

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 4331

IN THE MATTER OF:

Served July 6, 1994

Application of THE AIRPORT SHUTTLE )  
INC., for a Certificate of )  
Authority -- Irregular Route )  
Operations )  
Case No. AP-94-22

By application filed May 17, 1994, The Airport Shuttle, Inc. (TASI or applicant), a Maryland corporation, seeks a certificate of authority to transport passengers, together with baggage in the same vehicles as passengers, in irregular route operations between points in the Metropolitan District, restricted to transportation in vehicles with a manufacturer's designed seating capacity of 15 or fewer persons, including the driver.

Notice of this application was served on May 18, 1994, in Order No. 4300, and applicant was directed to publish further notice in a newspaper and file an affidavit of publication, a statement designating a resident agent for service of process, an amended Exhibit D, and a supplement to Exhibit E. Applicant complied. The application is unopposed.

SUMMARY OF EVIDENCE

The application includes information regarding, among other things, applicant's corporate status, facilities, proposed tariff, finances, and regulatory compliance record.

Applicant proposes commencing operations with eight 8-passenger vans and one 15-passenger van. Applicant's proposed tariff contains a flat rate, with a per capita surcharge, for service between points in Prince George's County, MD, and Montgomery County, MD, on the one hand, and Washington-Dulles International Airport, on the other.

Applicant filed a balance sheet as of March 31, 1994, showing assets of \$185,621; liabilities of \$195,876; and negative equity of \$10,255.<sup>1</sup> Applicant's operating statement for the three months ended

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<sup>1</sup> Applicant's negative equity position is created by a combination of negative retained earnings and the decision of its owner/president to contribute substantially all capital in the form of a \$146,332 promissory note which matures December 31, 1995. A highly leveraged applicant may be found financially fit where its shareholders are the principal source of balance sheet debt. In re M.R. Hopkins Transp. Servs., Inc., t/a M.R. Hopkins Transp., No. AP-94-03, Order No. 4265 (Mar. 28, 1994); In re Seth, Inc., t/a Kids Kab, No. AP-93-40, Order No. 4243 (Feb. 9, 1994); In re Sky Lines, Inc., No. AP-91-46, Order No. 3886 (Feb. 12, 1992).

March 31, 1994,<sup>2</sup> shows operating income of \$84,339; operating expenses of \$95,594; and a net loss of \$11,255. Applicant's projected operating statement for the twelve months ending June 30, 1995, shows WMATC operating income of \$10,000; other operating income of \$450,000; operating expenses of \$453,500; and net income of \$6,500.

Applicant certifies it has access to, is familiar with, and will comply with the Compact, the Commission's rules and regulations, and United States Department of Transportation regulations relating to transportation of passengers for hire. Applicant further certifies that neither applicant nor any person controlling, controlled by, or under common control with applicant has any control relationship with a carrier other than applicant.

#### DISCUSSION AND CONCLUSION

This case is governed by the Compact, Title II, Article XI, Section 7(a), which provides in relevant part that:

. . . the Commission shall issue a certificate to any qualified applicant . . . if it finds that --

- (i) the applicant is fit, willing, and able to perform [the] transportation properly, conform to the provisions of this Act, and conform to the rules, regulations, and requirements of the Commission; and
- (ii) that the transportation is consistent with the public interest.

Based on the evidence in this record, the Commission finds applicant to be fit, willing, and able to perform the proposed transportation properly and to conform with applicable regulatory requirements. The Commission further finds that the proposed transportation is consistent with the public interest.

THEREFORE, IT IS ORDERED:

1. That The Airport Shuttle, Inc., 10015 Old Columbia Road, Suite K-143, Columbia, MD 21046, is hereby conditionally granted, contingent upon timely compliance with the requirements of this order, authority to transport passengers, together with baggage in the same vehicles as passengers, in irregular route operations between points in the Metropolitan District, restricted to transportation in vehicles with a manufacturer's designed seating capacity of 15 or fewer persons, including the driver.

2. That applicant is hereby directed to file the following documents with the Commission: (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 4203; (b) four copies of a tariff or tariffs in accordance with Commission Regulation No. 55; (c) an equipment list stating the year, make, model, serial number, vehicle number, license plate number (with jurisdiction) and seating

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<sup>2</sup> Applicant's Exhibit F states that it covers the 12 months ended March 31, 1994, but applicant's articles of incorporation and supplement to Exhibit E indicate that applicant did not commence operations until January 1994.

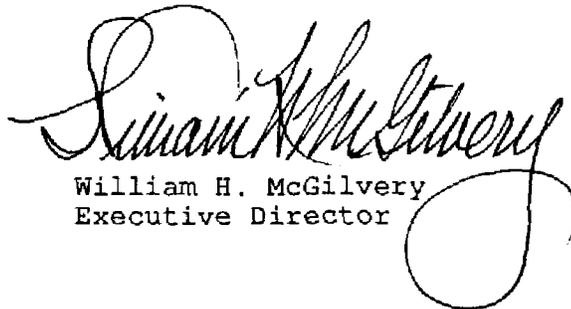
capacity of each vehicle to be used in revenue operations;  
(d) evidence of ownership or a lease as required by Commission Regulation No. 62 for each vehicle to be used in revenue operations;  
(e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61, for which purpose WMATC No. 262 is hereby assigned.

3. That upon timely compliance with the requirements of the preceding paragraph and acceptance of the documents required by the Commission, Certificate of Authority No. 262 shall be issued to applicant.

4. That applicant may not transport passengers for hire between points in the Metropolitan District pursuant to this order unless and until a certificate of authority has been issued in accordance with the preceding paragraph.

5. That unless applicant complies with the requirements of this order within 30 days from the date of its issuance, 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 said compliance time.

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



William H. McGilvery  
Executive Director