

October 7, 2010



**PUBLIC HEARING TO RECEIVE PUBLIC COMMENT ON PROPOSALS TO
CHANGE GOLDEN GATE FERRY “FREQUENT RIDER” DISCOUNT FARES
AND WEEKDAY SCHEDULES**

The District is facing an \$89 million five-year projected deficit as a result of several recent developments, including the current recession, which has resulted in reduced revenues, the loss of state transit funding, and the commitment of \$75 million toward the Doyle Drive reconstruction project. In May 2009, the Board established the Financial Planning Advisory Committee, tasked with creating a plan to address the projected financial deficit. The *FY 09/10 Financial Plan for Achieving Long-Term Financial Stability* (Plan) drafted by the Advisory Committee was approved by the Board on October 30, 2009.

The Plan laid out 33 specific initiatives that, if implemented, will help restore the District to stable footing. The two proposals under consideration cover initiatives 13 and 9 of the Plan, and call for a fare increase for frequent ferry riders, as described under Initiative 13 of the Plan; and, Reducing ferry trips with low ridership, as described under Initiative 9 of the Plan, respectively.

Changes to the Ferry Frequent Rider Fare (Clipper) (Initiative 13)

Ferry riders can obtain a Frequent Rider discount from the current regular cash fare of \$8.25 when using ClipperSM cards. Clipper became the sole means of obtaining this discount on January 31, 2009, when discount ticket books were discontinued, and this proposal would only apply to full-fare adult riders using Clipper. Presently, the Frequent Rider fare is \$5.15 on the Larkspur Ferry and \$4.40 on the Sausalito Ferry. This proposal would change the Frequent Rider fare to be the same on both ferry routes at \$5.80. The table below shows current ferry fares and the proposed change in Ferry Frequent Rider Fares that would take effect on January 1, 2011.

**Golden Gate Ferry: Current and Proposed
Adult Cash Fares and Frequent Rider Fares**

	ADULT CASH FARE (currently)	FREQUENT RIDER FARE (currently)	FREQUENT RIDER DISCOUNT (currently)	PROPOSED FREQUENT RIDER FARE JAN. 1, 2011	FREQUENT RIDER DISCOUNT JAN. 1, 2011
Larkspur	\$8.25	\$5.15	38%	\$5.80	30%
Sausalito	\$8.25	\$4.40	46%	\$5.80	30%

The change in the fares could generate an additional \$400,000 in new revenue over the six months of FY 10/11 between January 1 and June 30, 2011, if there is no loss of ridership.

However, recognizing that some passengers could be lost to the system if the increase is implemented, staff has adjusted the annual amount of new revenue to reflect this possibility, resulting in an estimated net additional revenue between \$210,000 and \$300,000 during the second half of FY 10/11.

Ferry Schedule Changes (Initiative 9)

The proposed Golden Gate Ferry schedule adjustments are intended to improve operational efficiency and generate cost savings as a result of achieving efficiencies in both fuel usage and crew deployment. The revised weekday schedules are intended to better accommodate commuters’ work start times, maximize crew availability, and provide an ongoing cost savings associated with reduced fuel consumption. Fuel consumption would be reduced through several means, including eliminating most non-revenue service for positioning equipment, discontinuing some low-patronage trips, and slowing down some crossing times.

There are currently 41 weekday crossings scheduled between Larkspur and San Francisco and 18 weekday crossings scheduled between Sausalito and San Francisco. The proposed changes to the Larkspur ferry service include schedule adjustments to 13 trips, elimination of 3 trips, elimination of 2 crossings during the fall/winter season, elimination of 3 additional crossings year-round and conversion of one trip from a high-speed crossing (30 minutes) to a Spaulding crossing (45 minutes):

- Schedule adjustments would occur in both directions during the morning commute period.
- The first northbound trip to Larkspur and one evening round-trip would be eliminated. One round-trip during the midday would be eliminated during the non-peak season, from October 1 through March 31.
- The first morning southbound trip to San Francisco would be operated using a Spaulding vessel, eliminating a non-revenue deadhead trip between Larkspur and Sausalito currently made by the Sausalito ferry.

The proposed changes to the Sausalito ferry service include schedule adjustments to five trips and the addition of one new trip:

- Schedule adjustments of 30 to 55 minutes would occur in both directions during the midday, with one adjustment resulting in a 55-minute change.
- A new morning trip would depart San Francisco at 6:30 a.m., arriving in Sausalito at 7:00 a.m.

During the morning and afternoon commute periods, the proposed changes would affect 21% of Larkspur passengers and no Sausalito passengers. Throughout the total day, 26% of Larkspur passengers and 22% of Sausalito passengers would see changes in current schedule times of 15 or more minutes. All but a very small number of passengers (less than 10) would have alternate service. Just over 25% of total Larkspur ferry patrons would experience schedule changes of 15 minutes or more, and 21% of peak Larkspur ferry patrons could be affected. A public outreach

program is underway, which culminates in the public hearing on October 7, 2010, to inform patrons of the proposed changes and to solicit input.

If the schedule proposal is implemented on January 1, 2011, the fuel savings that would be generated by the proposed changes to ferry schedules are estimated at 332 gallons of fuel per day during the peak season and 562 gallons of fuel per day during the non-peak season, or approximately 112,644 gallons per year. At the FY 10/11 budgeted cost of approximately \$2.56 per gallon (with taxes), an estimated savings of \$140,000 would accrue during the last six months of the fiscal year, or \$280,000 annually. However, annual savings could vary depending on actual fuel costs in subsequent fiscal years.

Next Steps

Following the public hearing, staff will analyze all comments received from the public regarding the proposed Ferry Frequent Rider (Clipper) fare increase and the proposed ferry schedule changes and determine if any modifications should be made to the proposals. Staff will bring a final recommendation regarding the proposed changes to both the Ferry Frequent Rider Fares and proposed schedule changes to the Transportation Committee for consideration on Thursday, November 18, 2010. If the Committee approves the changes, the item will be considered by the Board of Directors for final approval at the meeting on Friday, November 19, 2010. If the Board approves changes to the current Ferry Frequent Rider Discount Program and the proposed ferry schedule changes at its November 19 meeting, the changes would be implemented on January 1, 2011.