

Washington State Ferries

2040 Long Range Plan

*Appendix K: Legislative
Requirements*

Long Range Plan

Legislative Requirements

This document outlines the legislative requirements of ESHB 2358, SSB 6932, RCW 47.60.375 and the 2017-2019 Budget Proviso as it relates to planning content. The full 2017-2019 Proviso language can be found at the end of this appendix, following the summary list below.

ESHB 2358

Customer Survey

Refer to 2040 Long Range Plan Section 1, Introduction

Commission must, with involvement of WSF, conduct a survey of users (ESHB 2358, section 3). Survey must:

- Include info on recreational users, walk-on and vehicle customers, freight, and reactions to possible operational strategies and pricing policies
- Commission must provide opportunity for FAC input
- Must be updated at least every two years

LOS Standard

Refer to 2040 Long Range Plan Section 5, Manage growth

When setting level of service standard, WSF may adjust for seasons (ESHB 2358, section 1).

Service Levels

Refer to 2040 Long Range Plan Section 5, Manage growth

- WSF must get public input and receive legislative approval before adding/deleting a route.
- WSF must get public input and consult with affected ferry users before making a substantial change to service levels.

Fares and Pricing Policies

Refer to 2040 Long Range Plan Section 5, Manage growth, Section 7, Implementation, investments and financial outlook

- WSF continues to review fares annually. Commission continues to approve fares by rule. Fare schedule adoption changed from April to September 1, effective 2008.
- Annual review must include pricing policies.

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- Starting in 2008, reviews must:
 - Generate the amount of revenue required by the transportation budget.
 - Consider options for using pricing to increase off-peak ridership and level peak vehicle demand.
 - Recognize each travel shed is unique.
 - Consider impacts on users, capacity, and local communities.
 - Keep fares as simple as possible.
 - Use data from a current user survey.
 - Be developed with input from affected users by public hearing and by reviews with FACs.
 - Fares may not be raised until the fare rules contain pricing policies, or September 1, 2009, whichever is later.
 - WSF director continues to have authority to use promotional (discounted) fares.
 - If operation revenues are used to support capital, must be specially identified in fares.

Operational Strategies

Refer to 2040 Long Range Plan Section 5, Manage growth

WSF must develop, and the Commission must review, operational strategies that (ESHB 2358, section 5):

- Use data from a current user survey.
- Recognize each travel shed is unique.
- Are consistent with the vehicle level of service standards.
- Use a life cycle cost analysis to find best balance between capital and operating investments.
- Use methods of collecting fares that maximize efficiency and achieve revenue control.
- Are re-valuated periodically, at least before a new capital plan is developed.
- Consider the following:
 - Options for leveling vehicle peak demand and increasing off-peak ridership.
 - Feasibility of reservation systems.
 - Ways to shift vehicle traffic to other modes.
 - Dock operation and queuing efficiencies.
 - Costs/benefits of remote holding versus over-water.
 - Methods of reorganizing holding areas to maximize space available for customer vehicles.
 - Schedule modifications.
 - Efficiencies in exit queuing and metering.
 - Interoperability with other transportation services.

Life Cycle Cost Model

Refer to 2040 Long Range Plan Section 3, Reliable Service, Section 7, Implementation, investments and financial outlook

WSF must maintain a life cycle cost model that (ESHB 2358, section 10):

- Is used in developing preservation funding requests.
- Uses available industry standards or department-adopted standards when standard life cycles are not available.
- Is updated when inspections are made to reflect asset condition.
- Does not include systems that aren't replaced on a standard life cycle or that are not yet built.
- Is updated at least every three years.

Terminal Design Standards

Refer to 2040 Long Range Plan Section 3, Reliable service, Section 6, Sustainability and resilience

WSF must develop terminal design standards (ESHB 2358, section 12) that:

- Adhere to vehicle level of service standards.
- Adhere to operational and pricing strategies.
- Find the most efficient balance between capital and operating.

