VRAD cabinet needed for an AT&T utility relocation associated with the Charlotte Area Transit System’s (CATS) LYNX Blue Line Extension project. This waiver is limited to a single procurement for the VRAD cabinet for the LYNX Blue Line Extension project.

FOR FURTHER INFORMATION CONTACT: Mary J. Lee, FTA Attorney-Advisor, at (202) 366–0985 or mary.j.lee@dot.gov.

SUPPLEMENTARY INFORMATION: The purpose of this notice is to announce that the Federal Transit Administration (FTA) has granted a non-availability waiver for the procurement of a Video Ready Access Device (VRAD) cabinet that will be used in a utility relocation performed by AT&T. This utility relocation will be performed in connection with the Charlotte Area Transit System’s (CATS or City of Charlotte) LYNX Blue Line Extension (BLE) project, which is a FTA-funded project.

With certain exceptions, FTA’s Buy America requirements prevent FTA from obligating an amount that may be appropriated to carry out its program for a project unless “the steel, iron, and manufactured goods used in the project are produced in the United States.” 49 U.S.C. 5323(j)(1). A manufactured product is considered produced in the United States if: (1) All of the manufacturing processes for the product take place in the United States; and (2) all of the components of the product are of U.S. origin. A component is considered of U.S. origin if it is manufactured in the United States, regardless of the origin of its subcomponents. 49 CFR 661.5(d). If, however, FTA determines that “the steel, iron, and goods produced in the United States are not produced in a sufficient and reasonably available amount or are not of a satisfactory quality,” then FTA may issue a waiver (non-availability waiver). 49 U.S.C. 5323(j)(2)(B); 49 CFR 661.7(c).

On May 24, 2013, the City of Charlotte requested an interpretation of FTA’s Buy America rules with respect to the utility relocation performed for the CATS LYNX BLE project. In an August 8, 2013 letter to the City of Charlotte, FTA determined that the VRAD cabinet is a component of the communications network end product. Having performed its own analysis prior to FTA’s August 8, 2013 determination, on June 4, 2013, the City of Charlotte requested a non-availability waiver for the VRAD cabinet. According to the City of Charlotte, AT&T has been working diligently to find U.S. manufactured components and has been able to identify U.S. manufacturers of most of the components necessary for the utility relocation. The only remaining component for which AT&T is unable to find a U.S. manufacturer is the VRAD cabinet.1

In subsequent telephone conversations and in-person meetings between AT&T, FTA, and the Federal Highway Administration, FTA learned that the VRAD cabinet, which is manufactured by Alcatel-Lucent, can be manufactured in either Mexico or Washington State. Under its current contract with Alcatel-Lucent, however, AT&T is unable to select the manufacturing facility where the VRAD cabinet is manufactured.

On August 27, 2013, FTA published a notice to request comments on the City of Charlotte’s waiver request for the VRAD cabinet. The comment period closed on September 26, 2013. FTA did not receive any comments to the docket, docket number FTA–2013–0035.

Based upon AT&T’s assertions that it is unable to procure a U.S.-manufactured VRAD cabinet at this time and that it expects to require U.S. manufacture of the VRAD cabinet in subsequent contracts that fall within the scope of FTA-funded projects, FTA hereby waives its Buy America requirement for manufactured products under 49 CFR 661.5(d) for the VRAD cabinet. This waiver is limited to a single procurement for the VRAD cabinet for the CATS LYNX Blue Line Extension project.

Issued On: December 5, 2013.


SUPPLEMENTARY INFORMATION: Applicant is a noncarrier holding company based in British Columbia, Canada. Applicant states that it currently controls a group of companies operating approximately 85 motor coaches, primarily in British Columbia and Alberta, Canada, and in Washington State, and employing approximately 160 people. In 2012, these companies generated more than $17 million in gross revenue. Royal currently owns 50% of the stock in Quick, but has no interest in any other federally regulated motor carriers. 461233 BC Ltd. (Seller) currently owns the other 50% of Quick’s stock and approached Royal to sell Royal its shares.

Seller is a noncarrier company based in British Columbia. Seller’s current ownership of Quick, and its wholly owned subsidiary Quick Coach Lines USA Inc. (Quick USA), represents its only interest in a federally regulated motor carriers.

Applicant states that Quick provides charter, scheduled, commuter, and special services to the traveling public in Washington State. Quick holds authority from the Federal Motor Carrier Safety Administration (FMCSA) as a motor carrier of passengers (MC–205116).

Quick USA is a wholly owned subsidiary of Quick. When Royal acquires control of Quick, it will also obtain control of Quick USA. Quick USA is currently inactive and does not provide any motor passenger services. It

1 Initially, the City of Charlotte requested Buy America waivers for the VRAD cabinet and the Cross Connect cabinet. Since then, however, AT&T has been able to identify a U.S. manufacturer of the Cross Connect cabinet.
holds, however, authority from the FMCSA as a motor carrier of passengers (MC–2098660).

Under the proposed transaction, Applicant seeks permission to acquire all of Seller’s shares of Quick. Royal will then own 100 percent of Quick’s shares and 100 percent of the shares of its wholly owned subsidiary, Quick USA. Applicant and Seller have entered into an agreement that is scheduled to close no later than December 1, 2013, subject to Board approval and other conditions. Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction that it finds consistent with the public interest, taking into consideration at least: (1) The effect of the proposed transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees. Applicant has submitted information, as required by 49 CFR 1182.2, including the information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b), and a statement that annual aggregate gross operating revenues of the carriers involved exceeded $2 million. See 49 U.S.C. 14303(g).

With respect to the effect of the transaction on the adequacy of transportation to the public, Applicant states that the proposed acquisition would have no adverse impact because the acquisition will not materially alter the service levels, result in any operational changes, or alter the competitive balance of motor passenger carriers in Washington State. Applicant anticipates operating the businesses of Quick and Quick USA in essentially the same manner in which they are currently being conducted. With respect to fixed charges, Applicant anticipates that the proposed transaction would have no adverse effect on total fixed charges. Applicant states that the transaction would not adversely affect the interests of Quick employees. All of the qualified employees would continue their employment following the acquisition.

On the basis of the application, the Board finds that the proposed acquisition is consistent with the public interest and should be tentatively approved and authorized because the proposed transaction does not impact the adequacy of transportation to the public, would have no adverse effect on total fixed charges, and would not adversely affect the interests of Quick employees. If any opposing comments are timely filed, the findings will be deemed vacated, and, unless a final decision is made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6(c). If no opposing comments are filed by the expiration of the comment period, this notice will take effect automatically and will be the final Board action.

Board decisions and notices are available on our Web site at “WWW.STB.DOT.GOV”.

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:
1. The proposed transaction is approved and authorized, subject to the filing of opposing comments.
2. If opposing comments are timely filed, the findings made in this notice will be deemed vacated.
3. This notice will be effective February 4, 2014, unless opposing comments are filed by February 3, 2014.
4. A copy of this notice will be served on: (1) U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue SE., Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue NW., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 1200 New Jersey Avenue SE., Washington, DC 20590.

Decided: December 13, 2013.

By the Board, Chairman Elliott, Vice Chairman Begeman, and Commissioner Mulvey.

Jeffrey Herzig,
Clearance Clerk.

[FR Doc. 2013–30092 Filed 12–17–13; 8:45 am]