

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
BOARD OF DIRECTORS

PUBLIC HEARING NO. 534
PROPOSED CHANGES TO METROBUS CHARTER SERVICE FARE
DOCKET NO. B08-3

Washington, D.C.
Monday, September 15, 2008

1 PARTICIPANTS:

2 Washington Metropolitan Area Transit Authority:

3 CAROL DILLON KISSAL
4 Chief Financial Officer5 RICHARD HARCUM
6 Director of Finance Office of Management &
7 Budget Services

8 Other Attendees:

9 SCOTT MERRIMAN
10 Secretary/Treasurer, Scenic America, Inc.11 WILLIAM BAKER
12 President, Avalon Tour and Charter Services, Inc.13 CHARLIE NEAL
14 Vice President, TransAmerica Travel

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1 P R O C E E D I N G S

2 (6:31 p.m.)

3 MS. KISSAL: Okay. Good evening
4 ladies and gentlemen. I am Carol Dillon
5 Kissal, chief financial officer of the
6 Washington Metropolitan Area Transit
7 Authority. This hearing is convened by the
8 WMATA Board of Directors to elicit the
9 comments of the public on the proposed
10 Metrobus fare adjustments for charter rates
11 and fees.

12 Notice of this hearing was made by
13 publication in the Washington Post and
14 Washington Business Journal newspapers, sent
15 to the area libraries in the Compact
16 jurisdictions and posted on wmata.com.

17 Briefly, I will cover the procedure
18 that we will follow during the hearing.
19 First, we will hear a staff statement on the
20 proposed restructuring. Second, we will hear
21 from those persons who registered in advance
22 to speak at this public hearing. Public

1 officials will be heard first and will be
2 allowed 5 minutes. Then those who registered
3 in advance will be heard in order of
4 registration and allowed 3 minutes a piece.

5 Third, we will hear from anyone
6 present who indicates a desire to be heard
7 and will be allowed 3 minutes each. Please
8 see Ms. Pena, whose hand is raised, if you
9 wish to speak tonight. Further testimony may
10 be submitted in writing until 5:00 p.m.
11 Monday, September 22, 2008 to Office of the
12 Secretary, WMATA, 600 5th Street NW,
13 Washington, D.C. 20001.

14 Alternatively, statements may be
15 faxed to (202)962-1133, or e-mailed to
16 public-hearing- testimony@wmata.com. And
17 that's public-hearing- testimony@wmata.com.

18 Following a review of all testimony
19 received for the public hearing record, WMATA
20 staff will prepare a report on the public
21 hearing for the WMATA Board of Directors.
22 Changes to the plan presented here tonight

1 may be proposed in response to testimony
2 received and subsequent staff analysis. Your
3 comments will become part of the public
4 record that will be examined by the WMATA
5 Board of Directors.

6 Please note that the use of
7 profanity will not be tolerated during the
8 public meeting. In addition, smoking is only
9 permitted outside. If you have not already
10 done so, please silence all cell phones.

11 A verbatim transcript will be made
12 of this hearing and a copy of the transcript,
13 when available, will be on the WMATA website
14 at wmata.com. It may also be reviewed at the
15 Metro headquarters or purchased from Beta
16 Court Reporting, whose telephone number is
17 (202)464-2400.

18 I'll now call on Mr. Rick Harcum of
19 WMATA for the staff presentation. Rick.

20 MR. HARCUM: WMATA is currently
21 providing charter services to Compact
22 jurisdictions. WMATA established charter

1 service in 1973 as a service to the Compact
2 jurisdictions. However, new Federal Transit
3 Administration, FTA, regulations governing
4 charter bus service have severely restricted
5 WMATA from providing charter service.

6 Since the regulation has been in
7 effect, circumstances have dictated that
8 WMATA provide charter service in certain
9 limited cases, after securing an FTA waiver.
10 Since it is reasonable to expect that Metro
11 may still be required to provide some charter
12 service, WMATA proposes to increase the
13 charge for providing charter service from the
14 current rate to a rate that will fully
15 capture the cost of providing charter
16 service.

17 The proposal is to increase the
18 charge for providing charter services. The
19 current minimum charter charge is \$373.50,
20 which includes the current hourly charter
21 rate of \$83 with a 3-hour minimum and 1-1/2
22 hours of travel time. An additional

1 rush-hour charge of \$15 also applies.

2 This proposal seeks to cover all
3 WMATA costs. The proposed rate is \$159 per
4 hour, with 1-1/2 hours of travel time, for
5 minimum charge of \$715.50. WMATA reserves
6 the right to discount charter rates for
7 jurisdictions within the Compact area.

8 The proposed Metrobus fare
9 adjustments for charter rates and fees are as
10 follows. No changes are proposed to the
11 minimum contracting time. Buses contracted
12 within and outside the transit zone will
13 continue to be charged a minimum of 4-1/2
14 hours. This will allow 3 hours of customer
15 service and 1-1/2 hours of travel/garage
16 time.

17 No changes are proposed to the
18 unused vehicle fee policy. The unused
19 vehicle fee is 4-1/2 hours. This charge is
20 generally referred to as a report charge or a
21 cancellation charge. This is the minimum
22 charge for subcontract service.

