

**From:** Young, Mike (UTC)  
**Sent:** Wednesday, July 24, 2013 2:31 PM  
**To:** Richard Johnson  
**Cc:** Eckhardt, Gene (UTC)  
**Subject:** RE: Wickkiser

Mr. Johnson, thank you for your comments. Staff will circulate this email to the commissioners so that your comments are available to them at the open meeting on July 26<sup>th</sup>.

Staff has not received the information requested in staff's emails of June 27-supporting payroll documentation, and July 1-supporting calculations for the specific fare increases. You stated in your email that you worked to "get you your reports quickly" but we have not received any of those reports.

The additional requests are the result of staff's review of the filing to date.

It has always been staff's intent to complete the review of the filing as expeditiously as possible and we appreciate your cooperation. Thank you.

Mike Young  
Regulatory Analyst  
Utilities and Transportation Commission  
(360) 664-1155  
[myoung@utc.wa.gov](mailto:myoung@utc.wa.gov)

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**From:** Richard Johnson [mailto:[richard@airporter.com](mailto:richard@airporter.com)]  
**Sent:** Wednesday, July 24, 2013 6:58 AM  
**To:** Young, Mike (UTC)  
**Cc:** Eckhardt, Gene (UTC)  
**Subject:** Re: Wickkiser

Mr. Young and Mr. Eckardt

I am very disappointed and concerned that you have once again missed your deadline AND broken your commitment to me that was made last time you missed your 30 day deadline and we had to miss an open meeting. I'm exposed financially when you put me in limbo month after month.

Last time's delay was caused by you being out of the office for a week with your Mum's death; This was a sad circumstance that I did understand and wanted to have patience for. You explained, I understood and you said this meeting was it. Then this note.....

I do not have patience or understanding. I worked over weekends to get the wage increase calculated and into the system and to get you your reports quickly. I then followed up via email and heard nothing; then again with an email and then nothing. then today I receive this email with another list and a matter of circumstance as a reason for the delay. In the private sector if an employee is away I can not ignore my customers, I shift and manage other staff to compensate especially when deadlines are committed to. I am the UTC's customer and I've not be taken care of.

You both have had my file since June; You've analysed it and have 90% certainty I'm legit; It is not that difficult; my operating ratio is 98%; I have not asked for a rate increase for 7+ years! Our fares are the lowest per mile of any provider in the State. I operate in a free market, customers decide if our rates are reasonable that's why I'm not even projecting a 93% ratio after the fare increase. Seeking 100% certainty is not a reasonable approach when you're outside of your 30 days to respond and it is costing me 10's of thousands of dollars.

I understand some time delays and can roll with them; but this is beyond a reasonable request of me. You have the data and my reputation to be at least 90% convinced this request is legit. Please pass our rate increase.

Sincerely

Richard Johnson

On Jul 23, 2013, at 2:31 PM, Young, Mike (UTC) wrote:

Mr. Johnson, I apologize for the delay in responding to you-I was unexpectedly out of the office yesterday.

I have been reviewing the filing and discussing it with Gene Eckhardt. As it stands today, There are two outstanding items:

1. Payroll documentation that illustrates the amount of pay increase given to staff in July. I need a payroll report from before July (preferably from a month during the test year) and a report for July, or a pay period in July. This will help me verify that a pay increase was given (and should be included in rates) and will give me the amount of the increase. As we discussed previously, it would be helpful if the payroll were by employee, with some indication of their job-i.e. driver, office staff, shop mechanic, etc.
2. Calculations demonstrating the fare increase. In other words, the fare from Lynden to SeaTac is increasing to \$62 and the fare from Ferndale to SeaTac is increasing to \$42. How were these amounts calculated and what differentiates the rates? My calculations of the increase were based on the filed tariff page-I sent you a worksheet that showed the differences. One explanation was a different year was used, but there are still some questions-for example it appears the rates for Blaine are decreasing \$2.00. Perhaps I am not reading the tariff correctly?

Additionally, I have additional requests for information as follows:

3. Shop assets, including purchase costs, date in service (month/year), improvements, and useful life-similar to the vehicle information you previously provided.
4. Office assets-same as for shop assets. You need only include items that are used in calculating depreciation expense.
5. An allocation methodology for allocating shop and office assets and wages (including management salaries) to regulated and non-regulated activities as well as to activities for other business units. In other words, does the shop do repair work on vehicles not owned or operated by Wickkiser? Do the office staff also do work for CWA for example?
6. Fuel purchase data for January, 2013 through July, 2013 (or as much data as can be provided). This would be an extension of the Fuel Analysis you have already provided.
7. An explanation of the expense item: Employee Appreciation Gifts, under Advertising and Promotion Exp.

8. An explanation of the expense item: Rent, including a copy of rental agreements (.pdf format is fine)
9. A copy of the insurance invoice including a list of items covered by the policy

I want to assure you these are standard requests that are used across industries in reviewing general rate increases. Unfortunately, there is not adequate time to obtain all these items and review them in time for the July 26 open meeting. My recommendation at that meeting will be to suspend the filing to allow further time for review. I understand this is not the outcome you had hoped for, but it is the best I can do under the circumstances.

I will continue my review of the case and encourage you to send the above requested items as they are available to you rather than sending one large packet of data. I prefer email, but if you have another preference that will be acceptable to me. I will be available to discuss any aspect of the case, and in the event I am not available, you can always consult Gene.

Again, I am sorry for the delay, it was a matter of circumstance.

Mike Young  
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-----Original Message-----

From: Richard Johnson [mailto:[richard@airporter.com](mailto:richard@airporter.com)]  
Sent: Tuesday, July 23, 2013 7:51 AM  
To: Young, Mike (UTC)  
Subject: Wickkiser

Hi Mike

I'm checking in again - any news on our price increase and your analysis.

Richard