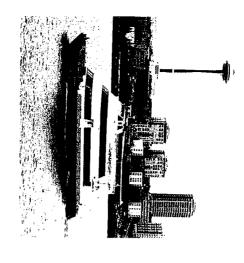


AQUAEXPRESS





LOCAL ROOTS

Aqua Express, L.L.C. is the partnership of the following locally operated institutions:

Argosy Cruises, a family-owned company, has been operating in Seattle for 55 years.

Clipper Navigation, Inc., also a familyowned business, has been operating in Seattle for over 18 years.

Four Seasons Marine Services, Alaska's largest private passenger ferry operator has offices in Poulsbo, WA.

Nichols Brothers Boat Builders, an industry leader in high-speed catamaran building also performs conversions, maintenance and repairs on vessels at its Whidbey Island, WA yard.

COMMITMENT TO COMMUNITY

Aqua Express has been working closely with the community since 1992 to provide a meaningful passenger and commuter service. We have provided educational excursions to the Olympic Peninsula and familianization trips to Seattle and Kitsap County.



SUPPORT FOR PASSENGER-ONLY SERVICE.

When: Thursday, July 1, 2004, 1:30-2:30 pm or from 6-9 pm Where: Kingston Junior High, 9000 NE West Kingston Rd., Kingston, WA 98346



AQUAEXPRESS



Quick and comfortable passenger-only ferry service between Seattle and the Kingston/North Kitsap area.



The AQUA EXPRESS Seattle/Kingston service is scheduled to begin in early October.

No service on weekends or official State and National holidays.

5 days/week - Monday to Friday

DAILY SERVICE:

16 miles between Kingston and Seattle's Pier 55

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OUR MISSION

Aqua Express will provide commuters with fast, economical and friendly service between Seattle and Kitsap County.

PROVEN EXPERIENCE

Aqua Express, L.L.C. is comprised of the field of marine transportation and pasfollowing companies that excel in the senger ferry service.

Argosy brunch, lunch and dinner cruises on guests public and private cruises and Royal Waterfront at Piers 54, 55, 56 and 57, an the waters of Puget Sound. Argosy Cruises locally-operated Seattle company offering ideal location for ferry passengers. Argosy Cruises also moors vessels on Lake Union Argosy Cruises is a family-owned and operates 10 vessels in the region with moorage located on Seattle's Central and at Kirkland City Dock.

Navigation, Inc., has owned and operated a 1985 to provide year-round passenger ferry Clipper Navigation, Inc., was founded in and currently operates 3 passenger catama-Islands, as well as the provision of contract rans. In addition, Clipper Navigation, Inc., service between Seattle, WA and Victoria, provide seasonal service to the San Juan fleet of as many as 6 vessels at one time BC aboard the Victoria Clipper. Since its inception, the company has expanded to ferry service for Navy personnel. Clipper

Pacific Northwest offering tours to more than

10 destination cities.

has become a leading tour operator for the

operates daily ferry service between Juneau Marine Services is also Alaska's largest paspany also operates whale watching cruises largest private passenger ferry operator. It and Admiralty Island 365 days each year. Celebrity and Princess Cruise Lines during senger vessel leasing company. The comin southeast Alaska for Royal Caribbean, With 12 boats chartered to operators in Washington and Alaska, Four Seasons the summer season.

6:20 am

Depart Kingston

5:30 am 7:10 am 8:50 am 4:50 pm md 08:3

40 minute crossing

SCH ED ULE

4:00 pm 5:40 pm 7:20 pm

8:00 am

eplicas, car ferries, tugboats, fireboats and been in the commercial boat building business for 65 years, is the industry leader in nigh-speed catamaran building. The comfishing boats.

Four Seasons Marine Services is Alaska's

Food & Beverage will be available for sale on board.

