comcast.net
Sent from my iPad

Rachel Rowe

From: Beverly James <beverlyjames33@gmail.com>
Sent: Monday, September 21, 2026 10:35 AM
To: Ferry Comments
Subject: Guemes Ferry Rate proposal for 2027

As full time Guemes residents, we have been alarmed at the rapid and unsustainable pace of rate increases. While the county points to increases of 30% annually, in real life, those increases have been more like 250%.

Consider a senior drive-on fare of $8.50, which is now $21.50. That is a huge shock to the budget for seniors on a fixed income.

I don't know too many Skagit County residents who have had that kind of basic transportation need increase that much.

We are a small island with a strong community. I am not sure how many non-profit orgs are on Guemes, but it is a lot per capita! When anyone needs help, we all pitch in.

We want to be part of the solution. We hope you will bring back the advisory board. We hope you will recognize the supply and demand situation you are in. A ferry ride is a perishable commodity. Sending a mostly empty ferry back and forth is just not common sense. You can never recoup that money.

I realize the county has a huge deficit. The ferry would be less expensive if it had more cars and people on it!

Thank you,

Beverly and Richard James
206-660-1447
7365 Guemes Place
Anacortes WA 98221

Rachel Rowe

From: Brian Fraser <bfraser@asd103.org>
Sent: Monday, September 21, 2026 9:16 AM
To: Ferry Comments
Cc: James Everett
Subject: School bus ferry costs

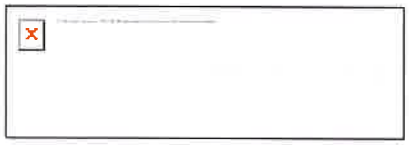
You don't often get email from bfraser@asd103.org. Learn why this is important

Good morning Skagit County Commissioners,
I am writing to advocate for our children's constitutional right to a free and appropriate public education. Transportation should not be a barrier to attendance and we strive every day to get our kids safely to and from school. Please consider creating an exemption in the proposed increase to the Guemes Island Ferry fare increase for public education. Our plan for transportation may be changed, not because it is better for kids, but simply to afford to transport those kids if the rate is increased. We want the plan and decisions to be based on safety and comfort for our kids, not budgets.

Thank you for your consideration,

--

Dr. Brian Fraser
Executive Director of Finance and Operations
Anacortes School District 103
2200 M Avenue, Anacortes WA 98221
PHONE: (360) 503-1213
EMAIL: bfraser@asd103.org | **WEBSITE:** www.asd103.org



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Rachel Rowe

From: Darla Gay <konadarlagay@live.com>
Sent: Sunday, September 20, 2026 4:44 PM
To: Penni Sturgill; Ferry Comments
Subject: Re: Ferry 2027 Fare Proposal
Attachments: IMG_6715.jpeg

You don't often get email from konadarlagay@live.com. Learn why this is important

Hi Penni & Dan:

Well written letter. Many more than usual have written letters! Darla

(My painting on Fidalgo Bay Day poster),

Darla Gay Smith
SMRC, Salish Sea Stewards, FEMA Skagit CERT, WSNLA CPH

From: Penni Sturgill <pennisturgill@outlook.com>
Sent: Sunday, 20 September 2026 12:31:05
To: ferrycomments@co.skagit.wa.us <ferrycomments@co.skagit.wa.us>
Subject: Fw: Ferry 2027 Fare Proposal

Skagit County Commissions and Skagit County Employees:

I would like to request that you not increase 2027 ferry rates until all trends and rate methodology are correctly calculated and studied.

I believe that the multi ride tickets must capture a discount of 20% with no peak season surcharge with a 90-day expiration from the date of purchase. Currently we are not buying multi- ride cards since there are literally no savings applied.

You need to return to a 3-5 year look back at the actual accounting records. It appears that your fair box target will never be met basis on your current accounting practices.

We have requested at every meeting you reinstate the Güemes Island Ferry Committee. Or if you prefer to call it a citizens advisory committee, fine, that allows for a diverse group of Güemes Island residents and road fund taxpayers be involved and provide Island valued input. Please use RCW 47.60.310 as a model for a more efficient ferry system.

No one likes conflict and anger on an ongoing basis, you as the County and responsible party for the ferry you must act within reason and earn the ridership and Güemes Islanders trust.

Penni Sturgill
Guemes Island Resident

Rachel Rowe

From: Bud Ullman <bullman31971@gmail.com>
Sent: Sunday, September 20, 2026 4:21 PM
To: Ferry Comments
Subject: Fwd: Ferry 2027 fare proposal

Hello, Commissioners. I offer one suggestion.

As expenses increase we should be doing what we can to minimize the adverse impact of ferry fares on folks who commute to/from Guemes for work or for other regular purposes. We should encourage, not discourage, that way of life in our community. I don't think I need to explain why.

Accordingly, I suggest we make available a discounted multi-ride pass with a relatively short window before it expires. I am not going to suggest many specific numbers because that invites nit-picking. I simply suggest that you use the data that are available, consult with regular riders, and decide the details.

That said, let me offer a hypothetical description of what I have in mind. By "commuter" I imagine someone who takes the ferry from (or sometimes to) Guemes, say, 3 to 5 days a week. Let them purchase a discounted (XX%) pass that is valid for, say, 20 rides with the pass valid for, say, 4 weeks. Once the numbers are decided upon, commuters can do their own math about what to purchase.

Of course this might increase the ticket price burden on less frequent travelers. This is a judgment call for you. My own judgment is that we should better protect our commuters because of their value to the community, and non-commuters are, by and large, better able to absorb this increase.

Bud Ullman

5162 West Shore Road

Rachel Rowe

From: Penni Sturgill <pennisturgill@outlook.com>
Sent: Sunday, September 20, 2026 12:31 PM
To: Ferry Comments
Subject: Fw: Ferry 2027 Fare Proposal

You don't often get email from pennisturgill@outlook.com. Learn why this is important

Skagit County Commissions and Skagit County Employees:

I would like to request that you not increase 2027 ferry rates until all trends and rate methodology are correctly calculated and studied.

I believe that the multi ride tickets must capture a discount of 20% with no peak season surcharge with a 90-day expiration from the date of purchase. Currently we are not buying multi- ride cards since there are literally no savings applied.

You need to return to a 3-5 year look back at the actual accounting records. It appears that your fair box target will never be met basis on your current accounting practices.

We have requested at every meeting you reinstate the Güemes Island Ferry Committee. Or if you prefer to call it a citizens advisory committee, fine, that allows for a diverse group of Güemes Island residents and road fund taxpayers be involved and provide Island valued input. Please use RCW 47.60.310 as a model for a more efficient ferry system.

No one likes conflict and anger on an ongoing basis, you as the County and responsible party for the ferry you must act within reason and earn the ridership and Güemes Islanders trust.

Penni Sturgill
Guemes Island Resident

Rachel Rowe

From: Stephanie Kavanaugh <stephanie.kavanaugh@gmail.com>
Sent: Sunday, September 20, 2026 8:27 AM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposal

You don't often get email from stephanie.kavanaugh@gmail.com. Learn why this is important

I live full time on Guemes Island and am unable to attend the Sept 22nd meeting in person.

I fully recognize that running the ferry is expensive and difficult. But I truly believe the County can do better!!

The recent rounds of significant fare increases seem to have affected how we all use the Ferry. Walking on is far cheaper than taking the car. If fares continue to spiral upwards, I suspect the ferry will lose even more car ridership----and less revenue despite the fare increases.

I support no single-ride fare increase for 2027, and institute a multi-ride pass with a 20% discount off current fares and a 90-day expiration from the date of purchase beginning January 1, 2027. 20% is a real discount which would encourage folks to buy multi-ride passes, unlike the current multi-ride pass.
I suspect that would help bring drivers back, increase revenue, and give the County time to adopt a simpler fare method that accounts for fare elasticity. It's also time we bring back citizen representation back to the Guemes Ferry. Please put those items on the October 20 agenda.

Thank you.

Stephanie Kavanaugh
5943 S Shore Road, Guemes Island

Rachel Rowe

From: Jan Smiley <janbsmiley@gmail.com>
Sent: Saturday, September 19, 2026 8:42 PM
To: Ferry Comments
Subject: Ferry 2027 proposal

You don't often get email from janbsmiley@gmail.com. Learn why this is important

My name is Jan Smiley. My husband & I live full time on Guemes Island. We recognize that running the ferry is expensive and difficult.

We support no single-ride fare increase for 2027, and support instituting a multi-ride pass with a 20% discount off current fares and a 90-day expiration from the date of purchase beginning January 1, 2027.

Those steps would help bring drivers back, increase revenue, and give the County time to adopt a simpler fare method that accounts for fare elasticity.

It's time to bring citizen representation back to the Guemes Ferry.

Please put those items on the October 20 agenda.

Thank you for your time & service.

Jan Bode Smiley
janbsmiley@gmail.com

Sent from my Phone

Rachel Rowe

From: Ahna Van Gaest <vangaest@gmail.com>
Sent: Saturday, September 19, 2026 4:33 PM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposal

You don't often get email from vangaest@gmail.com. Learn why this is important

I am a full-time Guemes Island resident, and I understand that operating the ferry is both costly and challenging. I support keeping single-ride fares at their current level for 2027 while introducing a multi-ride pass beginning January 1, 2027. I propose a 20% discount from current fares, with passes expiring 90 days after purchase.

This approach could help bring drivers back to the ferry, increase revenue, and give the County time to develop a simpler fare structure that better reflects fare elasticity. I also believe it is important to restore citizen representation in decisions regarding the Guemes Ferry.

Please include these items on the October 20 agenda.

Sincerely,

Ahna Van Gaest

Rachel Rowe

From: Michael-JoAnne Gray <guemesgrays@hotmail.com>
Sent: Saturday, September 19, 2026 12:39 PM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposals

Dear Commissioners,

We are JoAnne and Michael Gray and are permanent residents on Guemes Island. My family has been property owners since 1959 and thus we are very familiar with the Ferry and how it was has been and how we hope it will be. We recognize that running the ferry is expensive and has its challenges. We request that the Commissioners and County proceed into 2027 with a no single-ride fare increase and to institute a multi-ride pass with a 20% discount off current fares and a 90-day expiration from the date of purchase beginning January 1, 2027. We have been walking on the ferry for the past two years after the Ferry rates escalated and want to help promote drive-on revenue. We request that the country adopt incentives in the form of discounted rates that would encourage car traffic on the ferry. This would help bring drivers, such as ourselves, back to driving on the ferry versus walking on, increase revenues, and give the County time to adopt a simpler fare method that accounts for fare elasticity.

Respectively,

JoAnne and Michael Gray

Rachel Rowe

From: Barb Cameron <barbcameron55@gmail.com>
Sent: Saturday, September 19, 2026 12:26 PM
To: Ferry Comments
Subject: Ferry 2027 fare proposal

You don't often get email from barbcameron55@gmail.com. Learn why this is important

I live full time on Guemes Island. I recognize that running the ferry is expensive and difficult. I support no single-ride fare increase for 2027, and institute a multi-ride pass with a 20% discount off current fares and a 90-day expiration from the date of purchase beginning January 1, 2027. That would help bring drivers back, increase revenue, and give the County time to adopt a simpler fare method that accounts for fare elasticity. It's time we bring back citizen representation back to the Guemes Ferry. Please put those items on the October 20 agenda.

Barbara Cameron

Sent from my iPhone

Rachel Rowe

From: Kathy Malley <kathy@snowmesa.com>
Sent: Saturday, September 19, 2026 9:49 AM
To: Ferry Comments; Ron Wesen; Joe Burns; Peter Browning
Cc: bushman; Gabe Murphy; Jep Burdock (jepburdock48@gmail.com); Michael Brown; Pat Richley-Erickson; Stephen Orsini (sailingorsini@gmail.com)
Subject: Ferry 2027 Fare Proposal Comments

Some people who received this message don't often get email from kathy@snowmesa.com. Learn why this is important

To the Board of County Commissioners and the Ferry Division -

In response to the formal written public comment period for the 2027 ferry fare target report, the Guemes Island Planning Advisory Committee (GIPAC) submits the following comments:

1. Skagit County should delay the 2027 fare process until the legal activity around the 2025 fares has been completely settled. We understand that the county has appealed the Superior Court decisions to the Washington State Appellate Court, however continuing to move forward with fare increases built on a faulty foundation is reckless. The county may find itself in a position of having to recalculate 2025, 2026 and 2027 fares. You should freeze fares until this matter has been settled by the courts.
2. The Board of Commissioners need to carefully examine and work to reduce the costs to run the Guemes Island ferry. Why does the Lummi boat cost $250,000 less to run annually? Especially when it provides a higher level of service with more runs each day and with fares that are roughly comparable to Guemes Island (though Lummi offers deep discounts for multi-pass senior/disabled tickets).
3. The current fare methodology is not working. Relying only on two years of actual expenses plus three years of projections and budgets grossly inflates costs and sets fares artificially high. The dramatic increase in fares across all categories has resulted in fewer cars and people on the boat. This threatens the overall financial stability of the ferry, while also impacting local businesses as many Guemes Island residents have been forced to reduce or eliminate trips to town to acquire good and services.
4. In 2023, the 20-trip adult car and driver pass was $221.50. The 2027 fare schedule moves the cost of a peak season pass for this fare category to $561.00 – a 153% increase. This far exceeds the Seattle CPI index, used by Skagit County. The 2023 KPFF fare study warned of the risk of eroding ridership when fares are rapidly increased over a short period of time. According to their report, "...potential ridership loss due to the increasing costs of ferry travel may be less with a gradual fare increase." The study further explained that "Any increase in fare price will likely affect demand for ferry services in some way, but a phased rate increase may have a less severe negative impact on near and long term ridership and long term fare revenue."
5. The ferry is an essential, lifeline service and Islander's need to trust that it is reliable, safe, efficient and financially sustainable. Over the last several years, many of the decisions made by the Ferry Division and supported by the County Commissioners have driven up costs, resulting in higher fares and lower ridership. It's time to trim the budget, and look to freeze or reduce fares to rebuild ridership and make living on Guemes Island affordable once again for working families and seniors.

Many people moved here and built their homes and lives based on the schedule, costs, and convenience of the ferry. Offering a 15% discounted multi-ride pass as the county once did would make a real difference for full-time residents.

6. There are many decisions ahead that impact Guemes Island's transportation and emergency management network. It's time to put the "public" back in Public Works. The county's 2022–2032 Strategic Plan (revised June 2024) prioritizes critical infrastructure (including transportation), ***collaboration to leverage community and partner resources,*** efficient prioritization of projects and services, and sustainable, resilient government operations. It further commits the county to maximum efficiency in service delivery and *to* ***partnering with customers based on mutual respect and trust.*** GIPAC has asked repeatedly for a citizen advisory committee for the Guemes Island ferry and we will continue to do so. This is the only ferry system in the state without one. It's imperative that the voice of the people you serve – people who truly understand what it means to ride the ferry and how it affects their lives – be involved in these decisions.

Thank you for considering these comments.

