

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2052

IN THE MATTER OF:

Served October 29, 1979

Special Application of TARA LINES,)
INC., for Authorization to Perform)
Charter Operations Pursuant to)
Contract with The Close Up)
Foundation)

Case No. CP-79-06

Special Application of EYRE'S BUS)
SERVICE, INC., for Authorization)
to Perform Charter Operations)
Pursuant to Contract with The)
Close Up Foundation)

Case No. CP-79-07

By applications filed October 24, 1979, Eyre's Bus Service, Inc., and Tara Lines, Inc., seek authority to conduct charter operations pursuant to contract with The Close Up Foundation as permitted under Special Certificate of Public Convenience and Necessity No. 1 and Commission Regulation No. 70. Each application proposes the transportation of youths ^{1/} participating in educational tour programs arranged for and conducted by The Close Up Foundation between points in the Metropolitan District. Inasmuch as these two applications involve substantially identical contracts, they shall be dealt with on a consolidated basis to the extent practicable.

The contract between Eyre's and Close Up, dated October 23, 1979, calls for Eyre's to provide four 45-passenger buses between December 2, 1979, and June 29, 1980, a period of 211 days. Should the contract be breached, however, the party not in default may cancel the contract contingent upon 10 days' written notice and the failure of the

^{1/} The Close Up Foundation (hereinafter Close Up) describes the persons to be transported as high school students and their teachers.

defaulting party to correct the breach. Eyre's is to transport those students and teachers participating in the Close Up educational program and being lodged at The Quality Inn Pentagon Motel located in Arlington County, Va. Charges for the services to be provided are:

ONE-WAY TRANSFERS (per bus)

Within the District of Columbia	\$ 61.50
Hotel - District of Columbia	61.50
Hotel - Union Station	61.50
Hotel - Washington National Airport <u>2/</u>	61.50
Hotel - Dulles International Airport <u>2/</u>	82.00
Hotel - Baltimore-Washington International Airport <u>3/</u>	87.50

NON-LECTURED HOURLY SERVICE (per bus)

Four - hour minimum	\$ 94.50
Each additional hour	23.50

The contract between Tara and Close Up requires Tara to provide one 45-passenger bus. In all other material respects, it is identical to the contract between Eyre's and Close up. 4/

Eyre's balance sheet, dated April 30, 1979, shows current assets of \$6,034, total assets of \$933,895, current liabilities of \$129,794, long-term liabilities of \$309,993 and stock-holders' equity of \$494,108. 5/ For the year ended April 30, 1979, Eyre's shows income of \$1,871,350, operational costs of \$1,348,328, administrative costs of \$428,276, and an after-income-tax profit of \$134,231. It is estimated that the subject contract will generate revenues of \$88,400, expenses of \$83,200 and a net profit of \$5,200 for the period December 2, 1979, through May 15, 1980.

Eyre's maintains a fleet of 42 buses, twelve of which are used for commuter operations and would be available to Close Up between 8:00 a.m. and 5:00 p.m., Monday through Friday. In addition, Eyre's has 13

2/ This move would appear to involve transportation between points located solely in Virginia and beyond our jurisdiction. Compact, Title II, Article XII, Section 1(b).

3/ Baltimore-Washington Airport is a point outside the Metropolitan District. Compact, Title I, Article I.

4/ To the extent these applications involve service between points solely in Virginia or service from or to a point outside the Metropolitan District, they are hereby dismissed. See footnotes 2 and 3, supra.

5/ While Eyre's current liabilities far exceed current assets, sufficient retained earnings are available to meet such obligations as may come due during the period of this contract.

buses which are not dedicated to daily service. Copies of Eyre's articles of incorporation and current authority were submitted as were statements setting forth the feasibility of this operation and applicant's fitness compliance.

Tara's balance sheet, dated August 31, 1979, shows current assets of \$5,888, current liabilities of \$618, no long-term assets or liabilities and stockholders' equity of \$5,270. For the year-to-date 6/ ending September 1979, 6/ Tara shows income of \$21,644, expenses of \$21,962 and a net loss of \$318. The contract with Close Up is expected to generate revenues of \$14,800 and expenses of \$11,023 for a before-tax profit of \$3,777.

Tara states that it has available two 49-passenger buses under lease from Quick-Livick, Inc., a 44-passenger bus under lease from Judith Henderickson and a vehicle of unspecified capacity which Tara proposes to purchase from Greyhound Airport Service, Inc.

With regard to the feasibility of the proposed service, Tara states that it now operates two daily commuter schedules and plans to commence a third schedule today. One of Tara's buses is committed to the United States Department of Agriculture, but, should the need arise, Eyre's will provide back-up equipment.

Close Up submitted identical affidavits in support of these applications. Close Up is a non-profit foundation which operates a government studies program for high school students and their teachers. It is funded (in part) through the United States Office of Education and is accredited by the National Association of Secondary School Principals.

During the 1979-80 school year, Close Up plans to bring over 13,000 students and teachers to the Metropolitan District. Four programs will be run each week for 17 weeks during the contract period with planning completed through May 1980. Approximately five buses per program will be required each week including the five to be provided by these applicants. 7/ Close Up has investigated the qualifications of Eyre's and Tara and is satisfied with their ability properly to perform the proposed service.

Initially, it is noted that the contracts call for the transportation of students in charter operations pursuant to contracts with a private school which is approved by a bona fide source of accreditation, 8/

6/ No more precise dates are furnished.

7/ Atwood's Transport Lines, Inc., will be providing approximately 15 buses a week.

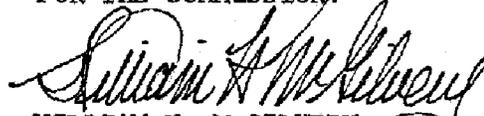
8/ Regulation No. 70-02(f)(iii).

and that processing of the applications under Commission Regulation No. 70 appears to be appropriate. With respect to Tara, however, it is noted that no contracts for equipment operated under lease have been filed for approval and that in this respect the carrier is apparently in violation of Commission Regulation No. 69 governing leases of motor vehicles. Failure by Tara to achieve compliance on or before the date set forth below may result in denial of its instant application.

THEREFORE, IT IS ORDERED:

1. That each applicant publish once, in a newspaper of general circulation in the Metropolitan District, notice of this application in the form prescribed by the staff of the Commission no later than Monday, November 5, 1979.
2. That each applicant shall file an affidavit attesting such publication no later than Thursday, November 15, 1979.
3. That any person desiring to protest either or both applications shall file a notarized protest in conformance with Commission Regulation No. 70-06 at the office of the Commission, Suite 316, 1625 I Street, N. W., Washington, D. C. 20006, no later than Thursday, November 15, 1979, and shall simultaneously serve a copy of such protest on counsel for applicants, L. C. Major, Jr., Esquire, Major, Sage and King, Suite 400, 6121 Lincolnia Road, Alexandria, Va. 22312.
4. That Tara Lines, Inc., file with the Commission for approval contracts of lease for all non-owned motor vehicles as mandated by Commission Regulation No. 69 no later than Thursday, November 8, 1979.

FOR THE COMMISSION:


WILLIAM H. MCGILVERY
Executive Director