250 passengers 40 minutes

VESSEL CAPACITY:

TRAVEL TIME:

DISTANCE

pany has also built dinner vessels, excursion vessels, period boats, paddlewheel steamer Nichols Brothers Boat Builders, who has

\$10.50 \$5.25

Round Trip:

One Way:

FARES AND TARIFFS

Passenger Fares

Infants under 1 are free

No service on the weekends or the following official State and National holidays.

Martin Luther King Jr. Day Independence Day Thanksgiving Day New Year's Day President's Day Christmas Day Memorial Day Veteran's Day abor Day

\$6.00

Round Trip:

One Way:

Bicycle Tariff (per bicycle)

Subject to WUTC approval

Depart Seattle

AQUA EXPRESS L.L.C.

Kingston / Seattle Ferry Division Ridership and Revenue Forecast CORRECTED as of 6/23/04

47,676 **\$** 61,215 **\$** 69 69 s 4 3,180 65,190 250 21.20 45% 9,540 11,660 5.00 795 000' 1,000 2,500 21 200 Month 8 40% 5 % 42,379 **\$** 66,780 **\$** 49 90 5.00 3,180 70,755 21.20 40% 8,480 12,720 795 250 2.500 90, 21.200 Month 7 40% 10 % **&** & 37,081 72,345 2,500 5.00 3,180 250 21.20 35% 7,420 13,780 795 76,320 90, 00,1 21,200 Month 6 40% 9 %0 31,784 **\$** 77,910 **\$ 69** 69 s 69 30% 6,360 14,840 3,180 81,885 250 2,500 21.20 5.00 795 1,000 21,200 Month 5 40% 9 % 69 69 ø 49 26,487 83,475 3,180 21.20 25% 5,300 15,900 5.00 795 250 8 87,450 90, 21,200 Month 4 40% 9 % 21,189 **\$** 89,040 **\$** ₩ s 69 69 3,180 20% 4,240 16,960 5.00 795 250 21.20 21,200 93,015 2500 8 000' Month 3 40% %0 9 16,289 \$ 96,970 \$ 69 69 69 ₩. 15% 3,260 18,471 3,260 250 21.20 5.00 795 500 025 21.730 101,025 Month 2 41% % ç 11,919 **\$** 69 3,578 250 2.500 21.20 23,850 10% 2,385 21,465 795 1,125 117,064 Year 1 Month 1 45% 9 % 69 Discount Fare per paying passenger per leg Full Fare per paying passenger per leg Discount fare passenger fare revenue Full fare passenger fare revenue Percentage of Pax with discount Pax with discount Concessions Revenue Food and Beverages (net of tax) Maximum passengers per day Paying passengers per month Percentage infants riding free Riding infants per day Per leg maximum passenger Number of legs per day REVENUE Riding passengers per day Paying passengers per day Operating days per month Load Percentage per day Total Full Fare Revenue Jessel Fare Revenue Bicycle Fare Revenue Cargo Fare Revenue Pax - Full Fare Months per year

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4		148,359	117,064	11,919	21,921	(2,545)	148,359
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Total other revenue		TOTAL REVENUE	Full Fare Revenue	Discounted Fare Revenue	Concessions Revenue	Less: Commissions & Refunds	TOTAL REVENUE

Leg = One vessel movement from one dock to another. Two legs would be a round trip.

Load = Percentage of total capacity utilized.

Passenger types = One category for all passengers. Adult, youth and children all occupy seats thus will

be charged the same fare. EXCEPTION: Infants under 1 year are free but count as a passenger.

		
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KITSAP COUNTY BOARD OF COMMISSIONERS

Chris Endresen DISTRICT 1

> Jan Angel DISTRICT 2

Patty Lent DISTRICT 3 July 1, 2004

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, Washington 98504-7250

Dear Commissioners:

Malcolm Fleming County Administrator I have been commissioner for eight years in Kitsap County and each of those years have worked to bring Passenger Ferry Service from Kingston to Seattle. Our community has sponsored demonstration runs, we have lobbied in Olympia, had rallies in Olympia and been successful in convincing the legislature of the need for this service more than once.