Sincerely –

Kathy Malley, Chair of the GIPAC Board

Rachel Rowe

From: zellarelli@yahoo.com
Sent: Friday, September 18, 2026 12:25 PM
To: Ferry Comments
Subject: Guemes Ferry and parking lot plans

Hello,

I want to add my voice to the many Guemes residents who are against the proposed changes to the Guemes Island Ferry parking lot. We have been told that the current lot doesn't meet ADA requirements. However, I have not heard in what way, or how moving the ADA parking spots to the top of the parking lot, far from the ferry loading area could possibly meet those requirements, instead of the current ADA parking spots, which are as close to the ferry loading area as is possible.

Guemes has many senior residents. Many have mobility issues. Our ADA parking spots are constantly full. Requiring handicap persons, especially those who use walkers or wheelchairs, to navigate a steep grade, cannot possibly meet ADA requirments. My father, who uses a walker, could never manage to get up and down that slope.

The only plan that residents of the island have seen so far places the handicap parking spots far from the ferry loading area. Even if the grade was leveled, it's still too far to ask those with mobility issues to walk or roll.

Putting a wall up at the south end of the parking lot will obscure the view of the ferry. During inclement weather, many of us who are walking on the ferry prefer to stay in our cars and watch for the ferry rather than standing in the cold, rain, and sometimes snow. And despite what has been said about not obstructing the boat ramp, especially when a barge is needed to ferry multiple cars across the channel due to a ferry outage.

I hope you will consider these issues and address them in the meeting on Sept. 22nd.

Sincerely,

Elizabeth Passarelli
Guemes resident

Rachel Rowe

From: Jodi Meekins <jlmeekins1@yahoo.com>
Sent: Monday, September 21, 2026 1:49 PM
To: Ferry Comments
Subject: Proposed 2027 Guemes Ferry Rates

Two comments were made at the August 19th Annual Community Ferry Meeting:

1. That 2027 fare calculations were based on returning to 2025 ridership levels, and
2. Suggestions were WELCOME on how to battle fare elasticity.

It is constantly stated that rates have increased 30% per year across the board for 2025 & 2026 and another 14% is proposed for 2027. In actuality, my cost for a Senior Vehicle and driver multi-use pass between 2024 and the currently proposed 2027 rates will be an increase of 220% for non-peak and 297% during peak season!

The fare increases in 2025 and 2026 (and proposed increase in 2027) have changed my ferry usage dramatically. In 2024, I usually drove onto the ferry using a Senior Multi-use pass 3-4 times per week. Additionally, I walked on using the single Senior ticket 1-2 times per week. Currently, I buy single trip drive-on tickets for use MAYBE once/week. I occasionally walk across using a single senior ticket 1-2 per week. I am currently unwilling to buy a multi-use pass due to the overall out-of-pocket expense and insignificant discount. There is no motivation to buy a pass for $410 to save a measly $20 (which is not even one free trip!), and that is IF I use up all of the rides on the ticket.

I would like to address the Senior Mulit-trip Drive- on Pass (and other multi-ride passes) as a potential way to increase revenue while actually reducing the price of a ticket to the consumer. I will address all figures inclusive of the new vessel service fee. Drivers incur the total cost so that is what matters in fare elasticity.

Using the proposed 2027 fares and my current driving habits, if I purchased a Senior drive-on multi use pass, the county would realize revenue of $375. If I were using the ferry at 2024 levels that pass might last me 5-7 weeks. Given my current driving habit of one trip per week (due to the huge price increase and December 31st expiration) over the same seven weeks, the county will realize a revenue of only $138.25. That should illustrate the appeal to both the Commissioners and the County Ferry Division to offer a much larger discount on a pass.

Furthermore, the arbitrary expiration of December 31st is ill advised and unnecessary. I am not inclined to even pre-purchase single tickets in December that I might not be able to use before December 31st. It should be possible for multi-use passes to expire after the rates change on any given year. It is all digital and should be easily controlled by whomever edits fares for the software. Why can't a pass purchased on December 31st with a provided QR code remain valid for a set period time even if the rate increases for new purchases on January 1st? The two commands should not be mutually exclusive. If the County encourages purchase of multi-use passes in November and December, instead of discouraging them, it potentially increases end of year revenue.

Additionally, returning to the policy of the multi-use pass being the same price for peak and non-peak seasons lets the County experience a more consistent revenue stream throughout the year while still benefitting ridership.

In college I was taught that “you bank dollars not percents”. The County needs to increase revenue but that does not necessarily equate to simply increasing percents.

Respectfully,
Jodi Meekins
34 year Guemes Island resident

Yahoo Mail: Search, Organize, Conquer

Yahoo Mail: Search, Organize, Conquer

Rachel Rowe

From: Anya Mayo | The Mayo Home Team <anya@mayohometeam.com>
Sent: Monday, September 21, 2026 3:35 PM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposal.

Skagit County Board of Commissioners,

My name is Anya, and I am a Guemes Island resident, a frequent ferry rider and someone who cares deeply about the long-term health of our island community and our relationship with Skagit County.

I understand that operating the Guemes Island Ferry is expensive and that the County has difficult decisions to make. What I would like to see is a system that is financially responsible, sustainable, and developed with meaningful input from the people who depend on it every day.

For 2027, I support holding fares at their current level while the County has an opportunity to better evaluate ridership, fare elasticity, and the methodology being used to determine fares. I also support establishing a meaningful multi-ride discount, without a peak-season surcharge on those passes, and giving those passes a reasonable expiration period.

More importantly, I think we need to reconsider the way fares are calculated. Basing fare targets heavily on projected future budgets can result in today's riders being asked to pay for expenses that have not yet occurred. A three to five year look-back using actual, closed accounting records would give everyone a much clearer picture of what the ferry actually costs to operate and would create a more understandable and transparent basis for setting fares.

But I think there is a larger issue here that goes beyond the 2027 fare schedule…

I believe I can speak for many people in our community when I say that it would be more productive and ultimately more beneficial to both the County and Guemes Island if we had a stronger working relationship. We need more meaningful community involvement—not simply opportunities to comment after proposals have already been developed, but a way for residents and County leadership to sit at the same table, identify problems, establish priorities, and work toward solutions together.

That is why I strongly support bringing back a citizens advisory committee with diverse representation from Guemes Island residents and County Road Fund taxpayers.

The people who live here bring valuable firsthand knowledge. We know how the ferry is used, where bottlenecks occur, what affects ridership, how changes impact families and businesses, and which infrastructure improvements would actually make a difference. That knowledge should be treated as an asset to the County.

I would also like to see a much stronger emphasis on pursuing outside funding whenever it is available. There are examples close to home of counties successfully using state and federal funding to support ferry systems and major capital projects. Whatcom County recently finalized a $25 million federal grant

for the Lummi Island Ferry Replacement and System Modernization Project. Opportunities like these can potentially reduce the burden placed directly on ferry users and local taxpayers.

I recognize that Skagit County has pursued outside funding for Guemes projects and that not every grant application will be successful. My request is that seeking state and federal funding become an ongoing and highly visible part of the County's strategy for the Guemes ferry—not an occasional effort. I would like to see County leadership actively looking for opportunities, collaborating with the community to identify priorities, and being transparent about which grants are available, which are being pursued, and which are not.

I also want to raise the proposed Guemes ferry parking lot redesign because I believe it illustrates why earlier community involvement is so important.

I understand the need to address ADA accessibility, stormwater requirements, and pedestrian safety. Those are worthwhile goals. But some elements of the preliminary proposal—including substantially reducing available parking, limiting ingress and egress, and potentially complicating access with additional controls—appear to create new problems in an area where those particular problems do not currently exist.

This is not simply a parking lot.

It contains our only public community boat ramp. It is how barges access the island. It is centrally located for emergency response and provides an important alternative means of access when normal ferry transportation is interrupted. For an island community, maintaining flexible and reliable access is a public-safety issue.

Before permanently changing that space, I would strongly encourage the County to work directly with island residents, emergency responders, ferry users, and others who understand how that property functions in real life. The goal should be to meet ADA, stormwater, and safety requirements while preserving parking, boat-ramp access, emergency access, and the flexibility this community depends upon.

These are exactly the kinds of issues a standing citizens advisory committee could help address before significant time and money are spent developing plans.

I don't think the relationship between Guemes Island and Skagit County needs to be adversarial. In fact, I think there is an enormous opportunity to improve it. The County has expertise and access to resources that our small community does not. Our community has local knowledge, committed residents, and people willing to contribute time, ideas, and experience. Those two things should complement each other.

I would like to see us move away from a system where the County develops a proposal and the community reacts to it, and toward one where we identify needs and develop solutions together.

For the October 20 deliberations, I respectfully ask the Commissioners to:

1. Hold current single-ride fares for 2027 while ridership and fare elasticity are evaluated.

2. Establish a meaningful multi-ride discount without a peak-season surcharge and with a reasonable expiration period.
3. Develop a fare-setting methodology based more heavily on actual, closed accounting records rather than projected future budgets.
4. Reinstate a citizens advisory committee so the community has an ongoing role in ferry planning and decision-making.
5. Make aggressive pursuit of appropriate state and federal grants a continuing part of the County's strategy for ferry operations, infrastructure, and eventual vessel replacement.
6. Ensure meaningful community and emergency-response involvement in the Guemes parking lot redesign before a final design is adopted.

We all have an interest in the same outcome: a ferry system that is reliable, financially sustainable, safe, and able to serve Guemes Island for generations. I believe we have a much better chance of getting there if the County and the community approach these challenges as partners.

Thank you for considering my comments and for including them in the public record for the 2027 Guemes Island Ferry fare proposal.

Sincerely,

Anya Mayo

Guemes Island

CONCERNS WITH THE SEPTEMBER 17, 2026 FINAL FERRY FARE REVENUE TARGET REPORT

A Consolidated Review of Math Errors, Undisclosed Methodology Changes, and Unexplained Figures

Prepared by Fair Fares (Citizens for Transparent Guemes Island Ferry Governance)

September 18, 2026 — Updated to reflect the County's September 17 final report — Working comment for the September 22, 2026 hearing on 2027 fares

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Overview

This document consolidates findings from a review of the Skagit County Public Works Department's 2026 Ferry Fare Revenue Target Report. The County posted a draft dated July 30, 2026 and issued a final dated September 17, 2026. The final is the version before the Board at the September 22, 2026 hearing on the proposed 2027 fare increase. Every finding below has been rechecked against the final. Findings are ordered by how much they move the 2027 target. Each can be checked against the County's own tables, resolutions, monitoring reports, and GL entries. Figures below were cross-checked against those sources. This letter does not allege motive.

We share the County's goal of a sustainable ferry and fares riders can afford. This is not a complete list of the issues we found, and we offer it to help, not to assign blame. The simplest way to resolve them is to pause the 2027 increase and reinstate the Guemes Island Ferry Committee (GIFC), so that riders, Public Works, and the Ferry Division can review the numbers together before a target is set. We ask the Board to hear these concerns in that spirit.

We ask the Board not to adopt 2027 fares from this report as issued. The $2,524,069 target is 60% of a five-year average, and neither part holds up. The 60% is a staff step the Board's own letter says it never set. The ferry's O&M has come in 16% to 21% under budget in each of the last two years, yet the average escalates a 2026 staffing budget that is 16.9% above what the ferry spent on salaries in 2025, and that includes $517,096 of part-time salaries with no charges in 2024, 2025, or the first half of 2026, plus an information services budget of $171,834 with $39,605 billed through June. It still contains 2024 and 2025 capital and casualty items (Finding 3), subtracts Youth Ride Free twice, and is set against 2025 and 2026 targets that do not match the County's own reports (Findings 5 and 7). Those are facts already in the County's reports, monitoring prints, resolutions, and GL. We ask the Board to pause the 2027 increase so these can be reconciled together before fares are set.

The 2027 Target: What Drives $2,524,069

Table 1 of the final looks complicated, but it comes down to five numbers and one percentage. The five numbers are the ferry's Adjusted O&M for 2024 through 2028: what it costs to run the ferry (salaries, benefits, fuel, insurance, repairs, and the rest) minus the fuel tax, state deficit reimbursement, and Youth Ride Free money the ferry receives. The County averages the five and takes 60%. That is the amount fares are supposed to raise.

Table — Table 1 in Five Numbers

Year	What the number is	Adjusted O&M
2024	Actual spending	$2,548,385
2025	Actual spending	$4,295,174
2026	Budget adopted at June 30	$4,579,425
2027	The 2026 budget, plus 3.26% inflation	$4,741,892
2028	The 2027 number, plus 2.46% inflation	$4,869,031
Average	**Sum of the five, divided by five**	**$4,206,781**
2027 target	**60% of the average**	**$2,524,069**

Only two of the five numbers are actual spending. The other three are the 2026 budget and that same budget grown by inflation for 2027 and 2028. Whatever is in the 2026 budget therefore counts in three of the five years.

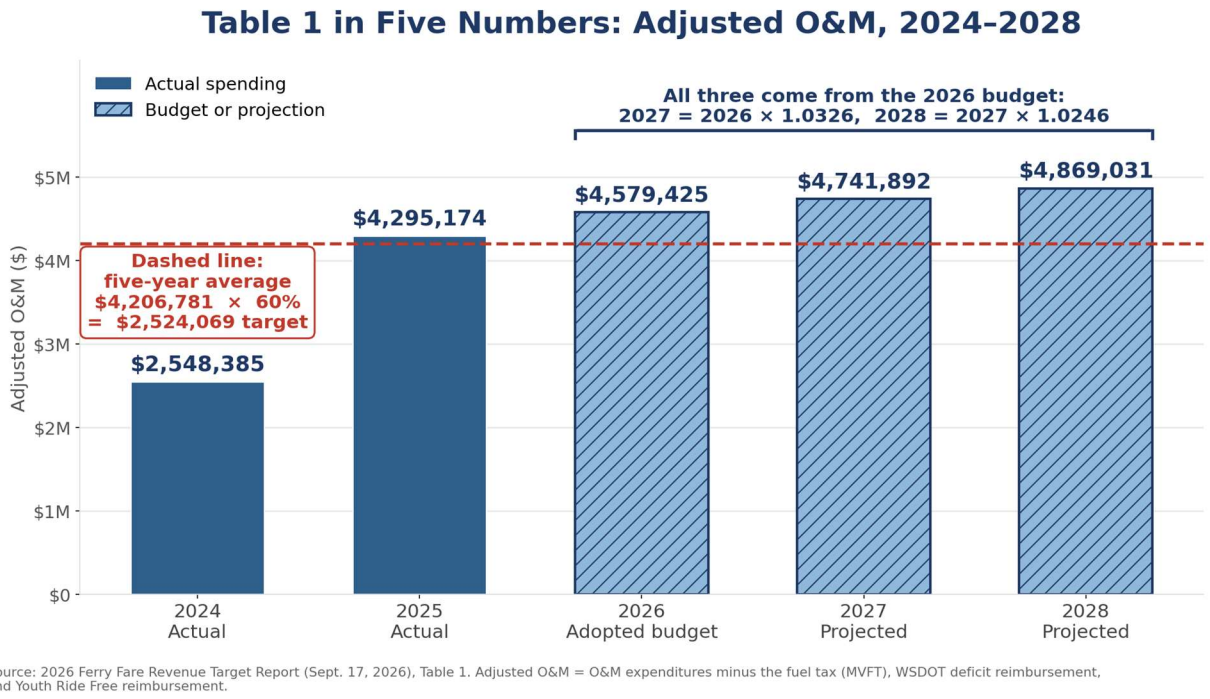


Figure — Table 1 in Five Numbers

The percentage and the base are the two levers. The table below shows how much each moves the target.

