

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 3487

IN THE MATTER OF:

Served April 13, 1990

Application of ATE MANAGEMENT AND)
SERVICE COMPANY, INC., for)
Temporary Authority)

Case No. AP-90-16

By application filed April 10, 1990, ATE Management and Service Company, Inc. (applicant or ATE), seeks temporary authority to transport passengers in charter operations pursuant to contract with the Friendship Heights Village Council (Friendship Heights) between points in Montgomery County, MD.

Applicant proposes a shuttle "express and shopping service" between: (1) Chevy Chase Center (Friendship Heights Shuttle Bus Stop); (2) Sovran Bank (4411 South Park Avenue); (3) Willoughby Apartments (main entrance) 4515 Willard Avenue; (4) 4620 North Park Avenue; (5) 4601 North Park Avenue; (6) Carlton-4550 North Park Avenue; (7) Willoughby Apartments (Friendship Heights entrance); (8) Highland House West-4550 South Park Avenue; (9) Highland House North-5480 Wisconsin Avenue; and (10) Metro Bay H. All service points are located in Montgomery County; however, in the course of its route ATE's vehicle will briefly cross into the District of Columbia and return to Montgomery County. The shuttle express service would operate Monday through Friday between the hours of 7:00 a.m. and 8:30 a.m. and again between the hours of 5:00 p.m. and 7:00 p.m. The shopping service would operate Monday through Friday between the hours of 9:00 a.m. and 4:30 p.m. and on Saturday from 9:00 a.m. to 7:00 p.m. Service would be performed on specified holidays.

The contract requires that operations be conducted in one new 27-passenger vehicle equipped with a cellular phone. A back-up vehicle is also required. The contract term is three years and contains provisions for future modifications pertaining to the service area, schedules, and hours of service. Applicant would receive \$29.09 per service hour during the first year of the agreement, \$30.31 per service hour during the second year of the agreement, and \$31.58 during the third year, with increased rates for service performed on holidays and outside of normal hours. The shuttle service would be offered at no charge to the riding public.

ATE's balance sheet as of December 31, 1989, shows current assets of \$14,108,058, fixed assets after allowance for depreciation of \$11,811,773, and other assets of \$13,095,540. Current liabilities of \$6,090,491, long-term liabilities of \$12,129,732, and equity of \$20,795,148 are also listed. Applicant's operating statement for the 12 months ended December 31, 1989, lists \$770,865 in WMATC operating income, \$62,482,290 in other operating income and \$62,981,216 in operating expenses including depreciation and taxes. For the first nine months of contract operations, applicant expects to generate income of \$69,890 and incur operating expenses, including depreciation and taxes, of \$68,753, yielding a net income of \$1,137. ATE currently holds WMATC Certificate No. 157 and has experience in providing passenger shuttle transportation.

Dr. Alfred Muller, chairman of the Friendship Heights Village Council, submitted a notarized statement on behalf of Friendship Heights in support of the application. Dr. Muller states that Friendship Heights is a residential community with a large number of elderly residents. Friendship Heights provides transportation between points located in the area as a service to community residents at no charge. Another carrier currently provides the transportation proposed in the application, but Friendship Heights' contractual relationship with that carrier ends on or about April 15. Service by applicant is required on the morning of or about April 16, 1990. For these reasons, Mr. Muller attests that an immediate and urgent need exists for the proposed service.

Applicant, in its statement of immediate and urgent need, states that the vehicle currently being used is owned by Friendship Heights and is frequently out of service for repairs. ATE would provide Friendship Heights with a new vehicle owned by applicant plus a back-up vehicle also owned by ATE. ATE's service is needed upon termination of service by its current carrier in order to accommodate passengers who will be waiting at designated pick-up points for service on which they customarily rely. Temporary authority is, therefore, required in order that the riding public not be inconvenienced.

The standards for temporary authority are set forth in the Compact at Title II, Article XII, Section 4(d)(3). The essential elements are (1) an immediate and urgent need for service, (2) no carrier service capable of meeting such need, and (3) fitness of the applicant. In view of the allegation of immediate and urgent need, this order will provide notice of ATE's application, and a brief time will be provided for the filing of protests, if any. No extension of time will be granted.

THEREFORE, IT IS ORDERED that any person desiring to protest this application shall file a protest in accordance with Commission Rule No. 14 and shall also file all evidence and legal argument in support of the protest on which protestant would rely at the office of the Commission, 1828 L Street, N.W., Suite 703, Washington, DC

20036-5104, no later than Monday, April 23, 1990, and shall simultaneously serve a copy of such protest and evidence and legal argument on applicant's attorney, Warren A. Goff, Esquire, 5101 Wheelis Drive, Suite 300, Memphis, TN 38117.

FOR THE COMMISSION:



William H. McGilvery
Executive Director