Capital Expenditures

Refer to 2040 Long Range Plan Section 7, Implementation, investments and financial outlook

- Capital definitions must conform to OFM definitions (ESHB 2358, section 3).
- Systemwide costs to be allocated to projects (ESHB 2358, section 9).
- Preservation funding request may only be for items in the LCCM (ESHB 2358, section 11).
- JLARC to review implementation of cost allocation methodology, and assignment of preservation and improvement costs for FY 09 (ESHB 2358, section 15)

Pre-Design Study

Refer to 2040 Long Range Plan Section 7, Implementation, investments and financial outlook

Requests for preservation over \$5 M must be submitted with a pre-design study (ESHB 2358, section 11).

- Requests for terminal improvement design or construction must be submitted with a pre-design study that (ESHB 2358, section 14):
 - Meets OFM requirements.
 - Identifies basic and ancillary elements and their costs.

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- Identifies local requested and multimodal elements, their costs, and the proposed funding source.
 - Identifies additional elements to provide ancillary revenue and customer comforts.
 - Included construction phasing options consistent with forecasted ridership.
 - Identifies all contingency amounts

Long Range Capital Planning

Refer to 2040 Long Range Plan Section 3, Reliable Service, Section 5, Manage growth, Section 7, Implementation, investments and financial outlook

Capital plan must adhere to (ESHB 2358, section 13):

- Current ridership demand forecast.
- Vehicle level of service standards.
- Operational strategies.
- Terminal design standards

SSB 6932

Life Cycle Cost Model

Refer to 2040 Long Range Plan Section 3, Reliable Service, Section 7, Implementation, investments and financial outlook

The life cycle cost model will (SSB 6932 section 4):

- Be used in estimating future terminal and vessel needs.
- Be the basis for developing the budget request for terminal and vessel preservation funding

Capital Expenditures

Refer to 2040 Long Range Plan, Section 7, Implementation, investments and financial outlook

(SSB 6932 section 7):

- Appropriations made for WSF capital program may not be used for maintenance.
- Appropriations made for preservation projects may only be spent on preservation
- Systemwide capital program costs will be allocated to specific capital projects.
- The vessel emergency repair budget may not be used for planned maintenance and inspection of inactive vessels.

Pre-Design Study

Refer to 2040 Long Range Plan Section 7, Implementation, investments and financial outlook

When planning for new vessel acquisitions the long-term vessel operating costs and related fuel efficiency and staffing (SSB 6932 section 6).

Long Range Capital Planning

Refer to 2040 Long Range Plan Section 3, Reliable Service, Section 5, Manage growth, Section 7, Implementation, investments and financial outlook

Capital plan must be reviewed by the commission, and reported to the transportation committees of the legislature (SSB 6932 section 1). Capital plan must include the following (SSB 6932 section 3):

- A current vessel preservation plan.
- A current systemwide vessel rebuild and replacement plan.
- A current vessel deployment plan.
- A current terminal preservation plan.

Vessel Rebuild and Replacement Plan

Refer to 2040 Long Range Plan Section 3, Reliable Service

WSF will develop and maintain a vessel rebuild and replacement plan, that includes (SSB 6932 section 2):

- Retirement dates for all vessels.
- Projected rebuild dates for all vessels.
- Vessel replacement timelines, including business decisions, design, procurements, and construction.
- Summary of the condition of all vessels, including active and inactive.

Vessel Maintenance and Preservation Plan

Refer to 2040 Long Range Plan Section 3, Reliable Service

WSF will develop and maintain a plan that (SSB 6932 section 5):

- Includes a bilge and void maintenance program.
- Includes a visual inspection/audio gauging steel preservation program
- Uses a lowest life-cycle cost method.
- Maximizes cost efficiency by:
 - Reducing planned out-of-service time.
 - Striving to eliminate planned peak season out-of-service periods.

2017-19 Budget Proviso

Ridership

Refer to 2040 Long Range Plan Section 1, Introduction

- Identify changes in the demographics of the users of the system.

Service Levels

Refer to 2040 Long Range Plan Section 5, Manage growth

- Review route timetables and propose adjustments that take into consideration ridership volume, vessel load times, proposed and current passenger-only ferry system ridership, and other operational needs.