Table — What Moves the 2027 Target

Lever	Effect on the $2,524,069 target	Where
The 60% is a staff step; the Board says it set no amount for any year (55% instead)	−$210,339	Finding 1
Each 10% the 2026 non-maintenance base is above what is spent (the last two years ran 16% to 21% under budget)	about −$152,000	Finding 2a
2026 staffing budget 10% above what is needed	about −$76,000	Finding 2b
Federal Ferry Boat Program funding subtracted like the other outside revenue (County's Table 5 average)	about −$248,000	Revenue
Insurance recovery applied to the O&M years that held the loss (repairs and maintenance share)	about −$7,500	Revenue
2026 salaries held at 2025 actual plus the most the union contract adds (2.65% COLA and one step)	about −$53,000	Finding 2b
2026 information services charge held at 2025 actual plus 3.26% inflation	about −$26,000	Finding 2c
2024 Crucible reclassification removed from the 2024 actual	−$20,914	Finding 3a
Youth Ride Free counted twice, corrected	+$3,170	Finding 4

Each row is computed from Table 1 on its own and rounded. The staffing rows change the 2026 budget and carry it through the 2027 and 2028 escalation. The rows show where the target is sensitive; they are not offered as the number the Board must adopt. The Youth Ride Free row cuts the other way and is included for accuracy.

Finding 1 — The Reports Themselves State Year-Specific Recovery Rates. The Final Prices 2027 at 60%

Five points of recovery is $210,339 on the 2027 target, the largest single lever in the report. The 60% is the County's step, and the Board's own letter says it never set one.

Each published target report states a year-specific recovery rate on the way to 65% by December 31, 2028.

Table — Year-Specific Recovery Rate, As Each Report States It

Report	What the table does	What that report calls the rate
Oct. 30, 2024 (set 2025 fares)	Table 1 × 65% → $2,364,662	“reach a 65 percent fare box revenue target phased over a 5-year period from August 15, 2023, through December 31, 2028”
Sept. 30, 2025 (set 2026 fares)	Table 1 × 55% → $2,319,876	Footnote 4: “Goal is 65 percent by December 31, 2028 — 2025 recovery requirement is 55 percent”
Sept. 17, 2026 final (proposes 2027 fares)	Table 1 × 60% → $2,524,069	Footnote 7: “Goal is 65 percent by December 31, 2028 — the 2027 recovery target is 60 percent.” Overview: “In 2027, the Public Works Department is recommending a 14 percent fare increase.”

Table 6 of the final continues the sequence: 2027 at 60%, 2028 and 2029 at 65%. The Recommendations describe the Board's goal as “indicating a steady 5 percent increase in the recovery goal each year from 2025 through 2028.” That is the County's inference, not a step the Board adopted.

The Board says so itself. Its September 14, 2026 letter states: “There was no amount set for any phase or any year, but the end goal was 65% by 2028,” and “the Board has not adopted a ‘staircase’ of rates to reach the end goal.” The same letter defends its numbers with interim goals: “the recovery goal for 2023 and 2024 was actually 45%” and “the next interim recovery milestone of 50%.” The Public Works letter of September 11, 2026 calls a 50% goal “the intent of the revenue target calculation.”

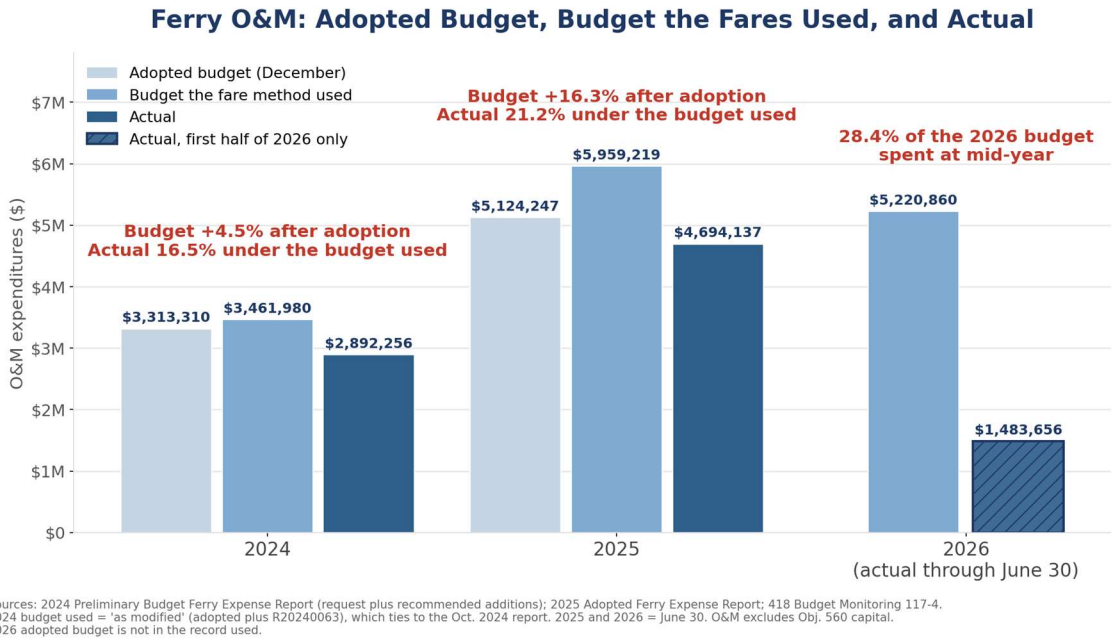
The final multiplies Table 1 by 60% and calls that “the 2027 recovery target” in footnote 7, although the Board's own letter says no amount was set for any phase or year. The public is commenting on a 60% cell and a 14% recommendation built on it. Finding 7's $2,077,748 does not decide whether 60% attaches to 2027; it does show that 60% of a contaminated base is not the Exhibit A exercise.

Sources: 2024 report p. 1 and Table 1; 2025 report Table 1 note 4; 2026 final Overview, Recommendations, Table 1 note 7 and Table 6; R20230152 Exhibit A and Exhibit B; Board letter of Sept. 14, 2026 and Public Works letter of Sept. 11, 2026 (R20260179 packet).

Finding 2 — The 2026 Budget Base Is Well Above What the Ferry Has Spent

2a. The last two years: the budgets the fares used ran well above spending

The fare method takes the current year's budget as of June 30, not the budget the Board adopts in December. In both years that budget grew after adoption, and in both years actual spending came in below even the adopted figure.



Sources: 2024 Preliminary Budget Ferry Expense Report (request plus recommended additions); 2025 Adopted Ferry Expense Report; 418 Budget Monitoring 117-4. 2024 budget used = 'as modified' (adopted plus R20240063), which ties to the Oct. 2024 report. 2025 and 2026 = June 30. O&M excludes Obj. 560 capital. 2026 adopted budget is not in the record used.

Figure — Ferry O&M: Adopted Budget, Budget the Fares Used, and Actual

Table — Ferry O&M Budget at Each Stage, 2024 to 2026

Year	Preliminary (Nov.)	Adopted (Dec.)	Budget the fares used	Year-end	Actual
2024	$3,060,584	$3,313,310	$3,461,980 (as modified)	$3,651,575	$2,892,256
2025	$5,124,247	$5,124,247	$5,959,219 (June 30)	$5,601,136	$4,694,137
2026	$6,142,810	—	$5,220,860 (June 30)	—	$1,483,656 (to June 30)

A dash means not available: the 2026 year-end budget does not yet exist, and the December 2025 adopted budget is not in the record used. The final calls the June 30, 2026 figure the "Adopted budget as of June 30, 2026."

- 2024: R20240063 added $148,670 (+4.5%) in March. The October 2024 report used that figure; its Services & Pass-Throughs subtotal of $1,174,713 ties to it exactly. Actual was $569,724 (16.5%) under it.
- 2025: The budget grew $834,972 (16.3%) between adoption and June 30, and that is the figure the September 2025 report used to set the 2026 fares. Actual was $1,265,082 (21.2%) under it. The budget was later amended to $5,601,136, the lower figure behind the final's Summary statement that 2025 was "16 percent below budget."
- 2026: The November 17, 2025 preliminary budget requested $6,142,810 of O&M. By June 30 the budget the final calls adopted was $5,220,860, which is $921,950 (15.0%) lower, mainly repairs and maintenance ($528,000), professional services ($224,500), and miscellaneous ($149,805). Through June 30 the ferry has spent 28.4% of the $5,220,860 that Table 1 uses.

The final attributes the 2025 gap to salaries and benefits ($150,714), fuel ($113,886), insurance ($277,059), and repairs and maintenance ($342,700).

The method takes the June 30 budget at face value and escalates it into 2027 and 2028. The 2026 budget is the base for three of the five years in Table 1, so if it runs above spending again, the 2027 target carries the difference. Each 10% by which the 2026 non-maintenance base proves too high lowers the 2027 target by about $152,000.

The 2026 budget is also above 2025 actual, even though 2025 carried the extended haul-out. The two haul-out lines, repairs and maintenance and rentals, are budgeted $560,653 lower. The increase is elsewhere.

Table — 2026 Budget vs. 2025 Actual, Largest Lines

Line	2025 actual	2026 budget	Change
Repairs and maintenance (Det 4810)	$1,433,849	$1,122,000	−$311,849
Rentals (Det 4510)	$463,804	$215,000	−$248,804
Insurance (Det 4610)	$99,341	$467,830	+$368,489
Salaries and wages (Obj 510)	$1,338,537	$1,564,402	+$225,865
Fuel (Det 3200)	$159,964	$305,066	+$145,102
Professional services (Det 4110, 4128)	$294,750	$433,435	+$138,685
Information services (Det 4190)	$98,645	$171,834	+$73,189
All other lines	$805,247	$941,293	+$136,046
Total O&M	**$4,694,137**	**$5,220,860**	**+$526,723**

Question for the County: Why is the 2026 O&M budget $526,723 (11.2%) higher than 2025 actual, when 2025 included the extended haul-out?

Sources: 418 Budget Monitoring 117-4, Period 12 ending Dec. 31, 2025, and Period 6 ending June 30, 2026 (Appendix D of the final). O&M excludes Obj. 560 capital outlays.

The County has described the June 30 date differently in different places:

Table — What the County Has Said About the June 30 Budget Date

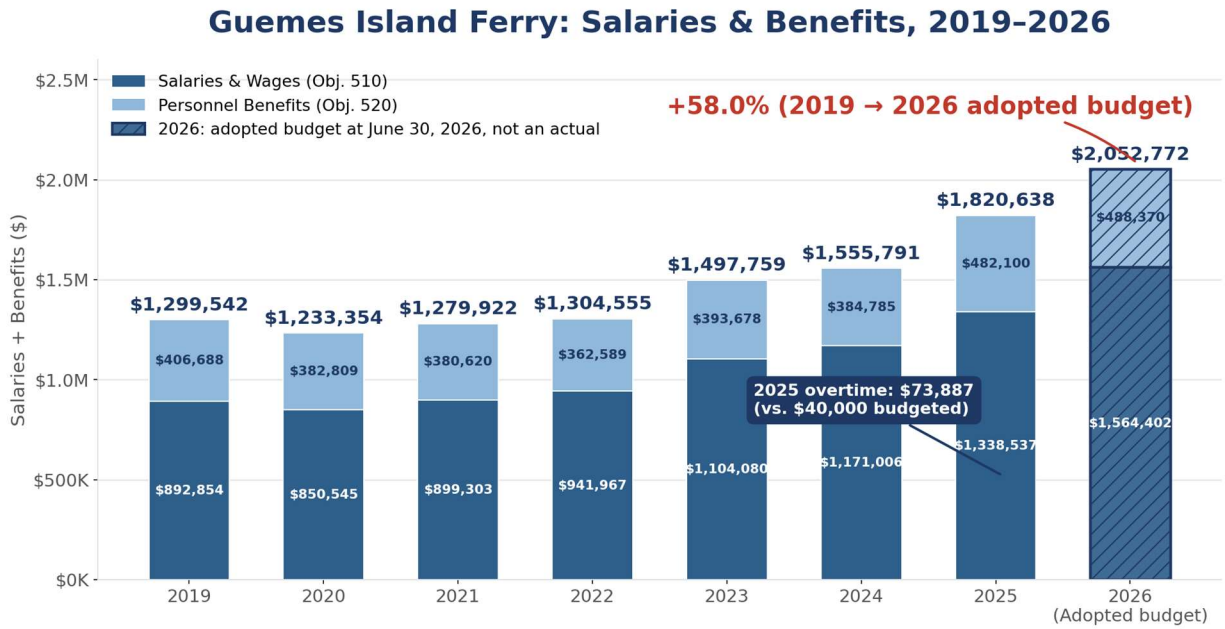
Source	Date	What it says
R20230152, as quoted in the Board's Sept. 14, 2026 letter	2023	“the current year's approved budget”; no date
Ferry Division Manager to the Board (transcript)	Sept. 16, 2025	$1.786 million “IS the adopted budget as of June 30th, 2025”
2025 target report, which set the 2026 fares	Sept. 30, 2025	Cites Period 6 of the budget monitoring report, ending June 30, 2025
R20250259	Nov. 10, 2025	Per the County's email, the Board's approval on this date created the requirement to use the adopted budget as of June 30
Marie Lambert declaration (Appendix B, R20260179 packet)	July 24, 2026	When the fare resolution went to the Board in October 2024, the 2025 cost projections “were based on the 2024 year-to-date budget projections as of June 30, 2024, adjusted for anticipated inflation”
Email from the County's Communications Manager to Fair Fares	2026	The June 30 requirement “did not exist” when the 2026 fares were calculated. The calculation used the “current approved budget” as of the Sept. 29, 2025 amendment, “which included the updated Repairs & Maintenance amount”
The final report, methodology	Sept. 17, 2026	“the current year's adjusted budget, as of June 30”

Question for the County: The County now says the 2026 fare calculation used the budget as amended on September 29, 2025. Why, then, does the report's $5,959,219 subtotal come from the June 30 budget, before the $654,923 was moved out of Repairs & Maintenance?

Sources: R20230152 as quoted in the Board's letter of Sept. 14, 2026 (R20260179 packet); Sept. 16, 2025 transcript; 2025 target report, Figure 1 and footnotes; R20250259; Lambert declaration (July 24, 2026, Appendix B to the R20260179 packet); email from the County's Communications Manager to Fair Fares; the final, Overview.

