

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D.C.

ORDER NO. 2864

IN THE MATTER OF:

Served May 23, 1986

Application of O&R MANAGEMENT CORP.)
for Temporary Authority to Conduct)
Charter Operations Pursuant to)
Contract with Montgomery County)

Case No. AP-86-16

By application filed May 5, 1986, and supplemented May 13, 1986, O&R Management Corp. ("O&R" or "applicant"), seeks temporary authority to conduct certain charter operations pursuant to a contract with the Montgomery County, Md., Department of Transportation, Division of Transit Services ("the County"). The County has selected O&R from among seven bidders responding to the County's request for proposals to provide service within Montgomery County over nine selected existing low-ridership routes in the County's Ride-On System. These routes are identified as follows:

Route 27 (Friendship Heights to Medical Center/Bethesda); Route 37 (Potomac to Grosvenor via Tuckerman); Route 41/42 (Shady Grove Shopper Shuttle); Route 44 (Twinbrook to Rockville); Route 45 (Twinbrook to Rockshire); Route 52 (Olney to Rockville via Norbeck); and Route 68/69 (Circulator service to Germantown Train Station).

Order No. 2859, served May 14, 1986, described applicant's proposal sufficiently to give adequate notice to WMATC carriers who might perceive an interest therein, and May 22, 1986, was established as the deadline for the filing of protests, if any. No protests were filed.

The standards for temporary authority are set forth in the Compact at Title II, Article XII, Section 4(d)(3), as follows:

To enable the provision of service for which there is an immediate and urgent need to a point or points or within a territory having no carrier service capable of meeting such need, the Commission may, in its discretion and without hearings or other proceedings, grant temporary authority for such service. Such temporary authority unless suspended or revoked for good cause, shall be valid for such time as the Commission shall specify, but for not more than an aggregate of 180 days and create no presumption that corresponding permanent authority will be granted thereafter. (Emphasis supplied.)

In addition, the fitness of the applicant is always an issue. (See Order No. 1643, served January 24, 1977, at page 3.)

The County has provided a notarized letter dated May 13, 1986, asserting that it has an urgent and immediate need for the proposed service of applicant. The service is currently provided by the County, itself. However, beginning May 27, 1986, the County has made arrangements to use the resources freed by applicant's proposed contract operation to assume operation of certain express bus services in the I-270 corridor now operated by the Washington Metropolitan Area Transit Authority. According to the County, it would suffer severe hardship if the proposed contract is delayed.

The County further asserts that there is no other carrier capable of meeting these service needs. In the words of the County:

No other private carrier is available to Montgomery County to operate the designated routes. O&R Management Company is the only qualified private bus operator available to the County at this time having been selected through the competitive procurement process and being under a fully executed agreement for services to commence on May 27, 1986. To identify and obtain another qualified carrier would require a 3 - 4 month process involving competitive procurement procedures of the County.

Applicant is a new corporation that has never before engaged in transportation of passengers for hire. However, two of its directors are officers of Beltway Limousine Service, Inc., */ who have extensive experience in providing scheduled, routed operations pursuant to government contracts. The projected operating statement provided by O&R anticipates that the required service can be provided within the limit of compensation set by the County, and that O&R can earn a profit after meeting its expenses. Again, the experience of applicant's directors in pricing this type of service contributes to the credibility of the financial projection. The vehicles to be used in providing this service are brand new. We find the applicant to be fit, willing, and able to provide the proposed service.

*/ See Order No. 2834, served March 7, 1986, granting 180 days temporary approval to DD Enterprises, Inc., to conduct operations pursuant to WMATC Certificate No. 25 pending Commission determination of the application in Case No. AP-86-08 to permanently transfer that certificate from Beltway Limousine Service, Inc., to DD Enterprises, Inc.

We find that applicant has met its burden of proof under the Compact, and we will grant temporary authority for the proposed service.

Implementation of service as authorized herein may be effected upon receipt and approval by the Commission's Executive Director of appropriate certificate(s) of insurance, equipment list(s), lease(s) covering that equipment, notification that the vehicles have been inspected and approved by the County, and notification that the vehicles have been identified in accordance with Commission Regulation 68-03.

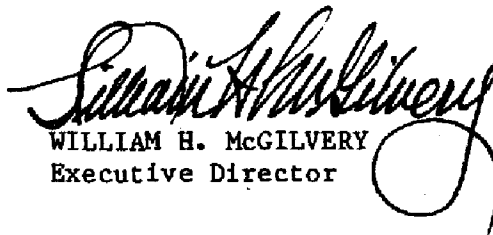
THEREFORE, IT IS ORDERED:

1. That temporary authority is hereby granted to O&R Management Corp., according to the conditions set forth hereinbefore, to transport passengers for hire in charter operations between points in Montgomery County, Md., pursuant to contract with Montgomery County, Md., over the following routes:

- Route 27, Friendship Heights to Medical Center/Bethesda;
- Route 37, Potomac to Grosvenor via Tuckerman;
- Route 41/42, Shady Grove Shopper Shuttle;
- Route 44, Twinbrook to Rockville;
- Route 45, Twinbrook to Rockshire;
- Route 52, Olney to Rockville via Norbeck; and
- Route 68/69, Circulator Service to Germantown Train Station.

2. That such temporary authority shall become effective on May 27, 1986, and shall remain in effect through November 22, 1986, unless otherwise ordered by the Commission.

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


WILLIAM H. MCGILVERY
Executive Director