



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

May 1, 2007

Ordinance 15739

Proposed No. 2007-0273.3

Sponsors Constantine, Gossett, Hague,
Patterson, Phillips and Ferguson

1 AN ORDINANCE creating a ferry district in King County;
2 amending Ordinance 12076, Section 9, as amended, and
3 K.C.C. 4.08.015 and adding a new section to K.C.C.
4 chapter 4.08.

5
6 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

7 **SECTION 1. Findings:**

8 A. The Puget Sound region has a long history of waterborne transportation, with
9 waterways such as the Puget Sound and Lake Washington being the first major
10 transportation routes in the area.

11 B. In 1993, the Washington State Ferry System produced a passenger-only
12 implementation plan which called for expanded passenger-only ferry service in Puget
13 Sound.

14 C. In 1998, Referendum 49 provided a state funding source for expansion of the
15 state's passenger-only ferry fleet.

16 D. In 1999, the passage of Initiative 695 reduced the state funding source for
17 passenger-only ferry service provided for in Referendum 49.

18 E. In 2003, following the failure of Referendum 51, the legislature agreed to
19 continue operating some passenger-only service while eliminating other passenger-only
20 service in Puget Sound.

21 F. In 2003, the legislature also made statutory changes to facilitate passenger-
22 only ferry service by transit agencies, and county ferry districts.

23 G. In 2004, the legislature directed the Washington state Department of
24 Transportation to develop a ten-year vision for moving passengers across Puget Sound.

25 H. In 2005, the legislature established the Passenger-Only Ferry Task Force to
26 study the most reliable and cost-effective means of providing passenger-only ferry
27 service, including the viability of different service providers, cost to ferry passengers,
28 state subsidies and the availability of federal funding for different service providers. The
29 Passenger-Only Ferry Task Force completed this study in January 2006 and presented its
30 findings to the legislature.

31 I. The task force found that passenger-only ferry service is an important
32 component of state, regional and local transportation infrastructure but is not sustainable
33 at this time without public subsidies. The task force found that while passenger-only
34 service providers can operate reliable service daily, ongoing service provision is not
35 dependable due to inconsistent levels of public funding and unexpected higher operating
36 costs. The task force also found that federal funding is available to help fund capital
37 costs of passenger-only ferry service but not operating costs. Lastly, the task force found
38 that while farebox recovery rates have steadily increased, this issue remains a challenge
39 for passenger-only ferry service due to increasing costs, changes in schedule and tariff
40 charges and changes in ridership habits.

41 J. In March 2006, the legislature made additional statutory changes relating to
42 local government passenger-only ferry service funding, establishing a passenger ferry
43 account to be used for operating and capital grants for ferry systems and requiring the
44 submittal of a business plan for assuming Vashon Island service that includes a proposed
45 service description with operating, vessel, labor and passenger terminal facility needs
46 along with anticipated funding scenarios by local governments to the governor and state
47 legislature by November 1, 2006.

48 K. In 2007, the legislature made additional statutory changes relating to local
49 government passenger-only ferry service funding, authorizing the use of funds for shuttle
50 services to ferry terminals and exempting from excise taxes fuel purchased for use in
51 passenger-only ferries.

52 L. In 1997, King County began operating seasonal water taxi service across
53 Elliott Bay with increasing ridership in each year of operation.

54 M. In 2006, the Elliott Bay Water Taxi carried in excess of one hundred twenty
55 two thousand passengers with a fare box recovery of approximately forty-five percent.

56 N. As part of the 2004 update to the Six-Year Transit Development Plan for 2002
57 to 2007, King County recently examined the potential for waterborne transit to determine
58 under what conditions and circumstances it may be appropriate for King County to either
59 or both invest and participate in passenger-only ferry service.

60 O. Sample market areas in the King County waterborne transit study included
61 Lake Union, Lake Washington, Elliott Bay and Vashon Island. Potential ridership was
62 projected for sample routes within these market areas. Promising ridership markets were
63 identified on Elliott Bay between West Seattle and downtown, on Lake Washington

64 between Kirkland and the University of Washington and from Vashon Island to
65 downtown Seattle.