2b. Staffing is half the base the 2027 projection escalates

Salaries and benefits are $2,052,772 of the 2026 budget, 50.1% of the $4,098,860 non-maintenance base that Table 1 escalates into 2027 and 2028 (Figure 2; 418 Budget Monitoring 117-4, June 30, 2026). Whatever sits in that staffing line is carried forward and averaged into the 2027 target.



Source: 2021 Skagit County Public Works division summary report (2019 salary/benefit split); Ferry Fare Revenue Target Report appendices (2020–2024); 418 Budget Monitoring 117-4, Period 12 ending Dec. 31, 2025 (2025 actual) and Period 6 ending June 30, 2026 (2026 adopted budget: $1,564,402 + $488,370). The 2026 preliminary request (Nov. 17, 2025) was $2,089,106.

Figure — Guemes Island Ferry Salaries & Benefits, 2019–2026 (2026 as Adopted)

- The 2026 salaries budget of $1,564,402 is 16.9% above 2025 actual salaries ($1,338,537) and 8.6% above the 2025 salaries budget ($1,441,153).
- Salaries came in under budget in both prior years: by 14.3% in 2024 and 7.1% in 2025 (Appendix D). Through June 30, 2026 they stand at $640,774, or 41.0% of the 2026 budget.
- The 2026 budget includes $517,096 for part-time salaries (Det 1200), a third of the salaries budget. That line was budgeted at $284,676 in 2024 and $300,003 in 2025, and nothing was charged to it in either year or through June 30, 2026 (Appendix D).
- Overtime is the one staffing line that has run over: $73,887 in 2025 against a $40,000 budget, as marked on the chart.

Staff will point to the union contract. The Inlandboatmen's Union agreement (Contract C20250596, signed December 1, 2025) gives a 2.65% increase on January 1, 2026 (Rule 13.01 and Attachment A). Each employee below the top of the scale also moves up a step after 2,080 hours, worth about 3.5% (Rule 13.03), and shifts starting at noon or later carry a $15 differential (Rule 14.08). Those are real costs. They do not close the gap to what was spent.

Table — What the Union Contract Can Explain (Salaries)

Item	Amount
2026 salaries budget over 2025 actual salaries	$225,865
2.65% cost-of-living increase on 2025 actual	$35,471
One step for every employee, about 3.5% (a ceiling: assumes no one is at the top step)	$48,090
The most the contract adds to 2025 actual	**$83,562**
Not explained by the contract	**$142,303**

Against the 2025 salaries budget ($1,441,153), the same contract growth reaches about $1,531,000, roughly $33,000 below the adopted $1,564,402. The shift differential and the guaranteed hours for regular part-time employees are not separately identified in the budget. The gap that matters is between the budget and what has been spent.

The resolution's method takes the adopted budget at face value, so this is not an arithmetic error. It is what the Board is being asked to lock in for 2027 and 2028. Each 10% by which the 2026 staffing budget exceeds what is needed lowers the 2027 target by about $76,000; holding salaries at 2025 actual plus the most the union contract adds lowers it by about $53,000.

Sources: 418 Budget Monitoring 117-4 for 2024, 2025, and June 30, 2026 (Appendix D of the final); the final, Table 1 and Figure 2; Skagit County 2026 Preliminary Budget, General Fund Expense Report (Nov. 14, 2025) and Ferry Expense Report (Nov. 17, 2025); 2019 salary and benefit split from the 2021 Public Works division summary report; Contract C20250596 (IBU agreement), Rules 13 and 14 and Attachment A; goskagit.com, Dec. 9, 2025.

2c. Interfund information services: budgeted at $171,834 against $98,645 billed in 2025

The 2026 budget for Interfund Information Services (Det 4190) is $171,834, against $98,645 billed in 2025 and $39,605 billed through June 30, 2026 (Appendix D).

Table — Interfund Information Services (Det 4190), Budget and Actual

Year	Budget	Actual	Actual vs. budget
2024	$75,557	$83,885	11.0% over
2025	$85,127	$98,645	15.9% over
2026	$171,834	$39,605 through June 30	23.0% of budget used

Question for the County: Why does the 2026 information services budget more than double, to $171,834, when the ferry was billed $98,645 in 2025 and $39,605 through June 30?

Sources: 418 Budget Monitoring 117-4 for 2024, 2025, and June 30, 2026 (Appendix D of the final), Det 4190; the final, Table 1 and Figure 2.

2d. How the Ferry Division compares with other departments

The same question can be asked of the whole County: how does the Ferry Division's salaries and benefits budget compare with other departments over the same budget cycle?

Table — Salaries & Benefits, 2025 Budget to 2026 Preliminary Request: Ferry and General Fund Departments

Department	2025 budget	2026 preliminary	Change
Ferry Division (Road Fund)	**$1,971,352**	**$2,089,106**	**+5.97%**
Treasurer	$1,539,714	$1,580,644	+2.66%
Assessor	$2,465,667	$2,526,844	+2.48%
General Maintenance	$3,559,904	$3,625,788	+1.85%
District Court	$4,924,256	$4,988,399	+1.30%
County Clerk	$2,180,994	$2,192,643	+0.53%
Auditor	$1,461,034	$1,466,392	+0.37%
Commissioners	$959,927	$958,646	−0.13%
Sheriff	$16,634,054	$16,490,320	−0.86%
Public Defender	$5,984,866	$5,933,130	−0.86%
Office of Juvenile Court	$3,301,120	$3,268,964	−0.97%
Administrative Services	$2,414,126	$2,352,957	−2.53%
Coroner	$851,151	$809,712	−4.87%
Superior Courts	$3,651,317	$3,462,173	−5.18%
Noxious Weed Control	$269,985	$251,513	−6.84%
Prosecuting Attorney	$6,707,823	$6,237,561	−7.01%
General Fund, all departments	**$88,231,836**	**$90,572,148**	**+2.65%**

- Nine of the 15 General Fund departments requested less for salaries and benefits than they were budgeted in 2025, five of them by more than 1% and four by more than 4%. Six requested more, all by under 3%. The full General Fund grew 2.65%.
- The Ferry request was +5.97%, higher than every department. The adopted ferry budget is $2,052,772: +4.1% over the 2025 budget and +12.8% over 2025 actual.
- The comparison is preliminary to preliminary, the only basis on which every department can be compared. That year the County reported a $19 million shortfall and cut 51 General Fund positions (goskagit.com, Dec. 9, 2025).

The Ferry Division is in the Road Fund, not the General Fund. Cost-of-living adjustments, retirement rates, and health premiums apply in either fund, and they do not explain a ferry request more than double the General Fund average.

Sources: Skagit County 2026 Preliminary Budget, General Fund Expense Report (Nov. 14, 2025) and Ferry Expense Report (Nov. 17, 2025); 418 Budget Monitoring 117-4, June 30, 2026; goskagit.com, Dec. 9, 2025.

Finding 3 — Capital, Wrong-Fund, and Non-Operating Items Remain in the Figures the Final Averages

2027 fares use 2024 actual and 2025 actual. Projections used to set 2025 tickets do not clean those actuals.

3a. 2024 O&M Actual

Reported 2024 O&M is $2,893,135 (the 2025 report, and the 2024 County Ferry System Operations Report in Appendix C of the final) / $2,892,256 (Table 1).

Table — Items Still in the 2024 O&M Actual

Item	Amount	Record
Crucible Engineering (7 invoices, C20240297, FE8-10)	$174,283.65	Still in the reported 2024 O&M actual. Batch 105086 capitalized it through Fund 800 equity (GL 29448). Fund 117 O&M was never credited. Fund 117 Object 560 actual for 2024 was $0.00
Dakota Creek, invoice 11212 (Dec. 2024 emergency prop work, invoice dated 1/21/25)	$12,091.99	JV batch 102669 (Feb. 28, 2025) accrues this back to GL 117-55304284810, job FE8-60-2, "Ferry Emergency Repairs" — booked as a 2024 expense, consistent with the invoice's own Dec. 2024 service dates. Also part of the Travelers claim; see 3c

There is no explanation in the final for a 2024 O&M actual of $2,892,256 that still includes $174,283.65 of Crucible engine-install engineering later capitalized to FE8-10 through Fund 800 equity. There is no explanation in the final for why Fund 117 O&M was never credited. There is no explanation in the final for Dakota Creek's $12,091.99 insurance invoice sitting in 2024 while the recovery sits in 2026.

On August 18, 2026, describing the same engine-repower project, Rachel Rowe defined capital as including "any engineering that went along with" engine purchase and installation. On September 16, 2025 she told the Board the 2024 breakdown contained no capital.

The July 31, 2026 order required corresponding O&M entries in related reports to exclude capital associated with engine installation, outdrives, extended dry-dock, and related refurbishment. The final is such a report. Its 2024 actual still includes $174,283.65 of that engineering.

Corrected 2024 O&M after Crucible only: $2,718,851.35, from the $2,893,135 reported in the 2025 report. That is the 2024 figure used in Finding 7. Applied to Table 1 of the final ($2,892,256), the same correction gives $2,717,972. Dakota Creek is listed; it is not stripped in that run.

3b. 2025 Items Still in Fund 117 / Det 4810

The final's Table 1 2025 actual is $4,694,137. The rows below are inside that figure. Closeness to a budget does not make the actual clean. A 2025 budget-coding statement does not credit Det 4810.

Table — Items Still in the 2025 O&M Actual (Fund 117, Det 4810)

Item	Amount	Record
Stabbert Marine emergency propeller repair (Travelers claim)	$53,663.66	Part of the Travelers hull claim and settlement: the three Stabbert invoices are in the R/M share ($112,752.14 submitted, $62,752.14 recovered; see 3c). R20250002 named Road funds, cap $150,000, Stabbert among the named vendors. 2025 invoices 107521 / 107586 / 107588 posted to Fund 117 Det 4810
NBBB CO-014 (generator foundation coating)	$17,676.47	Same haul-out / engine-install capital project. Left in O&M R&M
Crucible invoice 25-097, Task 5 (USCG incline / stability test)	$41,371.07	Crucible 2025 work on the repower / haul-out. Posted to O&M, not FE8-10
VECA Electric marine signal / stop-light work	$23,221	Invoices 133033 / 133032. New signal installation, not recurring R&M
Economy Fence (new terminal fence)	$9,893	Invoice 0045389-IN. New asset, not repair of an existing fence
TruckPro drivelines	$8,243	Invoice 318-0305462. New driveline equipment charged to fare O&M

Item	Amount	Record
Maul Foster (C20250554)	$7,111	Invoices 70963 / 71236. Tagged on fare O&M; remainder of contract not in this figure
James G. Murphy commission	$4,104	Invoice 15837. Commission charged to fare O&M

There is no explanation in the final for $4,694,137 still holding those rows. NBBB $662,211.33 and 2025 Crucible $94,197.50 were reclassified inside Fund 117. They are not on this list. Dakota Creek's $12,091.99 sits in 2024, not 2025, per JV batch 102669 (see 3a and 3c); CO-006, Arrow Launch, and the scanner portion of the VECA invoices are not on this list.

3c. The $90,379.70 Propeller Settlement Is 2026 Revenue. It Does Not Reduce the O&M Years That Held the Loss

The final does not explain why insurance recoveries sit in 2026 revenue while the loss they reimburse sits in the years Table 1 averages. Det 9520, “Insurance Recoveries-Proceeds,” shows $93,529.70 at June 30, 2026 (418 Budget Monitoring 117-4, Object 390, reproduced in Appendix D of the final). Of that, $90,379.70 is the Travelers propeller settlement: a check dated April 2, 2026, stamped received by Public Works Admin on April 6, 2026, marked “full and final settlement,” with a loss date of 12/28/24. The record does not identify the other $3,150.

The No. 2 propeller came off in transit from Guemes on December 28, 2024. Travelers' check carries that loss date; the Public Works letter of September 11, 2026 says December 30. Dakota Creek did the first emergency work (invoice 11212, “Repairs/Reinstall Prop”) and Stabbert installed the spare outdrive and propeller in early January 2025. The loss posted to Fund 117 Det 4810. Dakota Creek's $12,091.99 claim invoice was accrued back to 2024 (JV batch 102669, GL 117-55304284810, job FE8-60-2). Stabbert's 2025 invoices remain in 2025 Det 4810. The recovery posted to 2026 other-financing revenue.

Risk and Safety's April 1, 2026 email lays out the settlement: $188,194.90 in invoices submitted, less $47,815.20 of uncovered costs (the passenger ferry, Arrow Launch invoices 54872 and 54873), a $140,379.70 gross claim, less a $50,000 deductible, for a net of $90,379.70. The County's own claim settlement worksheet then shows how that recovery split between capital and R/M, and the split is not proportional:

Table — Travelers Settlement, By Claim Category

	Invoices submitted	Amount recovered	Deductible absorbed
Capital (Pacific Star PSU2233, Kruger & Sons, Everett Engineering)	$27,627.56	$27,627.56	$0.00
R/M (Dakota Creek 11212, Stabbert ×3, Pacific Star PSU2232)	$112,752.14	$62,752.14	$50,000.00
Total	$140,379.70	$90,379.70	$50,000.00

The capital share of the claim was reimbursed dollar for dollar — $27,627.56 submitted, $27,627.56 recovered, no deductible impact at all. The entire $50,000 deductible was charged against the R/M share alone, the same $112,752.14 that includes Dakota Creek's $12,091.99. That is not what a proportional allocation of one deductible across one claim looks like. It is a choice that left capital fully reimbursed and put the whole cost of the deductible on the O&M side — the side that flows into the fare-target actuals the final averages for 2027.

There is no explanation in the final for why a casualty reimbursement is 2026 revenue instead of a reduction of the O&M year that held the loss. There is no explanation in the final for how $90,379.70 reimburses ridership, or why riders still carry the casualty in the 2024 and 2025 actuals that Table 1 averages for 2027. Exhibit A's offsets are MVFT, deficit reimbursement, and Youth Ride Free. Insurance recoveries are not on that list. Leaving the recovery in 2026 Det 9520, and leaving the loss in prior-year O&M, means fare payers fund the casualty in the five-year average and the County books the repayment as unrelated 2026 cash.

The Board is being asked to adopt 2027 fares from Table 1 without addressing that split.

Booking a casualty recovery as 2026 revenue, while the loss stays in the prior-year O&M actuals that riders are charged on, is not an accounting judgment call the record supports. Nor does a deductible landing entirely on the O&M side of a claim, while the capital side is made whole, explain itself.

Sources: GL 117-55304284110; batch 105086; JV batch 102669 (Feb. 28, 2025), GL 117-55304284810, job FE8-60-2; 2024 and 2025 Fund 117 GL; R20250002; NBBB CO-014; Crucible 25-097; VECA 133033 / 133032; Economy Fence 0045389-IN; TruckPro 318-0305462; Maul Foster 70963 / 71236; James G. Murphy 15837; 418 Budget Monitoring 117-4, June 30, 2026, Det 9520; Travelers marine claim settlement worksheet, GL 117-353049520; Travelers check 896F 00377689 (April 2, 2026, loss date 12/28/24); M. Houben email to Public Works, April 1, 2026; July 31, 2026 order; Aug. 18, 2026 and Sept. 16, 2025 transcripts; the final, Table 1 and Figure 2 / Appendix D.