Operational Strategies

Refer to 2040 Long Range Plan Section 5, Manage growth

- Evaluate strategies that may help spread peak ridership, such as time-of-day ticket pricing and expanding the reservation system.
- Identify operational changes that may reduce costs, such as nighttime tie-up locations.

Long Range Capital Planning

Refer to 2040 Long Range Plan Section 3, Reliable Service, Section 5, Manage growth, Section 7, Implementation, investments and financial outlook

- Evaluate leased and state-owned property locations for the ferry headquarters, to include an analysis of properties outside the downtown area of Seattle.

Vessel Rebuild and Replacement Plan

Refer to 2040 Long Range Plan Section 3, Reliable Service

- Review vessel needs by route and propose a vessel replacement schedule, vessel retirement schedule, and estimated number of vessels needed. This analysis should also articulate a reserve vessel strategy.
- Identify the characteristics most appropriate for replacement vessels, such as passenger and car-carrying capacity, while taking into consideration other cost-driving factors. These factors should include:
 - Anticipated crewing requirements;
 - Fuel type;
 - Other operating and maintenance costs

Vessel Maintenance and Preservation Plan

Refer to 2040 Long Range Plan Section 3, Reliable Service

- Review vessel dry dock needs, consider potential impacts of the United States navy, and propose strategies to meet these needs

Emergency Preparedness

Refer to 2040 Long Range Plan Section 6, Sustainability and resilience

- Address the seismic vulnerability of the system and articulate emergency preparedness plans.

RCW 47.60.375

Ridership

Refer to 2040 Long Range Plan Section 1, Introduction

- The plan must adhere to the current ridership demand forecast

LOS Standard

Refer to 2040 Long Range Plan Section 5, Manage growth

- The plan must adhere to vehicle level service standards as described in RCW 47.06.140 (When setting the level of service standards under this section for state ferry routes, the department may allow for a standard that is adjustable for seasonality.)

Operational Strategies

Refer to 2040 Long Range Plan Section 5, Manage growth

- The plan must adhere to operational strategies as described in RCW 47.60.327 (see criteria in ESHB 2358 column to the left)

Life Cycle Cost Model

Refer to 2040 Long Range Plan Section 3, Reliable Service, Section 7, Implementation, investments and financial outlook

- The plan must include a current terminal preservation plan that adheres to the life-cycle cost model on capital assets as described in RCW 47.60.345. [See below]
- The department shall maintain a life-cycle cost model on capital assets such that:
 - Available industry standards are used for estimating the life of an asset, and department-adopted standard life cycles derived from the experience of similar public and private entities are used when industry standards are not available;
 - Standard estimated life is adjusted for asset condition when inspections are made;
 - It does not include utilities or other systems that are not replaced on a standard life cycle; and It does not include assets not yet built.

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- All assets in the life-cycle cost model must be inspected and updated in the life-cycle cost model for asset condition at least every three years.
 - The life-cycle cost model shall be used when estimating future terminal and vessel preservation needs.
 - The life-cycle cost model shall be the basis for developing the budget request for terminal and vessel preservation funding.

Terminal Design Standards

Refer to 2040 Long Range Plan Section 3, Reliable service, Section 6, Sustainability and resilience

- The plan must adhere to terminal design standards as described in RCW 47.60.365 (see criteria in ESHB 2358 column to the left).

Vessel Rebuild and Replacement Plan

Refer to 2040 Long Range Plan Section 3, Reliable Service

- The plan must include a current system-wide vessel rebuild and replacement plan as described in RCW 47.60.377. (Same as described for SSB 6932 column to the left)

Vessel Maintenance and Preservation Plan

Refer to 2040 Long Range Plan Section 3, Reliable Service

- The plan must include a current vessel preservation plan.

Vessel Design Standards

Refer to 2040 Long Range Plan Section 3, Reliable Service

- The plan must adhere to vessel design standards as described in RCW 47.60.365.

Vessel Deployment Plan

Refer to 2040 Long Range Plan Section 3, Reliable Service

- The plan must include a current vessel deployment plan.