

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: January 21, 2020 **Approx. Start Time:** 2:00pm **Approx. Length:** 30 mins

Presentation Title: Canby Ferry Update

Department: Transportation and Development

Presenters: Mike Bezner, Assistant Director; Shane Abbott, Transportation Maintenance Supervisor

Other Invitees: Dan Johnson, Director; Diedre Landon, Administrative Services Manager; Travis Wootan, Transportation Maintenance Supervisor; Cameron Ruen, Community Relations

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Staff is seeking Board concurrence on continuing to implement measures to decrease the Canby Ferry funding gap.

EXECUTIVE SUMMARY:

Each year, a fiscal decision is made to continue operation of the Canby Ferry, even though the revenue brought in from the ferry does not cover the costs. Although the Canby Ferry is an important part of the identity of the Canby area, it costs the county an average of approximately \$400,000 more per year than is received in revenue. This shortfall is funded by the Road Fund. In fiscal year 18/19 this shortfall was \$311,000. It is reasonable for county resources to contribute towards the ferry, but this is a large road fund contribution compared to other transportation connections with similar low daily volumes.

In March 2019, Staff reported to the Board that there were several possible ways to close the ferry's current shortfall. Staff analyzed them (e.g. decrease operating hours, close during winter, etc.) and many would not have a significant impact on the shortfall. Staff implemented a few, and explored others further as follows:

- Increase cost of punch card from \$3 a trip to \$4 a trip (still a \$1 discount): This was implemented as of July 1, 2019. Before this increase went into effect, some regular riders pre-purchased extra punch cards before July 1. We will not know the impact of this change until the old punch cards are used up and new ones are purchased.
- Form a funding district to supplement fares: The challenge in forming a district is to make it large enough to raise enough funds to have a significant impact on the shortfall while not being so large that some ratepayers will have no connection to or use for the ferry. A district that includes all properties within a 5-mile radius of the ferry can raise almost \$300,000 per year through a \$0.03 per thousand tax rate, but includes properties as far away as incorporated Oregon City, West Linn, and Wilsonville. A district that only includes properties within a 2-mile radius requires a \$0.38 tax rate per thousand to raise the same amount of funding.

- Seek contributions from the neighboring cities: The County has not formally requested an annual contribution from Canby (and possibly others). In addition, Staff has reached out to ODOT to see if there are funds available to supplement ferry operations.
- Advertise and market the ferry: PGA has hired a consultant to develop a marketing campaign intended to drive awareness for the Canby Ferry to spur an increase in short- and long-term ridership. In addition, the campaign intends to test and measure marketing tactics to inform effective, and cost-effective, future marketing. Concepts are under development and we intend to begin the campaign this spring.

FINANCIAL IMPLICATIONS (current year and ongoing):

Is this item in your current budget? YES NO

What is the cost? \$400,000 per year on average (\$311,000 in FY18/19)

What is the funding source? Road Fund

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department’s Strategic Business Plan goals?

This aligns with the DTD Strategic Business Plan purpose for the Transportation Maintenance program: The purpose of the Transportation Maintenance program is to provide repair, maintenance, preservation and emergency response services to the public so they can live, work, recreate and travel safely on a well-maintained County transportation system.

- How does this item align with the County’s Performance Clackamas goals?

This aligns with the County Performance Clackamas goals of:

- Build a Strong Infrastructure
- Honor, Utilize, Promote and Invest in our Natural Resources

LEGAL/POLICY REQUIREMENTS:

None at this time.

PUBLIC/GOVERNMENTAL PARTICIPATION:

There has been a very active public participation process regarding the Canby Ferry and its future. This has included public meetings and previous policy sessions with the Board.

OPTIONS:

1. Direct Staff to further develop potential funding district alternatives for Board consideration.

2. Formally request an annual contribution from the City of Canby to help with operational costs.
3. Direct Staff to continue with the marketing campaign to increase revenue.

RECOMMENDATION:

At this time, staff respectfully recommends that the Board direct Staff to advance Options 2 and 3; to formally request an annual contribution from the City of Canby to help with operational costs; and continue with the marketing campaign to increase revenue.

If approved staff will report back in six months to assess how these actions have reduced the funding shortfall.

ATTACHMENTS:

N/A

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Mike Bezner @ 503-742-4651