Finding 4 — The Final Does Not Add to Itself

The items below are in the final. Each can be checked against the final's own tables, its appendices, and the County's ledgers.

- The Summary mislabels the five-year average. It says "the five-year average of O&M expenditures is $4,206,781 (see Table 1)." That figure is Table 1's Adjusted O&M average. Table 1's five-year average for O&M expenditures is $4,611,011.
- Youth Ride Free is counted twice. In 2025, $14,774 is subtracted in Table 1 and Table 3 after Deficit Reimbursement of $291,086; GL Det 0092 ($276,312) plus Det 0372 ($14,774) equals $291,086. 2024 follows the same pattern: Det 0092 ($258,189) plus Det 0372 ($11,641) equals the $269,830 Deficit Reimbursement, and Table 1 subtracts $11,641 again. The 2024 and 2025 Operations Reports in Appendix C, which the final cites as the source for Table 1's deficit reimbursement, print those same totals. The double subtraction lowers Adjusted O&M, so correcting it would raise the 2027 target by about $3,170 (($11,641 + $14,774) ÷ 5 × 60%). It is cited here as a reconciliation failure, not as a reason to lower the target.
- Table 5's "5-Year Average" column mixes divisors. FBP is averaged over three years ($414,145 = $1,242,434 ÷ 3) and Youth Ride Free over two ($13,208 = $26,415 ÷ 2); the other rows are divided by five. The column therefore totals $3,635,073, while the five-year average of the yearly totals is $3,461,490. That is the figure the Summary itself gives for 2021–2025 O&M ($3,461,491, Table 6), and it matches the "$3.5 million" in the sentence under Table 5. Divided by five, FBP averages $248,487 and Youth Ride Free $5,283. Figures 3 and 4 use the mixed averages: FBP shows 11.39% instead of 7.18%, and fares 35.04% instead of 36.80%.
- The 14% recommendation is described two ways, and the 2026 base is not reconciled. The Recommendations say "a fare increase of 14 percent over 2025 fares is needed," but Appendix A applies 14% to 2026 current O&M fares, which are already 30% above 2025. Table 7's 2026 "Budgeted" farebox of $1,900,000 is exactly the Det 4471 budget line in Appendix D, and the Recommendations call it the projected 2026 total. Collections through June 30 were $1,044,931 and the summer peak is still to come, so 2026 may finish higher. But the report cannot have it both ways. Its account of rider fare sensitivity ("The shortfall from the revenue targets the last two years reflect increased fare sensitivity among riders") depends on 2026 ending near $1.9 million, while its 2027 estimate of $2,529,428 at a 14% increase implies a 2026 base of about $2.2 million. The report does not state the traffic base the fare tool applies to the 2027 rates, and says its 60.1% recovery is "without elasticity factored in." Appendix B shows 2025 vehicles at 137,985 against 196,756 in 2024.

Table 1's core arithmetic, as printed, checks. The 2026 Figure 2 bridge to the June 30, 2026 monitoring report checks object by object. The 2025 sourcing defect was not repeated for 2026 inputs. Those facts do not clean Findings 3, 5, 6, and 7.

Sources: September 17 final, Tables 1, 3, 5, 6, 7, Summary, Recommendations, and Appendices B, C, and D; Fund 117 revenue detail, Det 0092 and Det 0372; 418 Budget Monitoring 117-4, June 30, 2026; 2024 and 2025 County Ferry System Operations Reports.

Finding 5 — The Final Measures 2025 Against a Target the County Had Already Replaced: $1,818,971, Not the $1,999,592 in Its Own 2025 Target Report

Checked line by line in the fare-target reports for every cell labeled as the 2025 revenue target:

Table — Three Figures Labeled the 2025 Target

#	Source	2025 target	In the final?
Derived	Derived in the final's Table 2 footnote: 2024 report Adjusted O&M ($3,637,941) × 50% goal for 2025	$1,818,971	Yes — Tables 2, 6, 8 and the Summary
Published	Sept. 30, 2025 report, Tables 6–7, and Sept. 16, 2025 Board slides	$1,999,592	No
Restated	Public Works letter of Sept. 11, 2026, p. 6 (attached to R20260179): the County's recalculation of the 2024 model with the $400,000 haul-out removed before CPI, at a 50% goal	$1,735,630	No

$1,999,592 does not appear anywhere in the final report.

The final does not use the target the County stated for 2025. The County's own 2025 target report states $1,999,592. The final reaches back past that report to $1,818,971, the pre-increase figure from the 2024 report cycle. Every 2025 result in the final is measured against that older number: the $363,873 shortfall in Table 2, the 2025 target in Table 6, the 2025 variance in Table 8, and the Summary's statement that the 30% increase "was not successful." A shortfall means something only against the target that applied. Here the County measured 2025 against a target it had already replaced, and never says so.

The $1,818,971 is the pre-increase figure: the 2024 report's Adjusted O&M at the 50% goal for 2025. It is the 2024-report 50% line. (The Public Works letter of September 11, 2026 prints it as $1,818,970; the difference is rounding.) Figure 1 of that report deducted "2024 Est. haul out, maintenance, & repair" of $400,000 from a 2024 subtotal of $3,461,980, then applied Seattle CPI of 2.64% and 2.99% and added annualized maintenance. The published 2025 "without haul-out" cell is $3,553,376. That cell is $3,461,980 × 1.0264 — inflation on the subtotal before the $400,000 came out. $400,000 × 1.0264 = $410,560, which is the entire excess over the 2.64% the same report's footnote committed to. Public Works has since recalculated that model with the $400,000 stripped first and stated a 50% result of $1,735,630 (Public Works letter of September 11, 2026, p. 6, attached to R20260179).

The final prints $1,818,971 as the 2025 target. Table 2, with its source footnote:

> *"As shown in Table 2, the County's revenue target for 2025 was $1,818,971. Actual farebox revenue totaled $1,455,098, resulting in a shortfall of $363,873."*
> *— 2026 Ferry Fare Revenue Target Report (September 17, 2026), Table 2, footnote 1: "Source: 2024 Ferry Fare Revenue Target Report – Table 1 – Adjusted O&M ($3,637,941) multiplied by 50% goal for 2025."*

Table — Shortfall Measured Against Each Version

Measured against $1,455,098	Shortfall
Derived figure (printed in the final)	−$363,873
Published 2025 target	−$544,494
Restated target	−$280,532

The final's Table 2 footnote says where $1,818,971 comes from: the 2024 report's Table 1 at 50%. It does not explain why the final prints a figure derived from the 2024 report instead of the $1,999,592 the County published as the 2025 target in September 2025, or why it does so after staff restated the same 2024 model at $1,735,630 once the $400,000 haul-out was stripped before CPI. Using $1,818,971 makes the 2025 miss $180,621 smaller than the miss measured against the County's published 2025 target ($363,873 instead of $544,494). The Summary uses the smaller miss to say the February 2025 30% increase "was not successful." That sentence is only as good as the target it is measured against.

That 2025 farebox missed a 50% goal is an argument about 2025 ticket prices. It is not an explanation for leaving the derived figure in a 2027 Table 6, and it is not an explanation for leaving $174,284 of engine-install engineering in the 2024 actual the final averages. Table 6 of the final also prints 2025 Adjusted O&M of $4,295,174 beside the $1,818,971 target. The target is 42.3% of that figure because it was computed from the 2024 report's projection ($3,637,941), not from 2025 actuals.

The restated figure comes from a restatement inside the 2024 workbook (years 2022–2026). It is not the 2027 fare driver. The 2027 driver is the five-year average in the final and its predecessor, corrected in Finding 7. The Board is being asked to measure 2025, and to tell the 2027 story, against a cell the final does not reconcile with either published figure.

Questions for the County. The 2025 shortfall depends on the answer: $363,873 against $1,818,971, or $544,494 against $1,999,592.

- The County's September 2025 FFTR documents $1,999,592 as the 2025 revenue target in multiple places. Why would the County publish a different 2025 revenue target in the final?
- The 2024 report and R20250015 print $2,364,662 (65%) as the 2025 target, as the Public Works letter of September 11, 2026 acknowledges. Where, before that letter, did the County publish $1,818,971 as the 2025 revenue target? Identify the document, date, and page.
- Why does Table 2 of the final call $1,818,971 "the County's revenue target for 2025" and measure the 2025 shortfall against it, when the County's own 2025 FFTR documents $1,999,592?
- The Public Works letter of September 11, 2026, attached to R20260179, gives the 2025 target as $1,818,970 and recalculates it at $1,735,630. Three days later the final prints $1,818,971 and does not mention the recalculation. Which figure is the County's 2025 target, and why does the final not say?

The County's own September 2025 report documented $1,999,592 as the 2025 target in multiple places. Nothing in the final explains why a different, derived number appears instead — or why the final passes over the one the County itself relied on when it set 2026 fares.

Sources: 2024 Ferry Fare Revenue Target Report (Oct. 30, 2024), Table 1 and Figure 1; 2025 Ferry Fare Revenue Target Report (Sept. 30, 2025), Tables 6–7 and Sept. 16, 2025 slides; 2026 Ferry Fare Revenue Target Report, draft (July 30, 2026) and final (Sept. 17, 2026), Tables 2 (including footnote 1), 6, 8 and Summary; Public Works letter, Sept. 11, 2026, p. 6 (R20260179 packet).

Finding 6 — Table 6's 2023 and 2024 Targets Are Not the Targets Those Years Were Set and Managed Under

R20230152 and the October 30, 2024 report set 2023 and 2024 at $1,888,207. From the September 30, 2025 report forward, including the final's Table 6, both years show $1,307,220.

Table — 2023/2024 Target, As Set vs. As Now Printed

	Target in the controlling report	Farebox	Variance
2023 as set	$1,888,207	$1,250,681	−$637,526
2023 as now printed	$1,307,220	$1,250,681	−$56,539
2024 as set	$1,888,207	$1,346,019	−$542,188
2024 as now printed	$1,307,220	$1,346,019	+$38,799

There is no explanation in the final for Table 6 showing $1,307,220 as the 2023 and 2024 targets. Those years were set and reported at $1,888,207. There is no explanation in the final for why two years with different O&M share one target dollar. $1,307,220 is $1,888,207 ÷ 0.65 × 0.45 — the old pre-2023 five-year base with only the percentage changed. That is not an Exhibit A recalculation.

A shared fare schedule is not a shared revenue target. The target is a percentage of Adjusted O&M, not a function of the ticket printed in August 2023.

The January 8, 2025 fare tool still carries $1,888,207 as the 2023/2024 65% target. On September 16, 2025 staff told the Board the 14% increase "was successful in meeting the revenue target that we had set for 2024." On September 9 and October 28, 2025 staff said fare-target reports are not updated once published. Table 6 and Table 8 of the final still print $1,307,220 for both years. The text under Table 8 explains the figure only by saying the 14 percent increase was in place through 2024, not that the target was recalculated, and Table 6 carries no qualifier that those cells are a later percentage swap.

The Board's September 14, 2026 letter (R20260179) answers that "the recovery goal for 2023 and 2024 was actually 45%" and that the $1,307,220 target "correctly applied" it. The same letter says "There was no amount set for any phase or any year."

> *The County cannot tell the Board, in one year, that a fare increase "was successful in meeting the revenue target... set for 2024," and then, the next year, quietly swap in a different number for that same target — without ever saying the swap happened, or why.*

Sources: R20230152; 2024, 2025, and 2026 reports (draft and final), Tables 6 and 8; Guemes Fare Tool 01.08.25; Sept. 9, Sept. 16, and Oct. 28, 2025 transcripts; Board letter of Sept. 14, 2026 (R20260179), pp. 1 and 3.

Finding 7 — Two Cycles in a Row, Figure 1 Deducted Less Maintenance Than the Det 4810 Budget Already Inside the Subtotal

Table — Maintenance Deduction vs. Books Budget, Two Cycles

Cycle	Report that set fares	Det 4810 budget in the books	Subtracted in Fig. 1	Left in the base
2024 budget → 2025 fares	Oct. 30, 2024	$468,022	$400,000	$68,022
2025 budget → 2026 fares	Sept. 30, 2025	$2,441,472	$1,786,549	$654,923

The 2024 cycle used the June 30, 2024 numbers, and its total is correct. The gap is in the deduction: the report subtracted a $400,000 estimate, and the County's own later 2024 budget-versus-actual (Appendix D of the 2025 report) shows Det 4810 budgeted at $468,022. Staff restatement of the 2024 model addresses when CPI hit the $400,000. It does not address whether $400,000 was the books number.

The 2025-cycle gap is dated. The September 30, 2025 report footnoted Period 6 of 418 Budget Monitoring 117-4, ending June 30, 2025, and on September 16 told the Board $1.786 million "IS the adopted budget as of June 30th, 2025." That monitoring report shows Det 4810 at $2,441,472. R20250222 moved $654,923.39 from 117-55304284810 to capital on September 29. Figure 1 subtracted $1,786,549 from an unchanged four-object subtotal of $5,959,219. The $654,923 stayed in the base. The County's Communications Manager has since said the calculation "included the updated Repairs & Maintenance amount" from the September 29 amendment; the $5,959,219 subtotal was not updated. The same report says the engine-repower capital "is not included in the maintenance cost model." It was removed from the deduction. It was not removed from the subtotal.

The final's own Figure 2 does not repeat this gap for 2026: it deducts the full $1,122,000 Det 4810 budget before annualizing, and the 2026 bridge to the June 30, 2026 monitoring report ties object by object. The $654,923 is a prior-cycle defect. The September 2025 report kept a without-haul-out base that still contained it, and the final carries that report's 2026 target ($2,319,876) forward without correction or comment. Table 6 prints it as the 2026 target, and the Recommendations compare projected 2026 farebox of $1,900,000 to it and cite the shortfalls as evidence of rider fare sensitivity. What repeats is the structure, and the $654,923 case is the one that moves the later target.

> *The same gap turning up two cycles running, after the mechanism behind it was already identified and admitted the first time, is not a coincidence of timing. It is a known problem the County chose not to fix.*

Correcting only the 2024 Crucible actual (−$174,284) and rebuilding the 2025 subtotal (−$654,923), then applying the County's own 55% rate, published CPI (3.26%, then 2.87%), and published MVFT / WSDOT offsets:

Table — Corrected Five-Year Average

Year	O&M used
2023	$3,672,133
2024	$2,718,851
2025	$4,646,674
2026	$4,798,156

Year	O&M used
2027	$4,935,862
5-year average Adjusted O&M	$3,777,723
Published 2026 target (55% of $4,217,956)	$2,319,876
Corrected 2026 target (55% of $3,777,723)	$2,077,748
Difference	−$242,128 (a floor, not a ceiling; see note below)

Dakota Creek, Stabbert, CO-014, the incline test, VECA, Economy Fence, TruckPro, Maul Foster, Murphy, and Travelers are not in this run.

