



PRESS RELEASE

Kitsap Transit resumes plans for expansion of Sunday bus service

Port Orchard, Poulsbo and Silverdale rollout to launch June 16

March 21, 2024

Contact: Sanjay Bhatt, Marketing & Public Information Director, sanjayb@kitsaptransit.com

BREMERTON, Wash. – Kitsap Transit (KT) plans to roll out Sunday bus service in Port Orchard, Silverdale and Poulsbo on June 16. Phase 2 of Sunday service expansion, which was scheduled to start March 10, was paused to give the agency time to evaluate the potential financial impact of Initiative 2117, a November ballot initiative.

Details about the Sunday service expansion can be found at kitsaptransit.com/Sunday.

At its work session on Tuesday, the KT Board of Commissioners agreed with Executive Director John Clauson’s recommendation to move ahead with the expansion after reviewing the financial outlook for the agency’s transit and ferry funds. Subsequent to the Board’s Feb. 20 work session, at which I-2117 was discussed, Clauson informed Board members he was pausing the expansion until the agency could assess the initiative’s potential impact.

If passed, I-2117 would repeal the state’s 2021 Climate Commitment Act (CCA), which the Legislature estimated would provide \$5.4 billion over 16 years to transit and other transportation programs.

In the 2023-2025 biennium, KT received \$5.276 million on an annual basis in CCA funds for transit operations and additional funds to support its paratransit (*ACCESS*) services. In addition, KT has used CCA funds to develop inductive charging capability at its transit bases and accelerate work on an all-electric ferry to operate its local foot ferry routes in Sinclair Inlet.

At Tuesday’s work session, Clauson indicated that I-2117, if passed, could result in KT potentially losing \$30 million in CCA funds through 2029 -- \$21 million on the transit side, \$9 million on the ferry side. However, the blow to the agency’s financial condition wouldn’t force hard decisions until 2028, when unrestricted reserves in the transit and ferry funds could fall below the agency’s minimum-reserve policy. The minimum reserves are designed to cushion KT’s bus and ferry operations in the event of higher-than-expected expenses or lower-than-expected sales tax revenue.

Despite the potential loss of CCA funds, KT can keep moving forward with the plan adopted last year of adding bus service on Sundays, Clauson said. However, the potential loss of these state funds would hinder the agency's ability to expand service and force it to prioritize capital projects, he said.

"We have time to look at and very carefully, strategically, figure out what is our path forward," Clauson said to the Board.

Finance Director Paul Shinnery estimated the annual direct cost of Sunday bus service was \$1.4 million -- \$351,000 for Phase 1 (Bremerton), \$702,000 for Phase 2 (Port Orchard, Silverdale and Poulsbo) and \$351,000 for Phase 3 (Bainbridge Island). Sunday service was launched in Bremerton last September.

To offset the potential loss of CCA funds, Clauson indicated the Board had several options to offset the loss in the transit fund: Deferring capital projects that haven't started, tapping restricted reserves, or assuming growth in sales tax to be better than 3.5 percent annually. Sales tax revenue accounts for the bulk of KT's operating revenue. Similarly, in the ferry fund, the Board could assume higher growth in sales tax revenue, defer certain capital projects or raise fares.

At Tuesday's work session, the Board endorsed Clauson's proposal of raising fares on KT's Fast Ferry services. The regular fare on Kitsap Fast Ferries is \$10 on sailings headed to Kitsap and \$2 on sailings to Seattle, or a total cost of \$12. (The reduced fare is half of those amounts.) Under the proposal discussed Tuesday, the total cost would go up to \$14 for regular fare, effective Oct. 1, 2024, and to \$15 starting Oct. 1, 2025. KT will put together a more detailed proposal for the public to comment on and for the Board to consider before it votes to adopt changes to KT's fare policy later this year, Clauson said.

###

About Kitsap Transit

Kitsap Transit has been operating friendly, convenient public transit since 1983. The transit agency for Kitsap County carried more than 3.84 million riders in 2019 across a multi-modal system of routed buses, passenger ferries, paratransit shuttles, vanpools, and worker/driver buses for the Puget Sound Naval Shipyard.

Hablar español?

Por favor llame al 1-800-501-7433 durante las horas normales de oficina. El personal de servicios al cliente se conectará con un intérprete para ayudarle a responder sus preguntas.

Nagsasalita ka ba ng Tagalog?

Paki-tawagan ang numero 1-800-501-7433 normal na oras ng trabaho. Customer Service kawani ay kumonekta sa isang taga interpretor upang tulungan sagutin ang iyong katanungan.