The legislator committed to POF operated by the Washington State Ferries. This service was funded until Initiative 695 passed and the finance vehicle was eliminated. We were successful with the legislature a second time and they included POF service in Referendum 51. The voters decided against that transportation package and we were again without service. For the third time, the community convinced the legislature that POF was a needed service and they crafted legislation that would allow Kitsap Transit to operate the service. Kitsap Transit operations depended on a proposition to raise the sales tax in Kitsap County but many of our voters felt the cost of this service should not be born solely by the taxpayers of Kitsap County and that ballot issue failed.

The service is still needed and I ask you to grant the franchise with Aqua Express for this important service.

Having this direct service from Kingston to Seattle will have positive effects throughout our county. It will reduce traffic on Highway 305 by reducing the number of people who currently commute to Bainbridge Island to catch the ferry to Seattle. It will relieve parking on Bainbridge Island. It will enhance the quality of life for our commuting residents by reducing their travel time and giving them direct access.

This service will compliment the existing car boat schedules and combined with the Bremerton service, will help reduce traffic congestion through Poulsbo.

The last point I would like to make is about the broader implications of this service. The Puget Sound Passenger Ferry Coalition is a group of elected officials, union officials, and private sector businesses who work with the Cascadia Project of the Discovery Institute. Our work includes encouraging passenger ferry service throughout Puget Sound as an integral part of a multi-modal system to encourage economic development, expand jobs in the maritime trades industry, to support federal initiatives to enhance the role of ferries in our transportation system.

The success of this private/public partnership for this service could very well serve as a model for other jurisdictions in the Puget Sound area.

I strongly urge you to approve the franchise with Aqua Express for the Kingston to Seattle passenger ferry service.

Sincerely,

Chris Endresen,

County Commissioner

I wish to testify that I am opposed to the private passenger foot ferry serving Kingston to Seattle.

My reasons to this opposition are as follows:

- 1. As a commuter for sixteen years from Kingston to Seattle, I feel that this endeavor will not succeed in furnishing sufficient service needed for the working commuter as far as the number of daily trips and at a reasonable cost. Many times in my working career I was required to work overtime thereby missing my normal ferry trip. The Washington Ferry Service provides enough runs both in the morning and evening times so that there was never a problem getting back home before or after peak rush times. Also if an emergency occurs during the day and one is dependent on getting back home would the foot ferry be running at off peak hours?
- 2. I feel that this scheme is being promoted by local business and government solely to entice more citizens to move into the Kingston community thereby increasing home buying and home building. County government has not kept up with the infrastructure needed to accommodate a spurt in population growth. Our roads, parking facilities, schools etc. are overburden already with the present population growth.
- 3. I feel that if WSF was given the proper funding by the legislators it could once again address POF with better designed and more economical boats. The facilities for POF are already in place in Bremerton and could be less costly to build in Kingston and Southworth because much time and money has already been spent by WSF in design studies to provide POF service to both communities.

Thank you for your time

David O. Schwab

David O. Schwal

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THE GREATER KINGSTON COMMUNITY CHAMBER OF COMMERCE

P.O. Box 78 • Kingston, WA 98346 • (360) 297-3813 • http://www.kingstonwa.com

Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, Washington 98504-7250

Dear Utilities and Transportation Commissioners,

I write to you on behalf of the Greater Area Kingston Chamber of Commerce. As a Kingston resident, small business owner, and 2004 Chamber President I have followed the ferry issue in Kingston for more then 25 years. I have personally been involved with the Kingston Chamber's taskforce "Ferry Committee" for over 13 years. The Chamber, as a local community organization, recognized and understood the importance of passenger only ferries over a decade ago. Today as a Chamber; we are asking you as Commissioners, to support our mission for a growing community with a strong economic base and benefits available through the privatization of passenger only ferry service to Kingston.

