

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 3412

IN THE MATTER OF:

Served September 22, 1989

Application of BILL ROHRBAUGH'S )  
CHARTER SERVICE, INC., for a )  
Certificate of Public Convenience )  
and Necessity -- Charter Operations)

Case No. AP-89-18

By application filed April 11, 1989, Bill Rohrbaugh's Charter Service, Inc. (Rohrbaugh's or applicant), a Pennsylvania corporation, seeks a certificate of public convenience and necessity to transport passengers, together with mail, express, and baggage in the same vehicle as passengers, in charter operations between points in the Metropolitan District. \*/

A public hearing was held on June 27, 1989, pursuant to Order No. 3328, served May 5, 1989, and incorporated herein by reference. Applicant presented one company witness and two public witnesses. No protests were entered.

SUMMARY OF THE EVIDENCE

Bill Rohrbaugh, applicant's president and owner, is responsible for overseeing the company's day-to-day operations. He has 40 years experience in the transportation industry. Applicant has been engaged in coach passenger transportation since 1972 and is currently authorized to perform transportation services pursuant to certificates issued by the Interstate Commerce Commission, Maryland Public Service Commission, and the Pennsylvania Public Utility Commission. Applicant was granted temporary authority to perform charter operations for specific accounts by this Commission. The authority expired on June 9, 1989. Rohrbaugh's performs regular route bus service, airport transfers, sightseeing, and school bus services. Applicant also operates a full service travel agency.

Rohrbaugh's main office is located in Manchester, MD, approximately 65 miles north of Washington, DC. Smaller offices are maintained in Baltimore and Crownsville, MD. Rohrbaugh's would conduct operations out of its Manchester office but would consider establishing

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\*/ To the extent that the application could be interpreted to include transportation solely within the Commonwealth of Virginia, it was dismissed by Order No. 3328 pursuant to the Compact, Title II, Article XII, Section 1(b).

a Washington area office after implementation and careful monitoring of WMATC operations. A toll-free number is presently provided for use by Washington area patrons.

Applicant plans to conduct the proposed operations in eighteen 47-passenger coaches and two 14-passenger vans ranging in model years from 1977 to 1989. The vehicles are equipped with two-way radios and undergo regular maintenance. An overall vehicle inspection is performed every 12,000 miles. The vehicles' exteriors and interiors are cleaned daily. Maintenance is performed at the Manchester facility.

Applicant currently employs 10 full-time coach drivers, 24 part-time coach drivers, and 11 full-time school bus drivers. Prospective drivers are screened by a professional motor coach driver training school which requires a physical examination and drug screening as part of the program. Drivers selected for training receive instructions in proper procedures for handling groups. They also undergo a road test. Applicant's drivers are sent back to the safety program for a refresher course every two years. Rohrbaugh's drivers are required to wear uniforms. Full-time drivers average four years of experience, with some of its part-time drivers having up to 17 years of driving experience. Four mechanics are also on the staff with cumulative experience of 97 years servicing motor coaches. Fifteen individuals are employed as office personnel.

Applicant proposes to charge \$40 an hour during peak season (April 1 - December 14) and \$35 an hour during off-peak season (December 15 - March 31), plus \$1.25 per deadhead mile. Deadhead mileage would not be charged on multi-day trips where vehicles are garaged overnight within the Washington Metropolitan Area Transit District (Metropolitan District). Applicant filed a tariff that had inappropriate references to fares relating to services performed outside of the Metropolitan District. Rohrbaugh's will be directed to file a revised tariff that reflects charges applicable to WMATC operations only.

Rohrbaugh's balance sheet as of December 31, 1988, shows current assets of \$324,169.70 with fixed and other assets of \$1,341,277.91. Current liabilities are listed at \$395,892.70 with \$956,448.89 in long-term liabilities. Equity is listed at \$313,106.02 with \$286,406.02 representing retained earnings. Applicant's operating statement for the period ended December 31, 1988, shows \$2,196,425.54 in operating income and \$2,149,169.03 in total expenses. Applicant's projection for the first year of WMATC operations indicates \$249,825 in revenues and \$232,337 in operating expenses, yielding net income of \$17,488. The company has no immediate plans to acquire additional equipment or incur capital costs to implement the proposed operations. Rohrbaugh's is familiar with the United States Department of Transportation safety regulations, the Compact, and Commission rules and regulations and plans to comply with them.