This is a disclosed limitation, not an oversight to be read past. Finding 3a lists $12,091.99 (Dakota Creek invoice 11212, accrued back to 2024 per JV batch 102669) as an item still under question or dispute in the same 2024 O&M actual this recalculation starts from. That dollar amount was not removed here. Had it been, the 2024 O&M actual feeding this table would be lower than the $2,718,851 used, and the five-year average — and the corrected target — would move further from the published $2,319,876 than the $2,077,748 shown above. $2,077,748 is therefore a floor on how far the record supports correcting the 2026 target, not a ceiling.

Sources: 2024 and 2025 reports, Figure 1; 418 Budget Monitoring 117-4, June 30, 2025; R20250222; 2025 report Appendix D (2024 Det 4810 budget $468,022); Guemes Fare Tool 01.08.25.

Other Errors in the Final Report

The items below do not belong to a single finding above. Each can be checked against the final's own tables or its Appendices A, C, and D. Part A covers errors and inconsistencies in what the report prints. Part B covers method and process points, labeled as such because they are not arithmetic errors.

A. Errors and inconsistencies in the printed figures

- **"Farebox revenue" is not measured the same way in every year.** Appendix D shows that 2025 farebox of $1,455,098 is Det 4471 ($1,442,852.51) plus Det 4942, Road Maintenance Services ($12,245.39). The 2024 figure used in Tables 2, 4, 5, 7, and 8 ($1,346,019) is Det 4471 alone; Det 4942 was $12,561.75 that year. The 2024 County Ferry System Operations Report added to Appendix C reports 2024 Ferry Toll Receipts of $1,358,581, which is Det 4471 plus Det 4942. The 2026 year-to-date figure ($1,044,931) is Det 4471 alone. The report never says which definition governs.

Table — Farebox Revenue by Source Line

Year	Det 4471	Det 4942	Printed as farebox in the final	Ops Report toll receipts
2024	$1,346,019	$12,562	$1,346,019	$1,358,581
2025	$1,442,853	$12,245	$1,455,098	$1,455,098
2026 to June 30	$1,044,931	$7,294	$1,044,931	Not yet reported

Table 4 shows 2025 up $109,079 (8.1%) over 2024, while the Summary says the 2025 increase "led to a 7 percent increase in farebox revenue over 2024." Only a like-for-like comparison reaches 7 percent: $96,517 (7.1%) with Det 4942 in both years, or $96,833 (7.2%) with it in neither. The 2025 shortfall against $1,818,971 is $363,873 as printed but $376,118 on Det 4471 alone, and the 2024 variance in Table 8 is +$38,799 as printed but +$51,361 with Det 4942 included. Finding 5 uses the County's printed figures. This point is about consistency, and it cuts in both directions.

- **Table 6 and Figure 5 compare different bases.** 2026 Total O&M ($5,220,860) is the unannualized budget, while 2027–2029 are annualized. 2026 Adjusted O&M ($4,579,425) is a single-year figure, while 2027 Adjusted O&M ($4,206,781) is Table 1's five-year average. The result is an 8.1% drop in Adjusted O&M from 2026 to 2027, and a dip in Figure 5, even though Table 1's own single-year figures rise 3.5%, from $4,579,425 to $4,741,892. Before

2027, the Revenue Target row is also not a fixed percentage of the Adjusted O&M row printed above it. It ranges from 39.5% (2023) to 63.1% (2022).

- **Table 5's 2024 FBP is the budget figure, not the actual.** Table 5 shows $286,730. That is the 2024 budget for Det 2020 (Appendix D). The actual, in Appendix D and listed as Other Revenues in the 2024 Operations Report, is $286,890. Table 5's columns sum to O&M, so the $160 difference sits in the Road Fund figure ($915,636).
- **Table 1's Youth Ride Free inputs do not match footnote 6.** The footnote says 2026 budgeted revenue is used for 2026–2028, but 2027 and 2028 are $30,000 while 2026 is $29,302. The $29,302 is not a budget figure. It is twice the June 30 year-to-date amount ($14,651 × 2), and the Det 0372 budget line in Appendix D is $303,516. The footnote also says the agreement runs through June 2027 "unless renewed," yet the table carries $30,000 for all of 2027 and 2028. Dropping the unrenewed months would raise the target slightly. It is noted for accuracy, not as a reason to lower the target.
- **Appendix A is silent on the oversized-vehicle correction.** Oversized-vehicle fares fell when every other category rose 30% on January 1, 2026. On November 10, 2025, before the vote on R20250259, Commissioner Wesen read the under-50 and under-60 peak drops off the County's own chart; staff said he was not mistaken and offered to delay, and the Board voted 3–0 to adopt. R20260089 took effect May 20, 2026 and is prospective only. Appendix A prints the corrected oversized rates as "2026 Current" with no note that they were not charged January 1–May 19, 2026.

B. Method and process points (not arithmetic errors)

- **The final arrived five days before the hearing.** The final is dated September 17, Appendix E lists 17 revisions to the draft, and the hearing is September 22. That is a reason to extend the written comment period or continue the hearing.

Checked and found to tie: Table 1's five-year averages and the 60% calculation; the arithmetic of Table 8's variances and Table 9's total; the Summary's budget-variance items (salaries and benefits, fuel, insurance, repairs) against Appendix D; and Appendix A's quarter-dollar rounding and multi-ride pricing.

Sources: the final, Tables 1, 2, 4 through 8, Summary, Recommendations, Timeline, and Appendix A; Appendix C (2024 and 2025 County Ferry System Operations Reports); Appendix D (418 Budget Monitoring 117-4 for 2024, 2025, and June 30, 2026); R20250259; R20260089; Nov. 10, 2025 transcript.

Revenue: Riders Are Billed for O&M the County Is Not Paying

Two kinds of outside money pay for O&M costs and are left out of the offsets. The federal Ferry Boat Program (FBP) funding is treated as an offset to the Road Fund in Table 3, but the costs it pays stay inside the O&M total the fare target is built on. The insurance reimbursement is booked as revenue, while the costs it repaid stay in the base.

Table — Who Paid for 2025 Adjusted O&M, in the County's Own Table 3

Source	Amount	Share of Adjusted O&M
Farebox revenue	$1,455,098	33.9%
Federal Ferry Boat Program (FBP) funding	$604,964	14.1%
Road Fund contribution	$2,235,112	52.0%
Adjusted O&M (Table 1)	**$4,295,174**	**100.0%**

- Table 3 subtracts the $604,964 of FBP funding to reach the Road Fund contribution. The County counts it as money that pays for O&M.
- Table 1 does not subtract it. Adjusted O&M removes the fuel tax (MVFT), the WSDOT deficit reimbursement, and Youth Ride Free, so the costs FBP paid stay in the base.
- FBP is the largest of the four outside revenue sources in 2025 ($604,964, against $291,086, $93,103, and $14,774) and the only one not subtracted.
- The final says FBP funding was used for operating costs for the first time in 2023, the year the current methodology was adopted.

- The insurance reimbursement is in the same category. The $90,379.70 Travelers settlement repaid casualty costs the ferry paid from O&M, $62,752.14 of it for repairs and maintenance. It sits in 2026 revenue (Det 9520), while the costs stay in the 2024 and 2025 actuals that Table 1 averages (Finding 3c). Riders are billed 60% of costs the insurer paid.

Riders are being billed 60% of O&M that a federal grant, not the County, is paying. Treating FBP like the other outside revenue lowers the 2025 target from $2,577,104 to $2,214,126, a difference of $362,978. For 2027, using the County's own Table 5 FBP average of $414,145, the target would be about $248,000 lower.

The Table 5 average covers only the three years FBP was received (Finding 4). It is used here because it is the County's own figure.

Staff will say these are not in the methodology. The methodology names three offsets under "Additional assumptions." It does not say the list is complete, and it does not say other outside revenue cannot be applied. The County already applies FBP as an offset in Table 3, and it already goes beyond the words of the methodology elsewhere, for example by annualizing maintenance under the 2023 rate study. Subtracting the $62,752.14 repairs and maintenance recovery from the years that held the loss would lower the 2027 target by about $7,500. Removing the casualty costs from the base instead (Finding 3b) does the same job; it should be done once, not both.

Question for the County: Why are the FBP funding and the insurance reimbursement, both outside money that paid for O&M, left out of the offsets in Table 1?

Sources: the final, Tables 1, 3, and 5 and Table 5 note 2, and the methodology (Overview); 418 Budget Monitoring 117-4, Det 2020 (US DOT Fed Hwy Admin) and Det 9520; Travelers settlement worksheet and April 1, 2026 email (Finding 3c).

What This Report Does Not Do

The final sets a target from the County's spending. It stops there.

- **It does not evaluate fare elasticity or ridership.** How riders respond to price, and how ridership is trending, should be evaluated for future fare decisions. The final applies its target without that analysis.
- **It does not evaluate the County's spending decisions.** The final takes O&M spending as given and asks riders to cover 60% of it. That includes the purchase of a ferry ticketing system. No cost benefit to the ferry system has been demonstrated or reported.

This letter looks at budget lines only where they move the target. Both questions are work a reinstated GIFC and Public Works could do together.

Solution: A Method Riders and the Board Can Check

What is wrong. The 2027 target cannot be reproduced from the County's own books. It applies a 60% step that the Board's own letter says was never set. It multiplies that by a five-year average in which three of the five numbers come from a single 2026 budget, while actual spending has come in 16% to 21% under the budget the fares used in each of the last two years. The County has described the budget date that controls the number inconsistently: June 30 in some documents, September 29 in others, and not required until November 10, 2025 in its own email. The base still holds capital and casualty items and counts Youth Ride Free twice. Earlier targets have been restated from one report to the next, and the final's tables do not tie to each other. Riders are charged 60% of every dollar in that base. The problem is not any single number. It is a method with so many moving parts that no one, including the Board, can check it.

What we ask the Board to do

The commissioners have said they want usable ideas: a simpler method for setting fares, attention to fare elasticity, more revenue through more ridership (especially drive-on traffic), and a formula based on actual, closed books rather than projections. We offer four.

- **1. No 2027 fare increase for now.** Hold fares while ridership trends are evaluated for fare elasticity and a new methodology for calculating rates is put in place.
- **2. A 20% multi-ride discount in 2027.** No peak-season surcharge on those passes, and a 90-day expiration that starts on the date of purchase.

- **3. Set the farebox target from actual, closed records.** Discontinue the current method of setting the target from projected budgets, and return to a three-to-five-year look back at actual, closed accounting records.
- **4. Reinstitute a citizens advisory committee.** The Guemes Island Ferry Committee (GIFC) was eliminated in 2023. RCW 47.60 requires Washington State Ferries to use ferry advisory committees, and that structure is central to how the State system is managed. We recommend a diverse group of Guemes Island residents and Road Fund taxpayers, using RCW 47.60.310 as a model, to work with the County on a more efficient ferry system.

A simpler method: actual numbers plus CPI

The method should be simple, verifiable, transparent, and explainable.

- **Simple.** One base (actual spending), one adjustment (CPI), and one percentage. No budgets, projections, annualized maintenance, or budget dates.
- **Verifiable.** Every input is a year-end ledger figure or a published index. Anyone can check it against the Fund 117 ferry report and the County Ferry System Operations Report.
- **Transparent.** The Board adopts the recovery percentage for each year by resolution, in writing, and the full calculation is published before the hearing.
- **Explainable.** It fits on one page and can be explained to a rider in a minute.

We believe the fare methodology should be based on actual numbers with a CPI index applied, but decisions about the methodology are best made together: a reinstated Guemes Island Ferry Committee (GIFC), Public Works, and the Ferry Division, each bringing what it knows, reviewing the inputs before each target report is published. The Board's own letter of September 14 recognizes "the strong desire to have a regular forum by which ferry users can engage with the County." A reinstated GIFC would be that forum. Without it, the problems in this report are likely to continue, as the 2023 decision showed: R20230152 eliminated the committee and changed the methodology at the same time. We would want to take part in that work through the committee, to help build a method everyone can check.

What This Letter Does Not Claim

This letter does not claim that any single corrected number is the one the Board must adopt, or that any person or office acted improperly. It claims that the final's tables, dollar figures, and cited sources do not tie together, and that the Board should not set 2027 fares on a target that cannot be checked against the County's own records.

Principal Sources

2024 Ferry Fare Revenue Target Report (October 30, 2024); 2025 Ferry Fare Revenue Target Report (September 30, 2025) and September 16, 2025 Board slides; 2026 Ferry Fare Revenue Target Report, draft (July 30, 2026) and final (September 17, 2026, including Appendices A through E); 2026 Preliminary Budget, General Fund Expense Report (Nov. 14, 2025) and Ferry Expense Report (Nov. 17, 2025); Collective Bargaining Agreement between Skagit County and the Inlandboatmen's Union of the Pacific, Contract C20250596 (signed Dec. 1, 2025); Resolutions R20230152, R20250002, R20250015, R20250222, R20250259, R20260089, R20260179 (with the Board's letter of September 14, 2026 and the Public Works letter of September 11, 2026); July 31, 2026 order on related O&M entries; 418 Budget Monitoring 117-4, Period 6 ending June 30, 2025 and June 30, 2026; Fund 117 GL 117-55304284110 and batch 105086; vendor invoices listed in Finding 3; Guemes Fare Tool 01.08.25; 2023 KPFF Rate Study; September 9, September 16, October 28, and November 10, 2025 transcripts; August 18, 2026 work session.

Rachel Rowe

From: Cindy Kamp <cemadkamp@gmail.com>
Sent: Tuesday, September 22, 2026 6:26 AM
To: Ferry Comments
Cc: Ron Wesen; Peter Browning; Joe Burns
Subject: Ferry 2027 Fare Proposal

September 14, 2026

Dear Commissioners,

You have asked islanders to bring you solutions. Here are some of mine:

- Hold off on 2027 fare increase
- Restore a 20 percent multi-ride discount
- Correct the numbers and methodology before any future fare is set
- Reinstate the island-elected ferry committee for one year

None needs a study. Each can be done, or declined, at the September 22 hearing.

Other counties are winning ferry challenges as teams. Whatcom County secured a $25 million federal grant, formed a ferry district, and approved the local share so a new Lummi Island ferry can be built. House Bill 1054 now allows Pierce County to sign competitively bid ferry repair contracts for up to ten years. Those results took riders, advisory committees, staff, and elected officials all working together.

This ferry is a county road, and for islanders it is the only one. When a fare increase drives riders away, the revenue does not appear, and the shortfall lands on Road Fund taxpayers.

1. Hold off on a 2027 fare increase
Hold 2027 fares at 2026 levels until corrected actuals are published and adopted. Under no circumstances increase them more than CPI, 3.26 percent.

The County's own report shows that the 30 percent increase in 2025 produced a 7.1 percent revenue gain. The County blames the extended haul-out and fare sensitivity. If it was the drydock, 2025 cannot set 2027 fares. If it was fare sensitivity, the 2027 estimate must account for it, and the report says it does not.