1 C, increase the hourly charge for
2 non-lecture service from \$83 per hour to \$159
3 per hour. This represents a 92 percent
4 increase in cost. The minimum charge for
5 non-lecture service is proposed to be
6 \$715.50. Non-lecture service refers to the
7 use of a vehicle without the benefit of an
8 operator lecturing on surrounding sites.

9 D, increase the hourly charge for
10 lecture service from \$90 per hour to \$172 per
11 hour; this represents a 91 percent increase.
12 The minimum charge for lecture service is
13 proposed to be \$774. Lecture service refers
14 to any service requesting a microphone to be
15 placed on the vehicle. Lecture operators
16 conduct a sightseeing tour of the Washington
17 Metropolitan area.

18 No change is requested in the
19 additional charge for service performed
20 between the hours of 5:00 a.m. to 9:30 a.m.
21 and/or 3:00 p.m. to 7:00 p.m. The charge is
22 currently \$15 per time period/per vehicle.

1 Service originating and/or
2 terminating at Dulles Airport, BWI Airport or
3 outlying hotels, for example, Fair Oaks,
4 Virginia; Sterling, Virginia; Chantilly,
5 Virginia; Gaithersburg, Maryland; Clinton,
6 Maryland, et cetera will be assessed an
7 additional 1-hour charge to cover the travel
8 or garage time.

9 G, it is proposed to incorporate a
10 new rate for service requiring supervisory
11 personnel to provide coverage for large
12 capacity charters and movements. This rate
13 is proposed to be \$67 per hour and covers the
14 cost for supervisory activity.

15 H, it is proposed that the rates
16 for jurisdictions reserved by WMATA for
17 governmental entities located entirely within
18 the Transit Zone, excluding Loudoun County,
19 Virginia, remain at the current levels.

20 Specifically, those entities are
21 the District of Columbia; the cities of
22 Alexandria, Falls Church and Fairfax, and the

1 counties of Arlington and Fairfax, and other
2 political subdivisions within the
3 Commonwealth of Virginia located within these
4 counties; and the counties of Montgomery and
5 Prince George's and other political
6 subdivisions within those counties, all of
7 which are in the State of Maryland.

8 Those governmental entities
9 described above, along with local public,
10 parochial and day schools located within the
11 Metropolitan area when used on school days
12 only, for school-related functions, between
13 the hours of 9:30 a.m. and 3:00 p.m. for
14 service wholly within the transit zone are
15 defined as "local jurisdictions."

16 That concludes the statement.

17 MS. KISSAL: Thank you, Rick. Now,
18 we will have the testimony portion of this
19 hearing. We have three people who have --
20 who are looking to testify. Scott Merriman,
21 is that pronounced correct? Scott Merriman?

22 MR. NEAL: He is not here. I don't

1 see him.

2 MS. KISSAL: He is not here, okay.

3 Second person would be William Baker.

4 MR. BAKER: Thank you. My name is
5 William Baker. I represent Avalon Tour and
6 Charter Services. As part of Maryland
7 Motorcoach Organization in Maryland, I'd like
8 to take and say a couple of things that are
9 going through our minds. We reject your
10 proposal for a fare increase, because it's
11 just a cover-up for doing charter service.

12 FTA -- it undermines the intent of
13 the FTA service -- charter service rule.
14 Right now, you can take and do charters as
15 long as you get a waiver. So until the FTA
16 was to come to you and say, we are going to
17 work on stop doing the waivers, you're
18 putting the cart in front of the horse.

19 You have public funds for your
20 equipment which gives an unfair advantage to
21 the private organization. There is around a
22 100-plus companies that can do work of

1 charters that you are trying to do. And what
2 you're doing here as you read through your
3 proposals or your orders is you're just
4 trying to propose to do charter service. And
5 it's unfair advantage to private enterprise.

6 If I could take and get public
7 funds to buy my equipment, we would be on the
8 same page; I wouldn't mind. But I am not,
9 you folks do. So as far as the rate
10 increase; at this point, I would reject it
11 because like I said, you're getting the cart
12 before -- in front of the horse, and you're
13 undermining the intent of the FTA charter
14 service rule. And that's all I have to say.

15 MS. KISSAL: Thank you, Mr. Baker.
16 Charlie Neal.

17 MR. NEAL: Good evening. My name
18 is Charlie Neal, with TransAmerica Travel;
19 we're a company based in Maryland. I
20 probably had a little misconception about
21 this hearing and what it was all about, when
22 I got e-mail from our bus organization. So I

1 was not totally prepared. I did get a chance
2 to talk to Rick for a moment, kind of getting
3 an understanding of how the FTA ruling
4 affects what we're talking about here. And
5 from talking to him, and I am still not -- I
6 have to study the whole process.

7 It looks like one of the things
8 when I look at these prices -- prices for
9 charters, it's way up and above what the
10 normal charter companies normally charge for
11 an hourly rate to go and pick up groups or
12 people, and things of this nature, even on
13 the lecture-type sightseeing tours.

14 So I am not prepared to give any
15 kind of real testimony. I have more
16 questions than I probably have statements.
17 So -- but thank you for allowing me to speak.

18 MS. KISSAL: Great, thank you, Mr.
19 Neal. Do we have anyone else who is
20 testifying now?

21 Okay, this concludes the portion of
22 this hearing. Thank you all for attending,

1 and we can discuss later, if you'd like to
2 talk to Rick. Thank you.

3 (Whereupon, at 6:45 p.m., the
4 PROCEEDINGS were adjourned.)

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