The challenge for Kitsap County has always been transportation. Can we find ways to develop a revitalized transportation system with clearer long-range goals, more innovative financing and management, better technology to smooth or reduce traffic, closer coordination of various modes of transportation (cars, buses, transit, ferries); and a more satisfactory concern for the environment and growth management? The Kingston Chamber believes we can; and the solution will begin with you as Utilities and Transportation Commissioners approving application B07273 from Aqua Express with quick and decisive action.

Throughout the history of our local Chamber we have watched state legislation pass and fail regarding ferry service to our small town, resulting in "NO" passenger only ferry service. We have watched friends and family struggle with the availability of medical care, the rising cost of gas, continual increases for auto ferry passage, and following 9/11 the true awareness of just how isolated we are as a community here in Kingston. Across the country communities are embracing passenger only ferry systems as an entracle piece in their long range homeland security plans. The Chamber believes that a partnership between private enterprise and public agencies affords the same security measures for both the Kitsap and Olympic Peninsulas. The key to that successful partnership is approval from this board for application request made by Aqua Express. (application B07273).

The approval of application B07273 from Aqua Express will provide reliable service between Kingston and Seattle shortening commutes. It will decrease the congestion of SR 305, improving not only the business climate but addressing highway safety issues as well. The Greater Area Kingston Chamber has formal given support to Aqua Express as well as Kitsap Transit in all matters related to potential serves of passenger only ferries from Kingston to Seattle and we ask you to approve the application before you on this matter as we believe it holds countless benefits for Kingston, Kitsap County, and all of the Puget Sound.

Sincerely,

Tom Waggoner,

President

Greater Area Kingston Chamber of Commerce

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July 1, 2004

P.O. Box 229

301 Pacific

Bremerton, WA 98337

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW P.O. Box 47250 Olympia WA 98504-7250

Dear UTC Commissioners,

The Bremerton Area Chamber of Commerce is in strong support of passenger-only ferry service.

We are especially pleased with the proposal to provide service between Kingston and Seattle and encourage to you support Application B079273, Docket TS-040650 from Aqua Express, LLC.

Passenger-only ferry service is vital to the economic and quality of life interests of Kitsap County. Our community currently has 90,000 people who are employable yet only 75,000 jobs available locally. Passenger-only ferry service provides access to jobs for thousands of families who would otherwise be unable to find work on the Kitsap Peninsula.

Fast and reliable transportation is also key to attracting new companies to Kitsap County. It would not only provide easy access to Seattle but also help alleviate traffic congestion in the north end by diverting ferry commuters from Bainbridge to Kingston.

Again, we encourage you to support the application for Kingston-Seattle passenger-only ferry service.

A Stronger

Chamber

Equals

A Stronger

Community

Bremerton Area Chamber of Commerce

PH: (360) 479-3579

FAX: (360) 479-1033

email: chamber@ bremertonchamber.org

Web Page: www.bremertonchamber.org

Sincerely,

Silvia Klatman, IOM Executive Director



BAINBRIDGE ISLAND CHAMBER OF COMMERCE

July 1, 2004

Washington Utilities and Transportation Commission P.O. Box 47250 1300 South Evergreen Park Drive S.W. Olympia, WA 98504-7250

Dear UTC Commissioners,

The Board of Directors of the Bainbridge Island Chamber of Commerce strongly supports the provision of passenger ferry service between Kingston and Seattle and we request that you grant application B07273 from Aqua Express with all alacrity.

The BICC is pleased to see private enterprise step up to the plate in a partnership with public agencies to bring long-desired passenger ferry service to Kingston.

Reliable passenger ferry service between Kingston and Seattle will help Kitsap County attract new workers and new businesses, and expand the region's economic reach, which has been hamstrung by the lack of direct access to the state's biggest commercial center.

In addition, having passenger ferry service from Kingston to downtown Seattle will potentially decrease congestion on SR 305 on Bainbridge Island, a move that will not only help improve the island's business climate, but also the quality of life of its residents.

Again, we strongly urge you to grant the application for Kingston-Seattle passenger ferry service.