Mr. Matthew Martinucci testified in support of the application. He is operations manager for USA Hosts, a destination management company that, inter alia, arranges charter transportation for large conventions, including sightseeing tours and transfers. The witness testified that a typical convention might require transportation for up to 15,000 people. In this situation, USA Hosts would be responsible for designing, coordinating, and implementing a shuttle system comprised of 30 to 35 buses servicing 20 to 30 hotels for a period of four to five days. Service would be required between points throughout the Metropolitan District. During peak season (April-June), USA Hosts may require up to 50 coaches a day. The witness stated that the Washington convention market has become increasingly demanding and sophisticated. Clients demand quality vehicles. USA Hosts is not always able to fulfill its customers' requests due to the shortage of charter equipment in the Washington area. The witness, therefore, has had to charter "inferior equipment," vehicles that are too old, not clean, and have a greater chance of mechanical failure. The witness also has found that the drivers are not well trained or uniformed. Mr. Martinucci testified that he has had the unpleasant task of explaining to customers why vehicles are substandard. The shortage of coach equipment also has forced the witness to use 20-passenger minibuses in lieu of coaches, thereby doubling the number of guides needed and increasing the cost of the movement to the client. The witness has used the applicant's service and has been pleased with it. He found applicant's equipment to be in "excellent" condition, and its drivers well-groomed, uniformed, and pleasant. When questioned about Rohrbaugh's deadhead mileage charge from its facilities 65 miles outside the Metropolitan District, Mr. Martinucci testified that the extra charge would be a factor taken into consideration in the selection of a coach carrier but believed that clients would be willing to pay the additional charge for use of a better quality bus. He also stated that the deadhead rate would have a minimal effect on the price of multi-day events.

Ms. Charlotte Timms, vice-president of transportation for The Convention Store, testified in support of the application. The Convention Store provides specialized bus transportation throughout the United States with a great deal of work being performed within the Metropolitan District. The Convention Store concentrates most of its efforts on designing and running shuttle bus systems for convention attendees. The Convention Store's activities are similar to those of USA Hosts. The witness testified that charter coach needs range from as little as two a day for small groups to as many as 98 a day for extraordinary events. USA Hosts and The Convention Store often have major conventions in town at the same time, thereby causing a significant drain on the available pool of coaches, especially during peak periods. To assure the provision of coaches, the witness has been forced to book charter carriers up to eight months in advance of a scheduled event. The witness used applicant's service during its period of operations pursuant to temporary authority and was pleased with the service. Ms. Timms found Rohrbaugh's coaches to be in excellent condition, and the drivers uniformed, courteous, and on time. The witness testified that applicant was able to meet the needs of a

very demanding client. In discussing the deadhead mileage charge, Ms. Timms admitted that the fee could be expensive but believed that the costs would be minimized over a four to five day movement. She also testified that clients will pay extra for quality service.

#### DISCUSSION AND CONCLUSIONS

This application is governed by Title II, Article XII, Section 4(b) of the Compact which requires that an applicant prove it is fit, willing, and able to perform the proposed transportation properly and to conform to the provisions of the Compact and the Commission's rules, regulations, and requirements thereunder. Section 4(b) further requires that applicant prove that the proposed service is required by the public convenience and necessity. Based on a review of the entire record in this case, we find that applicant has sustained the burden of proof imposed by the Compact.

Applicant is an experienced coach carrier. It is authorized to engage in passenger transportation by three regulatory agencies, and formerly operated under a grant of WMATC temporary authority issued pursuant to Commission Order No. 3263, served December 9, 1988. An examination of Rohrbaugh's expenses indicates adequate finances. Applicant's president/owner testified that its financial data represent all of Rohrbaugh's operations including the full service travel agency, school bus, and regular route services. Charter coach service is a profitable portion of applicant's operations; no capital costs would be incurred immediately as a result of a grant of the proposed authority. Applicant's operations appear to be well-run and managed. Applicant will comply with the Compact and the rules and regulations of the Commission.

