

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 Officer

5 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](http://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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