66 P. Vashon is an island with no bridges connecting it to any other land mass.
67 Therefore, the only alternative for Vashon residents to leave the island is by ferry.

68 Q. Findings from the county's waterborne transit study and the state's Passenger-
69 Only Ferry Task Force suggest that participation in providing passenger-only ferry
70 service requires some level of public subsidy. The study also suggests that public
71 subsidy could come from existing funds or new revenues such as an increase in the sales
72 tax, a regional funding proposal or dedicated funds such as the creation of a ferry district
73 with authority to collect revenue from property taxes.

74 R. RCW 36.54.110 allows the legislative authority of a county to adopt an
75 ordinance creating a ferry district in all or a portion of the area of the county, including
76 the area within the corporate limits of any city or town within the county.

77 S. The county's department of transportation has developed a business plan for
78 assuming Vashon Island passenger-only ferry service and submitted this plan to the
79 governor by November 1, 2006. In addition to the Vashon Island service addressed in the
80 business plan, a King County ferry district will examine five possible passenger-only
81 ferry services that could potentially be funded. These services include two alternative
82 routes serving Vashon Island, two operating options for the Elliott Bay Water Taxi and a
83 possible demonstration service on Lake Washington.

84 T. Given the repeated actions of the state legislature with regard to local
85 government passenger-only ferry service, the county's waterborne transit study findings
86 and business plan preparations, and the recommendations from the State's Passenger-

87 Only Ferry Task Force, the county council finds that it is in the public's interest to create
88 a ferry district to provide passenger-only service.

89 U. The intent of creating the ferry district is to provide passenger-only ferry
90 service to various parts of the county, including, but not limited to, potential routes
91 serving Vashon Island, West Seattle, Des Moines, Downtown Seattle, North Bay,
92 Magnolia, Shilshole, Shoreline, Lake Union, North Renton, the University of
93 Washington, Kenmore and Kirkland. Depending upon the results of a potential
94 feasibility study for South Puget Sound passenger-only ferry service, additional locations
95 that could be served include Gig Harbor and Tacoma. Specific service and capital
96 assumptions for the ferry district will need to be established by the governing board of
97 the ferry district.

98 NEW SECTION. SECTION 2.

99 A. A new ferry district within King County is hereby established.

100 B. The members of the King County council, acting ex officio and independently,
101 shall compose the governing body of the ferry district. The voters of the ferry district
102 must be registered voters residing within the boundaries of the district.

103 C. The county ferry district shall include the entire corporate boundary of the
104 county.

105 D. The county ferry district possesses all the powers as provided for in RCW
106 36.54.110.

107 NEW SECTION. SECTION 3. The governing body of the ferry district may
108 levy each year an ad valorem tax on all taxable property located in the district not to
109 exceed seventy-five cents per thousand dollars of assessed value to be used only for

110 providing ferry services. The exact levy amount, to be set at a later date by the governing
111 body of the ferry district, must be sufficient for the provision of ferry services as shown
112 to be required by the budget prepared by the governing body of the ferry district. As
113 reflected in the county business plan for Vashon-Seattle passenger-only ferry service, it is
114 intended that the district shall incur indebtedness and to retire this indebtedness in whole
115 or in part with revenues received from the tax levy authorized in RCW 36.54.130. The
116 maximum amount of this indebtedness, and potential indebtedness for other passenger-
117 only ferry services provided by the ferry district is contemplated not to exceed ten million
118 dollars.

119 NEW SECTION. SECTION 4. There is hereby added to K.C.C. chapter 4.08 a
120 new section to read as follows.

121 **Ferry district fund.** There is hereby created the ferry district fund to provide for
122 the receipt of revenues and the disbursement of expenditures for the provision of ferry
123 service as outlined in chapter 36.54 RCW. The fund shall be a first tier fund as described
124 in this chapter. The department of transportation shall be the fund manager.