Applicant produced two public support witnesses who make charter coach transportation arrangements for thousands of passengers a month between points in the Metropolitan District, including transportation to various tourist attractions, airport transfers, and convention shuttle movements. The witnesses believe, and the evidence shows, that the proposed coach service beyond that presently available in the Metropolitan District is required to meet their present and future needs.

Upon review of all the evidence of record, we conclude that applicant has met the criteria set forth in Pan-American Bus Lines Operations (1 MCC 190, 203 [1936]) and has satisfied its burden of proving that the public convenience and necessity require the proposed transportation of passengers and their baggage. Inasmuch as there is no evidence of any public need for the transportation of mail and express, that portion of the application will be denied.

THEREFORE, IT IS ORDERED:

1. That Bill Rohrbaugh's Charter Service, Inc., is hereby conditionally granted, contingent upon timely compliance with the terms of this order, authority to transport passengers, together with baggage

in the same vehicle with passengers, in charter operations between points in the Metropolitan District, restricted against transportation solely within the Commonwealth of Virginia.

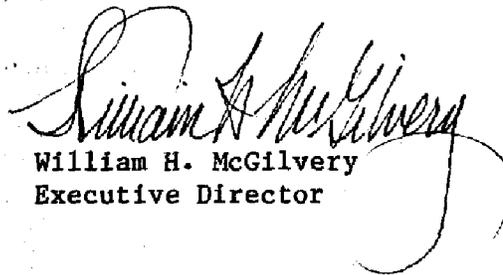
2. That the application, except to the extent granted herein, is denied.

3. That Bill Rohrbaugh's Charter Service, Inc., is hereby directed to file with the Commission within 30 days of the service date of this order: (a) two copies of its WMATC Tariff No. 1, as revised to delete rates for all non-WMATC operations; (b) an equipment list specifying make, year, model, serial number, seating capacity, and license plate number and jurisdiction for each vehicle to be used in revenue service; (c) evidence of ownership or lease in conformance with Regulation No. 69 for each vehicle to be used in revenue service; (d) a certificate of insurance in accordance with Regulation No. 62 covering all vehicles to be used in revenue service, and (e) an affidavit of identification of vehicles pursuant to Regulation No. 67 for which purpose WMATC No. 158 is hereby assigned.

4. That unless Bill Rohrbaugh's Charter Service, Inc., complies with the requirements of the preceding paragraph within 30 days of the service date of this order, or such additional time as the Commission may direct or allow, the grant of authority herein shall be void, and the application shall stand denied in its entirety effective upon the expiration of the said compliance time.

5. That upon compliance with the conditions set forth in the preceding paragraphs, a certificate of public convenience and necessity will be issued to Bill Rohrbaugh's Charter Service, Inc., in the form and as worded in the Appendix to this order.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS WORTHY, SCHIFTER, AND SHANNON:

  
William H. McGilvery  
Executive Director

NO. 158

BILL ROHRBAUGH'S CHARTER SERVICE, INC.

By Order No. 3412 of the Washington Metropolitan Area Transit Commission issued September 22, 1989;

AFTER DUE INVESTIGATION, it appearing that the above named carrier is entitled to receive authority from this Commission to engage in the transportation of passengers within the Washington Metropolitan Area Transit District as a carrier, for the reasons and subject to the limitations set forth in Order No. 3412;

THEREFORE, IT IS ORDERED that the said carrier is hereby granted this certificate of public convenience and necessity as evidence of the authority of the holder thereof to engage in transportation as a carrier by motor vehicle; subject, however, to such terms, conditions, and limitations as are now, or may hereafter be, attached to the exercise of the privilege herein granted to the said carrier.

IT IS FURTHER ORDERED that the transportation service to be performed by the said carrier shall be as specified below:

IRREGULAR ROUTES:

CHARTER OPERATIONS, transporting passengers, together with baggage in the same vehicle with passengers, between points in the Metropolitan District;

RESTRICTED against transportation solely within the Commonwealth of Virginia.

AND IT IS FURTHER ORDERED and made a condition of this certificate that the holder thereof shall render reasonable, continuous, and adequate service to the public in pursuance of the authority granted herein, and that failure to do so shall constitute sufficient grounds for suspension, change, or revocation of the certificate.