

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D.C.

ORDER NO. 2940

IN THE MATTER OF:

Served November 25, 1986

Application of HK SYSTEMS, INC.,)
for Special Authorization to)
Conduct Charter Operations Pursuant)
to Contract with Military District)
of Washington)

Case No. CP-86-07

By application filed November 10, 1986, HK Systems, Inc. ("HK" or "applicant"), a Texas corporation, seeks authority pursuant to WMATC Special Certificate of Public Convenience and Necessity No. 1 to transport active duty military personnel, Department of Defense ("DOD") civilian personnel, and persons traveling on official business with DOD having valid passes, in charter operations pursuant to contract with the Military District of Washington ("MDW"). Applicant would operate a shuttle service between the Pentagon in Arlington, Va., and the Navy Yard in Washington, D.C., serving specified intermediate points.

Order No. 2931, served November 12, 1986, generally described the application and the evidence submitted with the application, and that order is incorporated herein by reference. The Commission required publication of notice and the filing of an affidavit of publication. Applicant complied with these requirements, and no protest to the application was received by the Commission within the time set therefor. Applicant also complied with a requirement to submit an appropriate certificate of insurance.

As described in Order No. 2931 and the application, HK's owners are shareholders in BusLease Contract Services, Inc. ("BCS"), which operates certain contract commuter services for Prince William County, Va., between there and Washington, D.C. BCS, in turn, is a controlled subsidiary of BusLease, Inc. ("BI"), from which BCS leases some of the vehicles used for the Prince William service. HK proposes to employ the BCS drivers and leased vehicles to provide the MDW service. To the extent that this arrangement requires our approval pursuant to the Compact, Title II, Article XII, Section 12, the same is hereby granted. To the extent that this arrangement requires our waiver of the provisions of Regulation No. 69 prohibiting the lease of vehicles with drivers provided by the same lessor (No. 69-08), and requiring exclusive control of the vehicles by lessee for the entire period of the lease (No. 69-02), such waiver is hereby granted. We find persuasive the various economic, environmental, and traffic arguments asserted in the Motion for Waiver of Certain Provisions of WMATC Regulation No. 69 filed jointly by HK and BCS on November 13, 1986, and we perceive no resulting detriment to the public interest.

Applicant has filed an affidavit that it is prepared to comply with the vehicle identification requirements of Regulation No. 69-06 upon being assigned a WMATC carrier number and prior to commencement of operations.

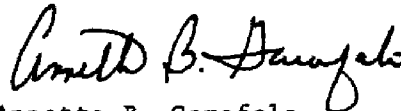
Commission Regulation No. 70 provides that an application of this type will be granted if it is determined that the applicant is fit, willing, and able properly to perform the proposed service and to conform to the provisions of the Compact and the rules, regulations, and orders of the Commission thereunder, and if it is determined that the proposed operations conform to the provisions of Regulation No. 70. The issue of whether the public convenience and necessity requires such service has been determined in Case No. MP-79-04. See Order No. 2004, served June 20, 1979.

The Commission finds that this application conforms to the requirements of Commission Regulation No. 70. It is further found, based on the evidence of record, that applicant is fit, willing, and able properly to provide the service described above and to conform to the requirements of the Compact and the rules, regulations, and orders of the Commission thereunder. This application, except to the extent dismissed by Order No. 2931, shall be granted and an appropriate authorization shall issue forthwith. WMATC Carrier No. 129 is hereby assigned to applicant.

IT IS SO ORDERED.

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

FOR THE COMMISSION:



Annette B. Garofalo
Acting Executive Director