KPFF warned of this. Its Rate Study cautioned that, with no elasticity factor applied, projected revenue may be overstated. It advised phased increases because a single steep increase can cost more riders than smaller ones, and it told the County to update the model once twelve months of sales at the new fares were available. The County then adopted "30" percent in 2025, (about a 48% weighted average with removal of the multi ride discount), 30 percent in 2026, and now proposes 14 percent in 2027 and 13 percent in 2028, against forecast inflation of 3.26 and 2.46 percent. Both 2025 and 2026 fares were calculated with significant errors, resulting in fare increase far beyond what R20230152 and KPFF recommended, bringing us to the situation we need fixing today.

2. Institute a 20% Multi Ride discount effective January 1, 2027, with no peak-season surcharge and a 90-day expiration from date of purchase.

KPFF's recommended schedule included a multi-ride discount, at 15 percent, with the 90-day expiration and year-round pricing. The County eliminated it. KPFF's peer survey shows Pierce County, Whatcom County, and Washington State Ferries each offering at least 20 percent on vehicle multi-ride passes. Overall vehicle traffic fell about 30 percent in 2025; multi-ride vehicle sales fell 78 percent. Encouraging cars back on the ferry may require further discounts beyond this multi ride suggestion – this is something the ferry committee and Public Works can determine in the future.

Ninety days may be longer than the County wants on an expiration. Even so, a time-limited 20 percent vehicle discount is a strong signal to riders who have switched to walking on: bring the car back, use the ticket, and fill a space that otherwise earns nothing. The boat sails whether a car is on it or not. An empty deck space earns nothing. A discounted ride earns something.

Attachment A has a comparison chart of peer ferry multi ride fares.

3. Correct the numbers before any future fare is set.
Before adopting any future fare, publish a reconciliation of 2024 and 2025 actual operating expense with every capital item removed, and adopt one rule: when a cost booked as operating is later reclassified as capital, the fare target for that year is restated.

The 2024 GL Expenses still carry a capital cost. On March 25, 2026, the County's own books reclassed $174,283.65 of 2024 Crucible Engineering engine repower project engineering to capital. Staff have given repeated assurances that capital was not and is not in O&M. This was only discovered through documents request as part of the recent legal action-it was not an announcement to the public nor included in the 2026 target report. The 2024 operating figure behind the 2027 fares is essentially unchanged ($2,893,135 versus $2,892,256). That cost is still in the fare base proposed today. If a later reclassification does not restate what the farebox pays, transparency is optional and public trust cannot be rebuilt. The Board should say, on the record, how this class of entry will be treated next time. See Attachment B

The 2025 GL Expenses also need to be examined. These items remain in the 2025 O&M actual (Fund 117, Det 4810) and look like capital, claim recoveries, or new assets charged to the farebox:

- Stabbert Marine emergency propeller repair (Travelers hull claim): **$53,663.66**
- NBBB CO-014, generator foundation coating (same haul-out / engine-install project): **$17,676.47**
- Crucible invoice 25-097, Task 5, USCG incline / stability test (repower / haul-out): **$41,371.07**
- VECA Electric marine signal / stop-light installation: **$23,221**
- Economy Fence, new terminal fence: **$9,893**
- TruckPro drivelines: **$8,243**
- Maul Foster (C20250554): **$7,111**
- James G. Murphy commission: **$4,104**

Together these items total **$165,283**. They should be pulled out of O&M, adjusted, ***or explained why they are justifiably included,*** line by line before they sit in any future fare base. There are other expenditures beyond this list that deserve further attention.

4. Reinstate the island-elected ferry committee for one year.
Reinstate the Guemes Island Ferry Committee as the Board's advisory body for one year, meeting in

public with one liaison from Public Works and one liaison from the Commissioner's staff. Islanders already have elected their representatives. One option could be modeled on RCW 47.60.310. Add at-large seats for mainland riders if you wish. The point would be to work together to create a committee format that parties could agree on to solve some of the short-term and long-term challenges the ferry system faces. Whatcom county closed its funding gap with riders at the table. Skagit county could do the same.

There are many other issues to work out in the future – including looking at including all sources of ferry revenue in the fare calculation – like Federal Ferry Boat Funds – and looking for cost cutting options. But today, let's just find common ground we can agree on to start moving forward.

Please let ridership know on September 22 the County will not be proceeding with this fare proposal on October 20th. I hope you will consider my suggestions so we can work together on building a sustainable ferry system for generations to come.

Protecting the ridership is protecting the County Road Fund.

Thank you,

Cindy Kamp

Guemes Island resident and property owner

6729 West Shore Drive, Anacortes, WA 98221

Multi-Ride Fare Discount Comparison

Skagit, Pierce & Whatcom County — Guemes Island Ferry peer comparison

Table 2: Updated with Current Rates (2025/26)

Owner / Agency	Fare Type	Trips per Pass	Pass Expiration	KPFF Study Discou (2022/23)
Skagit County	Vehicle & driver	20	120 days	18%
Skagit County	Vehicle & driver (reduced)	20	120 days	22%
Skagit County	Passenger	25	365 days	23%
Skagit County	Passenger (reduced)	25	365 days	8%
Pierce County	Vehicle & driver	5	40 days	20%
Pierce County	Passenger	5	40 days	20%
Whatcom County	Vehicle & driver	10	30 days after rate change	20%
Whatcom County	Vehicle & driver	20 / 25*	30 days after rate change	33%
Whatcom County	Passenger	20 / 25*	30 days after rate change	44%
Whatcom County	Passenger (reduced)	10	30 days after rate change	65%

** Whatcom County's 25-trip tier was phased out under Executive Order 2025-03 (effective 8/23/2025); the 20-trip tier n 10-trip tier ($19.40/trip for vehicles, $8.20/trip for passengers), so the discount no longer scales up with pass size the wa*

Skagit County current rates source: Guemes Island Ferry fare schedule, effective Jan. 1, 2026 (skagitcounty.net), non-pe

Cayenta

Journal Voucher Approval Register

26/04/10-12:49 Skagit County - (FY25 PROD Dataset) April

GL35E Journal Voucher Approval Register

Batch 105086 Period 12 December 1,2025 through December 31,2025
Fund /Sub Fund

Sheet	Ref	GL Code	Description	Date	Prev	Debit	
1	050861	800 18900 CONSTRUCTION IN PROGRESS	Addition to CIP - Fund 800	12/31/25	N	7,575,059.17	
		800 559406310 CAPEX OTHER IMPROVEMENTS	Addition to CIP - Fund 800		N	0.00	
	Reference 050861 Sub-Total:					7,575,059.17	
2	050862	800 18900 CONSTRUCTION IN PROGRESS	Prior period adj for Ferry to CIP	12/31/25	N	174,283.65	
		800 29448 PRIOR PERIOD ADJUSTMENTS	Prior period adj for Ferry to CIP		N	0.00	
	Reference 050862 Sub-Total:					174,283.65	
3	050863	800 17950 INFRASTRUCTURE	Capitalize fund 800 CIP's to Infrastructure	12/31/25	N	205,809.93	
		800 18900 CONSTRUCTION IN PROGRESS	Capitalize fund 800 CIP's to Infrastructure		N	0.00	
	Reference 050863 Sub-Total:					205,809.93	
	Batch 105086	Transaction Total:				7,955,152.75	
		Header Total:				7,955,152.75	
		Variance				0.00	

Total Number of Journal Vouchers 3

Received
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Skagit County Auditor

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Cayenta

Journal Voucher Edit List

March 25

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GL34A

Skagit County - (FY25 PROD Dataset)
Journal Voucher Edit List

Batch 105086 Period 12 December 1,2025 through December 31,2025 Ope
Fund /Sub Fund

Sheet	Ref	GL Code	Description	Date	Prev	Debit	
1	050861	800 18900 CONSTRUCTION IN PROGRESS	Addition to CIP - Fund 800	12/31/25	N	7,575,059.17	
		800 559406310 CAPEX OTHER IMPROVEMENTS	Addition to CIP - Fund 800		N	0.00	7,575
	Reference 050861 Sub-Total:					7,575,059.17	7,575
2	050862	800 18900 CONSTRUCTION IN PROGRESS	Prior period adj for Ferry to CIP	12/31/25	N	174,283.65	
		800 29448 PRIOR PERIOD ADJUSTMENTS	Prior period adj for Ferry to CIP		N	0.00	174
	Reference 050862 Sub-Total:					174,283.65	174
3	050863	800 17950 INFRASTRUCTURE	Capitalize fund 800 CIP's to Infrastructure	12/31/25	N	205,809.93	
		800 18900 CONSTRUCTION IN PROGRESS	Capitalize fund 800 CIP's to Infrastructure		N	0.00	205
	Reference 050863 Sub-Total:					205,809.93	205
	Batch 105086 Transaction Total:					7,955,152.75	7,955
		Header Total:				7,955,152.75	7,955
		Variance				0.00	

C20240297

Total Number of Journal Vouchers 3

Rachel Rowe

From: cemadkamp@gmail.com
Sent: Tuesday, September 22, 2026 8:18 AM
To: Ferry Comments; Ron Wesen; Joe Burns; Peter Browning
Subject: Ferry 2027 Fare Proposal
Attachments: 2026 FFTR analysis FF.docx

I understand we were asked not to atach files, but due to the graphs and tables, it did not copy well to an email. Please let me know if this is a problem.

Cindy Kamp

Sent from my iPhone

Rachel Rowe

From: Dave Shill <shilld241@gmail.com>
Sent: Monday, September 21, 2026 7:34 PM
To: Ferry Comments
Cc: Commissioners
Subject: Ferry 2027 Fare Proposal

You don't often get email from shilld241@gmail.com. Learn why this is important

Hi. This is Dave Shill, a full time resident on Guemes Island. I drive on the ferry twice a week on average. I walk on the ferry at least once a week.

I am on a fixed income so ferry rate increases are a big concern. I would appreciate the county keeping rates as low as possible and being transparent in the details of setting rates.

In regard to the Guemes parking lot, I suggest only modest changes such as paving and lining the lot (no fence).

Lastly, I suggest actually listening to islander needs and ideas. We would much prefer collaboration with the county whereby we truly have input in ferry planning.

Thank you.

Sincerely
Dave Shill

Rachel Rowe

From: Grant Brockmeyer <ghbroc@hotmail.com>
Sent: Monday, September 21, 2026 9:01 PM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposal

You don't often get email from ghbroc@hotmail.com. Learn why this is important

Dear Skagit County Commisioners,

I live on Guemes Island and am very grateful the county supplies the island with a ferry. It is my bridge to the outside world. I understand it can be expensive to maintain and operate the ferry but I am troubled by the recent ticket price hikes. I agree with the following ideas posed by other islanders and hope you will consider them.

- No 2027 fare increases while ridership trends are evaluated for fare elasticity and a new methodology to calculate rates can be put in place.

- Institute a 20% multi-ride discount in 2027, with no peak-season surcharge on those passes and a 90-day expiration that starts from the date of purchase.

- Discontinue the current methodology of setting the farebox target using projected budgets. Return to a 3-5 year look back at actual, closed accounting records.

- Reinstitute a citizens advisory committee. RCW 47.60 requires Washington State Ferries to use ferry advisory committees, and that structure is central to how the State system is managed. Fair Fares recommends a diverse group of Guemes Island residents and Road Fund taxpayers, using RCW 47.60.310 as a model, to work with the County on a more efficient ferry system.

I would like to add I really appreciate the hard work and dedication of the ferry crew and captains. They do an outstanding job.

Thank you.

Rachel Rowe

From: Guemes Island Ferry Committee <guemesferry@gmail.com>
Sent: Monday, September 21, 2026 9:01 PM
To: Ferry Comments
Cc: Ron Wesen; Peter Browning; Joe Burns
Subject: Ferry 2027 Fare Proposal

Dear Commissioners,

As you consider the proposed 2027 Guemes Island ferry fares, we encourage you to take a different approach: keep the current fares in place while the County takes the time to develop a simpler, more accurate, more transparent, and more sustainable fare-setting policy.

Recent Board discussions suggest there is already considerable agreement that the current process deserves another look.

Commissioners have discussed using a longer lookback, simplifying the calculation, examining rider response to higher fares, and even leaving fares unchanged while a new methodology is developed. Commissioners have also raised questions about fare elasticity and whether increasing fares necessarily produces the revenue anticipated by the calculation.

Those are important questions, and we believe they should be resolved before another fare increase is added to the existing schedule.

The current fare methodology relies on five years of operating-cost information, but only two of those years are based on actual expenditures. The remaining three consist of a current adopted budget and two years of projected future costs.

Budgets and projections are important management tools, but they are not the same as actual expenditures. When budgeted or projected expenses differ significantly from what is ultimately spent, those assumptions can materially affect the fare calculation.

The revenue side of the equation deserves the same attention.

The recent fare increases have provided the County with real information about how ferry users respond to price. Riders may take fewer trips, consolidate errands, walk on rather than take a vehicle, or otherwise change their travel patterns.

That matters because increasing a fare does not necessarily produce a proportionate increase in revenue.

A sustainable fare policy should therefore examine both sides of the equation: what the ferry actually costs to operate and what happens to ridership and revenue when fares change.

For that reason, maintaining the current fares for 2027 could provide valuable information rather than simply postpone a decision.

It would allow the County to evaluate actual operating expenses, actual fare revenue, ridership trends, rider response to the recent fare increases, and the relationship between budgeted, projected, and actual operating costs before establishing the next long-term policy.

That information could then form the basis for a simpler and more transparent fare methodology that Commissioners, County staff, and ferry users can readily understand.

We also encourage the Board to use this opportunity to reconsider the larger process by which ferry issues are addressed.

There is already an established Guemes Island Ferry Committee with a long history of representing community concerns and working directly with the County on ferry matters.

We recognize that other organizations and temporary advisory groups may address particular ferry-related issues from time to time. The recent ferry replacement Technical Advisory Group is one example. But the Ferry Committee exists as a standing community committee focused specifically on the Guemes Island ferry.

Rather than creating a new temporary group whenever a recurring ferry issue arises, we believe there is an opportunity to make better use of the structure that already exists.

The Committee is not seeking authority over County operations, spending, or policy.

Public Works would continue to operate the ferry. Finance would continue to provide financial oversight. The Commissioners would continue to make the decisions.

The Committee's role is advisory.

What a renewed working relationship can provide is structure: a predictable calendar for sharing financial information, reviewing fare calculations, discussing operational issues, receiving community input, and developing recommendations before decisions reach the hearing room.

There is precedent for that kind of relationship. Public Works and the Ferry Committee have worked directly together on ferry issues in the past, and the Committee remains prepared to work collaboratively with Public Works going forward.

The recent ferry replacement Technical Advisory Group also demonstrated the value of bringing County staff and community representatives into the same discussion early, with access to information and a clearly defined task.

That approach may have another practical benefit.

A standing advisory process could allow questions, alternatives, community concerns, and potential unintended consequences to be identified and discussed earlier. Issues

that can be resolved at the working level would not necessarily need to consume as much staff time or Board time later in the process.

In that sense, a functioning Ferry Committee can serve not as another layer of government, but as an early forum for vetting issues before they become larger ones.

That could improve the process for everyone involved: Public Works receives community feedback earlier, the Committee has better information with which to respond to islanders, and Commissioners receive issues that have already received some discussion and analysis.

