400 Seventh St., S.W. Washington, D.C. 20590

OCT - 4 2005

Mr. Jeremy Kahn Kahn and Kahn 1730 Rhode Island Avenue, N.W. Suite 810 Washington, DC 20036

Mr. David Gudgel General Manager Gray Line of Seattle 4500 West Marginal Way S.W. Seattle, WA 98106

Mr. Kevin Desmond General Manager King County Metro 201 South Jackson Street, KSC-TR-0415 Seattle, WA 98104

Re: Charter Service Docket Number 2005-01

Dear Messrs. Kahn, Gudgel, and Desmond:

I write in response to the appeal filed by Gray Line of Seattle (Gray Line) dated February 11, 2005, decision by Mr. Richard F. Krochalis, the Regional Administrator for Region 10 of the Federal Transit Administration (FTA), on Gray Line's charter service complaint against bus services provided by King County Metro. I apologize for the delay in this response, but I appreciate the "limited" point on which the appeal is taken, and I have decided that Mr. Krochalis should reconsider his decision.

As you know, the appeal procedure under FTA's Charter Service rule at 49 CFR Part 604 states in pertinent part:

The Administrator will only take action on an appeal if the appellant presents evidence that there are new matters of fact or points of law that were not available or not known during the investigation of the complaint.

49 CFR 604.19(b).

The only issue raised in Gray Line's appeal letter is a request that "the final sentence in Conclusion of Law" #13 be struck from the Regional Administrator's decision, because Gray Line believes it is an incorrect statement of law. Gray Line concedes, however, that its disagreement does not justify a basis for appeal under FTA rules. The appeal request provided no new matters of fact or points of law for my consideration as required by 49 CFR 604.19(b). No grounds have been presented to me to take action on this appeal.

I appreciate Gray Line's concern regarding the potential value of this case as precedent and the possible lack of clarity present in the wording of the decision assuming Gray Line's position is correct. These are matters to be addressed by the initial decisionmaker. Accordingly, I am sending the decision back to our Regional Administrator Mr. Richard Krochalis for his reconsideration and any other procedural steps he may deem appropriate.

Sincerely,

Jenniker L. Dorn

cc: Ms. Elizabeth Martineau, TCC-20

Mr. Richard Krochalis, TRO-10

Mr. Ted Uyeno, TRO-10