Sincerely

Kevin Dwyer

Executive Director





June 29, 2004

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA. 98504 – 7250

Reference: Application B079273, Docket TS-040650, Aqua Express, LLC

Dear Commissioners,

The Board of Directors of Port Orchard Chamber of Commerce, which has a membership of 450, supports the application of Aqua Express for a Commercial Ferry Permit between Kingston and Seattle. I urge you to approve this application.

Passenger only ferry service is not only an important element of the Stat's transportation network but is also a critical link between Kitsap and King Counties. This service will have a direct positive impact on the region's economy as whole.

The Washington State Legislature has endorsed passenger only service for years and has recognized the need for the service between Kingston and Seattle. Last year the Legislature made it clear that commercial ferry service was a viable option for this much needed route. Please act to ensure that this option is available to us.

Sincerely.

Man am Huntinta gn President P.D. CHAMBER

1014 Bay St. #8 address Fort Orchard, WA 98366

Mary Aun Huntington

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June 18, 2004

Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

Reference: Application B079273, Docket TS-040650, Aqua Express, LLC

Dear Commissioners,

I write to support the application of Aqua Express for a Commercial Ferry Permit between Kingston and Seattle. I urge you to approve this application.

Passenger only ferry service is not only an important element of the State's transportation network but is also a critical link between Kitsap and King Counties. This service will not only have a direct positive impact on me as a ferry user but on the region's economy as a whole.

The Washington State Legislature has endorsed passenger only service for years and has recognized the need for the service between Kingston and Seattle. Last year the Legislature made it clear that commercial ferry service was a viable option for this much needed route. Please act to ensure that this option is available to us.

Sincerely,

Junet Kramberger

Janet Kramberger



Board of Directors

Beverly Kincaid, President

Grant Griffin, Vice President

Joan Dingfield, Sec'y./Treas.

Tim Botkin

Darrell Bryan

Terry Dolan

Holly James

Bonnie McDade

Matt Mullett

Scott Rhodes

Len Roueche

Alice Tawresey

Sonny Woodward

Directors of Counsel

Ken Attebery

Ray Deardorf

Chris Endresen

Richard Hayes

Cheryl Kincer

Will Maupin

Sharon Shrader

Ann Sutphin

July 1, 2004

Washington Utilities and Transportation Commission

P.O. Box 47250

1300 South Evergreen Park Drive S.W.

Olympia, WA 98504-7250

Re: Application B079273, Docket TS-040650, Aqua Express, LLC

Dear Commissioners;

The Marine Transportation Association of Kitsap (MTAK) urges the Washington Utilities and Transportation Commission to approve application B07273 from Aqua Express without

delay.

MTAK is committed to rider-oriented passenger only ferry service between Kitsap County and other ports on the Puget Sound. As a strong supporter of the voter measure last fall to create a comprehensive passenger ferry service originating in Kitsap County, MTAK recognizes that Kitsap residents rejected the property and motor vehicle excise tax funding proposal but *not* the need for passenger ferry service. County residents believe that passenger ferry service from Kingston is imperative for future economic development in North Kitsap County, and that private operators are key to development of this service.

MTAK is pleased that private operators have stepped in to provide passenger ferry service from Kingston to Seattle. The joint development agreement that Aqua Express has entered into with Kitsap Transit will ensure that this service is integrated with shore-side transportation systems and is responsive to county residents' needs.

In addition to providing service on a highly desired new route directly to downtown Seattle from Kingston, MTAK believes that the proposed passenger ferry service between Kingston and Seattle will improve the quality of life locally. It will alleviate overcrowding on major arterials such as State Route 305 and allow other communities, such as Bainbridge Island and Poulsbo, to effectively manage economic development.

Please grant application B079273 from Aqua Express and preserve transportation choices

for North Kitsap residents.

Grant Griffin, Vice President

Marine Transportation Association of Kitsap

Marine Transportation Association of Kitsap

P.O. Box 29 ~ Bremerton, Washington 98337

Website: www.MTAK.org