125 SECTION 5. Ordinance 12076, Section 9, as amended, and K.C.C. 4.08.015 are
126 each hereby amended to read as follows:

127 A. First tier funds and fund managers are as follows:

Fund No.	Fund Title	Fund Manager
103	County Road	Dept. of Transportation
104	Solid Waste Landfill Post Closure Maintenance	Dept. of Natural Resources and Parks
109	Recorder's O & M	Dept. of Executive Services

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111	Enhanced-911 Emergency Tel System	Dept. of Executive Services
112	Mental Health	Dept. of Community and Human Services
114-1	Veterans Services Levy	Dept. of Community and Human Services
114-2	Health and Human Services Levy	Dept. of Community and Human Services
115	Road Improvement Guaranty	Dept. of Transportation
117	Arts and Cultural Development	Dept. of Executive Services
119	Emergency Medical Services	Dept. of Public Health
121	Surface Water Management	Dept. of Natural Resources and Parks
122	Automated Fingerprint Identification System	Dept. of Public Safety
128	Local Hazardous Waste	Dept. of Public Health
129	Youth Sports Facilities Grant	Dept. of Natural Resources and Parks
131	Noxious weed control fund	Dept. of Natural Resources and Parks
134	Development and Environmental Services	Dept. of Development and Environmental Services
137	Clark Contract Administration	Office of Management and Budget
138	Parks Trust and Contribution	Dept. of Natural Resources and Parks
139	Risk Abatement	Office of Management and Budget
145	Parks and Recreation	Dept. of Natural Resources and Parks
164	Two-Tenths Sales Tax Revenue Receiving	Dept. of Transportation
165	Public Transit Self Insurance	Dept. of Transportation
215	Grants tier 1 fund	Dept. of Executive Services

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216	Cultural Resource Mitigation Fund	Office of Business Relations & Economic Development
309	Neighborhood Parks and Open Space	Dept. of Executive Services
312	HMC Long Range CIP	Dept. of Executive Services
315	Conservation Futures	Dept. of Natural Resources and Parks
316	Parks, Rec. and Open Space	Dept. of Executive Services
318	Surface and Storm Water Mgmt Const	Dept. of Natural Resources and Parks
320	Public Art Fund	Dept. of Executive Services
322	Housing Opportunity Acquisition	Dept. of Community and Human Services
326	1990 Series B Youth Detention Facility	Dept. of Executive Services
327	Equipment and Building Acquisition	Dept. of Executive Services
329	SWM CIP Construction 1992-1997	Dept. of Natural Resources and Parks
331	Long-Term Leases	Dept. of Executive Services
334	Capital Acqn and County Fac Renovation	Office of Management and Budget
335	Youth Services Facilities Construction	Dept. of Executive Services
338	Airport Construction	Dept. of Transportation
339	Working Forest 1995 B	Dept. of Natural Resources and Parks
340	Park Lands Acquisition 1993	Dept. of Natural Resources and Parks
340-3	Urban Reforestation and Habitat Restoration	Dept. of Natural Resources and Parks
341	Arts and Historic Preservation Capital	Dept. of Executive Services
342	Major Maintenance Reserve	Dept. of Executive Services

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343	Core GIS Capital Project	Dept. of Natural Resources and Parks
346	Regional Justice Center Construction	Dept. of Executive Services
347	Emergency Communications System	Dept. of Executive Services
349	Parks Facilities Rehabilitation	Dept. of Executive Services
350	Open Space Acquisition	Dept. of Natural Resources and Parks
364-3	Transit Cross-Border Lease Financing	Dept. of Executive Services
	Fund	
369	Transfer of Development Credits	Dept. of Natural Resources Parks
	Program	
	(TDC) Fund	
377-1	OIRM Capital Fund	Office of Information Resource Management
378	Information and Telecommunications	Dept. of Executive Services
	Capital Improvement Fund	
381	Solid Waste Cap Equip Recovery	Dept. of Natural Resources and Parks
383	Solid Waste Environmental Reserve	Dept. of Natural Resources and Parks
384	Farmland and Open Space Acquisition	Dept. of Natural Resources and Parks
385	Renton Maintenance Fac. Const	Dept. of Transportation
386	County Road Construction	Dept. of Transportation
387	HMC Construction	Dept. of Executive Services
390	Solid Waste Construction	Dept. of Natural Resources and Parks
391	Landfill Reserve	Dept. of Natural Resources and Parks
394	Kingdome CIP	Dept. of Executive Services

