

TARTA skirts rules on charters, firms claim  
Dispute centers on shuttles, trolley sale

By **DAVID PATCH**  
**BLADE STAFF WRITER**

Two years after the Toledo Area Regional Transit Authority officially discontinued providing charter service, two area bus company officials claim the public agency continues to circumvent federal rules that largely reserve such work for commercial operators.

"They've been performing illegal activities, and doing it for years," said Steve Pixley, president of Tecumseh Trolley & Limousine Service, Inc., of Tecumseh, Mich.

"These people [TARTA] are stealing from the taxpayers of the United States. Transit money is for [public] transit service, not for weddings," he said.

Steve Tobis, director of September Winds Motor Coach Inc. of Toledo - which has since shut down and transferred its assets to a new company, TLC Charters and Tours - agreed. "TARTA is just snubbing their nose at the [Federal Transit Administration]," he said. TARTA, which ran into trouble with private operators a few years ago for allowing its trolley-style buses to be privately chartered for use by wedding parties and others, maintains it has done nothing improper.

TARTA said at least one of the operations for which they are under attack in the latest public-versus-private charter flap was approved by the FTA.

The federal agency confirmed it initially gave permission for TARTA to provide shuttle bus service from outlying parking lots to the Applebutter Festival in Grand Rapids, Ohio, on Oct. 10, 2004.

But the FTA later ruled the work illegal after it found that Lakefront Lines in Cleveland - which was hired to do the work but subcontracted with TARTA to provide bus service - had enough buses available that day to run the shuttles itself.

In a Feb. 24, 2005, ruling, the FTA proposed that the transit authority resolve the matter by making a "voluntary" payment of \$3,440 apiece to September Winds and Tecumseh Trolley.

The \$6,880 total represents the payment TARTA received from Lakefront for handling the festival shuttles.

TARTA unsuccessfully appealed the ruling, but on Jan. 4 advised the transit administration that it would not pay anything.

"TARTA's position continues to be that the service in question ... was approved by FTA prior to the service being provided," Edward J. Gill, Jr., an attorney representing the transit authority, wrote to the transit administration.

Mr. Pixley and Mr. Tobis said TARTA's refusal to compensate them is only the latest defiant act in a history of disregarding federal rules covering charter-bus service.

"If you get three cease-and-desist orders, you'd think they'd wake up," Mr. Tobis said. In April, 2004, the FTA suspended TARTA's federal grants for one month because of complaints that the transit authority was still running charter operations.

Those complaints alleged that TARTA was referring its former charter customers to Green Horse Charters, a company that Mr. Tobis and Mr. Pixley alleged was a front to steer charter business back to the transit authority.

According to an FTA summary of that dispute, TARTA denied any relationship between itself and Green Horse.

### **'Willing and able'**

TARTA said it had not leased any vehicles to that company because it did not meet the federal requirements for a "willing and able" charter-service operator.

Green Horse Charters is not in Toledo telephone listings, nor was the company listed in a local telephone book two years ago.

Citing that conflict, the FTA ordered TARTA to obtain permission before providing any charter service and forbade it from referring charter inquiries to any specific company. But the FTA also stated in the same order that it "does not require its recipients to look behind the evidence a private provider submits unless there is reasonable cause to believe that some or all of the evidence has been falsified."

After finding that TARTA acted illegally in accepting the Applebutter Festival work, however, the transit administration faulted it for having "never looked behind the assertion that Lakefront lacked the equipment to do this job on this day."

While Lakefront did not operate dual-door, transit type buses that the Grand Rapids Historical Society sought for the shuttles, door configuration is not an allowable distinction in the rules, the FTA said.

James Gee, TARTA general manager, maintained that the agency operated the Applebutter Festival shuttles in good faith and has not performed any charter services since then.

"We had a statement from Lakefront Lines saying they did not have the vehicles to perform the service," Mr. Gee said.

"The Applebutter Festival picked Lakefront and we performed service for them as a contractor. There's nothing in the regulations that says when a company tells us something, we have to go to their lot and verify it," he said.

Ketrina Nelson, a transit administration spokesman, declined comment on the FTA's later finding that TARTA should have questioned Lakefront's request for help with the festival shuttles. The agency's rejection of TARTA's appeal also gave no explanation. "Our ruling is our statement," Ms. Nelson said.

Lakefront could not be reached for comment.

### **Sale questioned**

Mr. Pixley and Mr. Tobis also question the propriety of TARTA's sale of a trolley bus to the Elmore Historical Society last year for \$1,000. Similar vehicles have been listed for sale on eBay, an online auction Web site, for more than 10 times that much, Mr. Tobis said. The transit authority denies any ulterior motive for the sale.

After obtaining the vehicle and spending \$5,000 on repairs, the historical society turned it over to the Elmore Rail Club for maintenance and operation. The club took the bus out on the road for local tours during Halloween and Christmas, which club president Steve Dibert said prompted about a dozen requests to book the bus for weddings. In an interview last month, Mr. Dibert quoted a rate of \$75 per hour for such charters. Mr. Tobis said the rail club could not offer wedding charters unless it registered with the Public Utilities Commission of Ohio as an interstate carrier and obtained appropriate insurance. Asked if the rail club had registered, Mr. Dibert said last week it had not, but would do so.

Mr. Tobis and Mr. Pixley questioned whether TARTA might have sold the bus to Elmore cheap with the expectation that the Elmore group might later turn around and refer overflow charter business back to the transit authority.

Mr. Gee responded that the Elmore group had not placed itself on the "willing and able" charter list and there had been no discussion about it doing so. Mr. Dibert said he did not know what a "willing and able" list is.

The sale price for the bus, Mr. Gee said, was based on the \$100 that TARTA typically charges museums or senior citizens' centers when it sells its retired regular buses. Changes in TARTA's downtown shuttle service and its discontinuance of regular charters in 2003 left it with surplus trolley-styled buses, so the agency chose the one that was in the worst mechanical condition to sell to the Elmore group, he said.

"We knew a 'trolley' would be worth more than a bus," so the \$1,000 price was set in a "not very scientific" way, Mr. Gee said. He added that all of TARTA's trolley-style buses have been fully depreciated for federal-funds purposes.

Contact David Patch at: [dpatch@theblade.com](mailto:dpatch@theblade.com) or 419-724-6094.