


MEMORANDUM

May 5, 2004

5/5/04  
I agree.  


TO: Gene Eckhardt, Regulatory Services, Assistant Director  
Transportation and Water Section

FROM: Bonnie Allen, Regulatory Analyst 

SUBJECT: Temporary Commercial Ferry Certificate  
Application No. B-79276 - Docket No. TS-040794

Kitsap Ferry Company, LLC  
197 Parfitt Way SW, Suite 100  
Bainbridge Island, WA 98110

Discussion

On April 29, 2004, Kitsap Ferry Company, a Limited Liability Company, filed its application B-79276 requesting temporary authority to provide commercial ferry service between Bremerton and Seattle. The applicant will provide the proposed service using the "Spirit of Adventure," a 250-passenger catamaran vessel leased from TMT Corporation. The applicant has satisfied the filing requirements of WAC 480-51-060(4). The application filing is accompanied by:

- Current certificate of inspection issued by the United States Coast Guard certifying the "Spirit of Adventure." The certificate is dated April 24, 2002, expires April 24, 2007, and shows annual re-inspections in April 2003 and April 2004. The certificate states that the "Spirit of Adventure" may carry a total of 260 persons. The certificate identifies Glacier Bay Marine Services, Inc., as the owner and Glacier Bay Park Concessions, Inc., as the operator of the vessel.
- Vessel's certificate of documentation issued September 23, 2003, that shows TMT Corp. as the current owner and managing owner of the "Spirit of Adventure."
- Agreement between Kitsap Ferry Company, LLC, and Argosy Cruises for dock space along the central Seattle waterfront to be used for loading and unloading passengers.

- Certificate of insurance covering the "Spirit of Adventure" in the required limits. The insurance certificate included with this application does not name the applicant, Kitsap Ferry Company, LLC as insured, nor does the certificate name the Commission as an additional certificate holder to receive cancellation and reinstatement notices. Staff has contacted the applicant a proper filing will be made prior to a certificate being issued.
- Tariff and time schedule that describes the proposed service and the rates and charges for that service. Staff has contacted the applicant to make some corrections on the tariff and time schedule
- Applicant's statement that there is an urgent and immediate need for service between Bremerton and Seattle.
  - The Washington State Ferries (WSF) carried 840,079 passengers on its passenger-only ferry service between Bremerton and Seattle in 2001.
  - Washington State Ferries discontinued passenger-only ferry service between Bremerton and Seattle in September of 2003.
  - Kitsap Transit failed in its attempt to re-establish the service under the authority of the Public Transportation Benefit Area.
  - The applicant has reached an agreement with Kitsap Transit to provide passenger-only ferry.
- Supporting statements from:
  - Kitsap County Board of Commissioners, 614 Division Street, MS-4, Port Orchard, WA.
  - Cary Bozeman, Mayor of the city of Bremerton Mayor, 239 4<sup>th</sup> Street, Bremerton, WA.
  - Kim Abel, Mayor of the city of Port Orchard, 216 Prospect Street, Port Orchard, WA.
  - Silvia Klatman, Executive Director, Bremerton Area Chamber of Commerce, 301 Pacific, Bremerton, WA.
  - Elizabeth A. Gilje, President KPS Health Plans

### Conclusion

Under the provisions of RCW 81.84.070 and WAC 480-51-060, the Commission may, with or without hearing, issue temporary certificates for authority to provide

commercial ferry service for a period not to exceed one hundred eighty days, but only after finding that issuance of the temporary certificate is necessary due to an immediate and urgent need and is otherwise consistent with the public interest.

Further, if the holder of a temporary authority files a valid application for parallel permanent certificated authority within thirty days after the grant of temporary authority, that temporary authority shall continue in force until the Commission grants or denies the application for the permanent certificate.

The applicant has shown that there is an immediate and urgent need for the proposed service and that granting the temporary certificate to provide the proposed service is in the public interest.

There is currently no existing certificated commercial ferry operator authorized to provide the requested service, and there is no other application pending for a certificate to provide such service.

Staff has no information that would suggest the applicant is not fit, willing, and able to provide the proposed service. On receipt of corrected insurance, tariff, and time schedule the applicant will have satisfied the application filing requirements.

#### Recommendation

Staff recommends the applicant be granted a temporary commercial ferry certificate to provide "Passenger-only ferry service between Bremerton and Seattle" for a period of 180 days or until the Commission grants or denies a parallel application for permanent certificate authority if that parallel application is filed within 30 days of the grant of this temporary.