Ferry fares, operating costs, budgets, service levels, parking, vessel maintenance, and capital planning are not temporary issues. They recur every year.

Rather than rebuilding an advisory process each time one of those issues becomes difficult, the County has an opportunity to establish a durable working relationship with the community the ferry serves.

The Ferry Committee is prepared to participate constructively in that process.

We are not suggesting that our recommendations must be adopted. We are asking the Board to consider re-engaging with the existing Ferry Committee and developing a process that works better for Commissioners, County staff, and ferry users alike.

The September 22 hearing does not need to resolve every question surrounding ferry funding.

It can, however, provide an opportunity to establish a different direction:

Maintain the current fare schedule for 2027. Use the coming year to examine actual costs, actual revenues, and actual rider behavior. Develop a simpler and more transparent fare-setting methodology. And establish an ongoing structure that allows County staff, Commissioners, and ferry users to work through these questions before they reach the hearing room.

Islanders understand that the ferry is expensive to operate and that fares are part of paying for that service.

What people are asking for is confidence that the fares they pay are based on accurate information, reasonable assumptions, and a process they can understand.

That is also an important foundation for rebuilding trust.

Thank you for considering these comments.

Sincerely,

Guemes Island Ferry Committee
Becca Fong

Gabe Murphy
Allen Bush
Sherry Tamone

guemesferry.org

Rachel Rowe

From: Janet Casey <janetwcasey@gmail.com>
Sent: Monday, September 21, 2026 7:43 PM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposal

You don't often get email from janetwcasey@gmail.com. Learn why this is important

To Board of Commissioners:

We have owned property on Guemes Island for 48 years and raised our family there for thirteen years, until the last ferry at 6 o'clock prevented us from being able to maintain our jobs off-island. We strongly encourage you NOT to end the later ferry schedule through the week, so that others will not be forced to make that choice.

Our son and daughter-in-law have built their home on the property and hope to be able to raise their newborn daughter there but have already had to alter their ferry usage drastically due to the exorbitant ferry fares.

We join our many neighbors to express our deep concerns about the unsustainable current and proposed 2027 fare increases. We support the recommendations of the Guemes Island Ferry Committee and applaud their tireless, dedicated efforts to communicate with the Board on behalf of the community we all love. Specifically we endorse the following proposals and encourage you to adopt these as a **short and intermediate partial solution to the challenges we face.**

1. No 2027 fare increases while ridership trends are evaluated for fare elasticity and a new methodology to calculate rates can be put in place.
2. Institute a 20% multi-ride discount in 2027, with no peak-season surcharge on those passes and a 90-day expiration that starts from the date of purchase.
3. Discontinue the current methodology of setting the farebox target using projected budgets. Return to a 3-5 year look back at actual, closed accounting records.
4. Reinstitute a citizens advisory committee. RCW 47.60 requires Washington State Ferries to use ferry advisory committees, and that structure is central to how the State system is managed. Fair Fares recommends a diverse group of Guemes Island residents and Road Fund taxpayers, using RCW 47.60.310 as a model, to work with the County on a more efficient ferry system.

We see these measures as "buying time" so that you, our Commissioners, can work on long-term, sustainable solutions by obtaining funding from state and federal sources that Skagit County Public Works has heretofore neglected to identify and take advantage of.

WE URGE YOU TO FOLLOW THE LEADERSHIP AND SUCCESSFUL MODEL OF WHATCOM COUNTY in their long-term strategic planning to obtain $25,000,000 for a new Lummi Ferry and establish a Whatcom County ferry district to help "sustain annual ferry operations". "When our state, federal, and local partners work together, great things happen," Whatcom County Executive Satpal Sidhu said in the announcement. "Thank you especially to Congressman Rick Larsen and Senators Patty Murray and Maria Cantwell for their support for this project. This new ferry is a critical piece of our

marine highway infrastructure, and we look forward to it serving our community for generations to come."

The following article posted Sept 17, 2026 details their accomplishments.

https://www.whatcomcounty.us/m/newsflash/home/detail/5704

Thank you,

Jim and Janet Casey

7171 Island View Drive, Guemes Island

Rachel Rowe

From: Jodi Meekins <jlmeekins1@yahoo.com>
Sent: Tuesday, September 22, 2026 12:14 AM
To: Ferry Comments
Subject: Reinstate a discounted multi-ride pass in 2027

Two comments were made at the August 19th Annual Community Ferry Meeting:

1. That 2027 fare calculations were based on returning to 2025 ridership levels, and
2. Suggestions were WELCOME on how to battle fare elasticity.

It is constantly stated that rates have increased 30% per year across the board for 2025 & 2026 and another 14% is proposed for 2027. In actuality, my cost for a Senior Vehicle and driver multi-use pass between 2024 and the currently proposed 2027 rates will be an increase of 220% for non-peak and 297% during peak season!

The fare increases in 2025 and 2026 (and proposed increase in 2027) have changed my ferry usage dramatically. In 2024, I usually drove onto the ferry using a Senior Multi-use pass 3-4 times per week. Additionally, I walked on using the single Senior ticket 1-2 times per week. Currently, I buy single trip drive-on tickets for use MAYBE once/week. I occasionally walk across using a single senior ticket 1-2 per week. I am currently unwilling to buy a multi-use pass due to the overall out-of-pocket expense and insignificant discount. There is no motivation to buy a pass for $410 to save a measly $20 (which is not even one free trip!), and that is IF I use up all of the rides on the ticket.

I would like to address the Senior Mulit-trip Drive- on Pass (and other multi-ride passes) as a potential way to increase revenue while actually reducing the price of a ticket to the consumer. I will address all figures inclusive of the new vessel service fee. Drivers incur the total cost so that is what matters in fare elasticity.

Using the proposed 2027 fares and my current driving habits, if I purchased a Senior drive-on multi use pass, the county would realize revenue of $375. If I were using the ferry at 2024 levels that pass might last me 5-7 weeks. Given my current driving habit of one trip per week (due to the huge price increase and December 31st expiration) over the same seven weeks, the county will realize a revenue of only $138.25. That should illustrate the appeal to both the Commissioners and the County Ferry Division to offer a much larger discount on a pass.

Furthermore, the arbitrary expiration of December 31st is ill advised and unnecessary. I am not inclined to even pre-purchase single tickets in December that I might not be able to use before December 31st. It should be possible for multi-use passes to expire after the rates change on any given year. It is all digital and should be easily controlled by whomever edits fares for the software. Why can't a pass purchased on December 31st with a provided QR code remain valid for a set period time even if the rate increases for new purchases on January 1st? The two commands should not be mutually exclusive. If the County encourages purchase of multi-use passes in November and December, instead of discouraging them, it potentially increases end of year revenue.

Additionally, returning to the policy of the multi-use pass being the same price for peak and non-peak seasons lets the County experience a more consistent revenue stream throughout the year while still benefitting ridership.

In college I was taught that “you bank dollars not percents”. The County needs to increase revenue but that does not necessarily equate to simply increasing percents.

Respectfully,
Jodi Meekins
34 year Guemes Island resident

Yahoo Mail: Search, Organize, Conquer

Yahoo Mail: Search, Organize, Conquer

Yahoo Mail: Search, Organize, Conquer

Rachel Rowe

From: Kathy Whitman <kmdwhitman@msn.com>
Sent: Tuesday, September 22, 2026 7:45 AM
To: Ferry Comments
Subject: Guemes Ferry Comments

I am sure you have heard from many folks who expressed concern about the decision making regarding fees. I join with those voices.

I was at the ferry meeting on Guemes and did want to address a financial statement that incorrectly explained income to the county. While there may be a 1% limit on increasing property taxes, there is a clear pattern of dramatic increases in property value on Guemes island that generates millions of dollars for the county. That increasing revenue stream was not mentioned or considered when proposing a fee increase.

High property taxes, dramatic increases in Ferry fees, and overall inflation place a very high burden on island residents.

Please take a look at a five-year picture of fees and increases. This tells a very different story than the two-year comparison in your reports. Look carefully at the increased expenditures! Spending is out of control with added staff and a very expensive ticketing system. Put the brakes on spending. Review and reconsider spending decisions within the past three years. Focus on expenses rather than revenue.

Kathy Whitman

Rachel Rowe

From: kshill <kshill13824@gmail.com>
Sent: Monday, September 21, 2026 7:48 PM
To: Ferry Comments
Cc: Commissioners
Subject: Ferry 2027 Fare Proposal

You don't often get email from kshill13824@gmail.com. Learn why this is important

Good day, Skagit County Commissioners and Guemes Ferry staff.

My name is Karen Shill. I live full time on Guemes Island. I drive and walk on the ferry, mostly walking on or deferring trips to the mainland since the last fare increase. I appreciate the ferry as essential and am grateful for the hard-working crew. Thank you all.

I have no doubt that managing and operating the ferry is a challenging, complex, and expensive job. Many Islanders want to contribute ideas and experience to share the load of that job and to improve the ferry experience. To that end, I respectfully ask you to consider these points in your October 20 decisions regarding the ferry:

1. Pause further fare increases until a new method for calculating fares has been developed.

2. The fare setting process should include input from a reinstituted Citizens Advisory Committee.

3. The fare setting process should also include compliance with the recent legal judgments regarding fare setting methodology.

Please include these items in your October 20 agenda.

Sincerely,

Karen G. Shill
7243 Channel View Drive
Anacortes WA 98221

Rachel Rowe

From: Morna McEachern <mornaemce@gmail.com>
Sent: Monday, September 21, 2026 7:24 PM
To: Ferry Comments
Subject: Guemes Ferry Fare

Dear Commissioners,

I want to let you know how much I appreciate the Guemes Ferry service and all you do to keep the boat going. It is a pleasure to have the ferry as part of the Guemes Community; the captains and crew are part of our everyday lives, as we are of theirs.

My main request is that, in recognition of the fact that we are not a wealthy community, but one that reflects the income inequality of these times. There are some wealthy residents, most of us are doing OK for the time being, and there are families with young children and retired people who have lived on the island for decades who are struggling to make ends meet.

In light of this reality, I request that you recognize that many of us have reached a point in our budgets in what is termed fare elasticity. We are not using the ferry as much, and certainly not able to drive on as often as we have in the past.

I request that you look at as many options for saving money and for applying for grants as possible, but most importantly (and I think it would be a net gain for the county) that you reinstate a 20% multi-ride discount pass in 2027, with no peak season surcharge on those passes and a 90-day expiration that starts from the date of purchase.

As president of our small library, I appreciate the opportunity to let you know what is important to the success of the ferry and to pass on some of what I hear from library patrons.

Sincerely,
Morna McEachern

From: Richard Brigham
To: Ferry Comments
Subject: Fair fares
Date: Tuesday, September 22, 2026 8:22:02 AM

[You don't often get email from pad6les@icloud.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

I support the program set forth by our island representatives,but especially the call for honest and transparent communication between the county and islanders. Without this, the rest wouldn’t matter. Thank you.
Sent from my iPhone

Rachel Rowe

From: jaime diamond <bellielint@gmail.com>
Sent: Tuesday, September 22, 2026 8:44 AM
To: Ferry Comments
Subject: Ferry 2027 Fare Proposal

You don't often get email from bellielint@gmail.com. Learn why this is important

Hello, my name is Jaime Diamond and have lived with my family full time on Guemes Island for 24 years.

I recognize that running the ferry is expensive and difficult. There is a need for more transparency and accountability of where the funds are going and why the fares keep rising, yet we see reductions in services.

I support no single-ride fare increase for 2027 while ridership trends are evaluated for fare elasticity and a new methodology to calculate rates can be put in place. In addition, I would support the institution of a 20% multi-ride discount in 2027, with no peak-season surcharge on those passes. That would help bring drivers back, increase revenue, and give the County time to adopt a simpler fare method that accounts for fare elasticity. I think it would be beneficial to bring back the punch card and do away with the current ticket purchase situation. It's a headache for both riders and crew.

Please discontinue the current methodology of setting the farebox target using projected budgets. Return to a 3-5 year look back at actual, closed accounting records.

It's time we bring back citizen representation back to the Guemes Ferry so that the County and residents can collaborate and work towards a more efficient ferry system. Please put those items on the October 20 agenda.

Thank you for your time and attention to this matter,
Jaime Diamond

Rachel Rowe

From: Philip Burton <philipguyburton@gmail.com>
Sent: Tuesday, September 22, 2026 9:28 AM
To: Ferry Comments
Subject: Comment on Guemes Ferry 2027 budget

You don't often get email from philipguyburton@gmail.com. Learn why this is important

I am Philip Burton and I live full time on Guemes. The ferry ticket prices have become too expensive to support an economically diverse Guemes Community . The ferry is a part of public infrastructure and should support the movement of commerce at and affordable and subsidized rate. Funds to support the ferry budget should be found from sources other that the fare box. What those sources are or should be must be discussed, researched, found.

I recognize that running the ferry is expensive and difficult. I support no single-ride fare increase for 2027, and institute a multi-ride pass with a 20% discount off current fares and a 90-day expiration from the date of purchase beginning January 1, 2027. That would help bring drivers back, increase revenue, and give the County time to adopt a simpler fare method that accounts for fare elasticity. It's time we bring back citizen representation back to the Guemes Ferry. Please put those items on the October 20 agenda

Thank you for taking my comments and I welcome any discussion you would like to have with me.

Philip Burton



Sept. 21, 2026

Skagit County Board of Commissioners
1300 Continental Place
Mt. Vernon, WA 98273

Provided at 8:30 am
Agenda item

RE: Ferry Rates/Ferry Costs

Dear Commissioners,

Thank you for reaching out to receive input on the current high ferry operational costs and revenue shortfall. I appreciate your concern for the Guemes community to help arrive at a workable agreement with Guemes Ferry users to resolve the current situation.

First of all, we don't need to "reinvent the wheel" to find a workable, reliable solution for calculating the cost of the ferry operation. We have previously relied on a mutual agreement with former County Commissioners, from 1979 until 1923, to use only reliable and verifiable numbers as provided by the annual report to receive Ferry Deficit Reimbursement funds from the State of Washington. We agreed on a "lookback" of 5 years to even out the bi-annual vessel haulout expenses. This methodology provided reliable and verifiable numbers on which we could all agree for 47 years!

Second, the Guemes Island Ferry Committee should represent the Guemes Community as they have since 1979 when the BOCC requested a community wide group of representatives be elected to serve as the BOCC's "eyes and ears" in ferry operation discussions. Through the years, we were welcome at the table to represent Guemes Islanders. I believe that we worked well together with the BOCC and Public Works to help provide safe, reliable and affordable ferry service for Guemes Island. This working relationship should be continued.

Finally, there must be a reduction of the rising operational costs of the ferry service. The new ticketing system has resulted in the hiring of two additional persons on the payroll: a third deckhand/purser and an assistant ferry manager. Also a full time mechanic was hired.

I believe that serious consideration should be given to discontinuing the Ferry Division and instead include it under administration of Public Works and the Road Dept. Costs that are now incurred independently in the Ferry Division could be shared as part of the management of the Road Department.

Sincerely,

Glen Veal