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395	Building Capital Improvement	Dept. of Executive Services
396	HMC Building Repair and Replacement	Dept. of Executive Services
404	Solid Waste Operating	Dept. of Natural Resources and Parks
429	Airport Operating	Dept. of Transportation
448	Stadium Management	Dept. of Executive Services
453-1	Institutional Network Operating Fund	Dept. of Executive Services
461	Water Quality	Dept. of Natural Resources and Parks
464	Public Transportation	Dept. of Transportation
542	Safety and Workers' Compensation	Dept. of Executive Services
544	Wastewater Equipment Rental and Revolving Fund	Dept. of Transportation
546	Department of Executive Service Equipment Replacement	Dept. of Executive Services
547	Office of Information Resource Management Operating Fund	Dept. of Executive Services
550	Employee Benefits Program	Dept. of Executive Services
551	Facilities Management	Dept. of Executive Services
552	Insurance	Dept. of Executive Services
557	Public Works Equipment Rental	Dept. of Transportation
558	Motor Pool Equipment Rental	Dept. of Transportation
560	Printing/Graphic Arts Services	Dept. of Executive Services
603	Cultural Resources Endowment	Dept. of Executive Services
622	Judicial Administration Trust and	Dept. of Judicial Administration

	Agency	
624	School District Impact Fee	Office of Management and Budget
674	Refunded Ltd GO Bond Rdmp.	Dept. of Executive Services
675	Refunded Unltd GO Bond	Dept. of Executive Services
676	H&CD Escrow	Dept. of Executive Services
693	Deferred Compensation	Dept. of Executive Services
694	Employee Charitable Campaign	Dept. of Executive Services
	Contributions	
696	Mitigation Payment System	Dept. of Transportation
843	DMS Limited GO Bonds	Dept. of Executive Services
890	ULID Assessment - 1981	Dept. of Transportation
1010	Climate Exchange Fund	Office of Management and Budget
—	<u>Ferry district fund</u>	<u>Dept. of Transportation</u>

128 B. The following shall also be first tier funds:

129 1. All funds now or hereafter established by ordinance for capital construction
130 through specific road improvement districts, utility local improvement districts or local
131 improvement districts. The director of the department of transportation shall be the fund
132 manager for transportation-related funds. The director of the department of natural
133 resources and parks shall be the fund manager for utility-related funds.

134 2. All county funds that receive original proceeds of borrowings made under
135 Chapter 216, Washington Laws of 1982, as now existing or hereafter amended, to the
136 extent of the amounts then outstanding for the borrowings for that fund. For purposes of

137 this subsection, the director of the county department or office primarily responsible for
138 expenditures from that fund shall be the fund manager.

139 3. Any other fund as the council may hereinafter prescribe by ordinance to be
140 invested for its own benefit. County funds shall be treated as provided in K.C.C.
141 4.10.110 unless a designation is made by the council.

142


Ordinance 15739 was introduced on 4/23/2007 and passed as amended by the
Metropolitan King County Council on 4/30/2007, by the following vote:

Yes: 9 - Mr. Gossett, Ms. Patterson, Ms. Lambert, Mr. von Reichbauer, Mr.
Dunn, Mr. Ferguson, Mr. Phillips, Ms. Hague and Mr. Constantine
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Larry Gossett, Chair

ATTEST:


Anne Noris, Clerk of the Council

APPROVED this 8 day of May, 2007.



Ron Sims, County Executive

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CLERK
KING COUNTY COUNCIL

Attachments None