

ORIGINAL

Decision No. 78748

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Paul Arthur Kadletz and Michael Anthony Kadletz for certificate of public convenience and necessity to operate a passenger service, to be known as the Pink Bus Lines, between Whittier Blvd. and Beach Blvd. (Highway 39, South to Beach Blvd. (Highway 39) and Pacific Coast Highway (Highway 101).

Application No. 52373
(Filed December 23, 1970;
amended January 18
and April 22, 1971)

O P I N I O N

Paul and Michael Kadletz, partners, seek authorization to institute and conduct operations as a passenger stage corporation for the transportation of persons along Beach Boulevard (State Sign Route 39) between its junction with Whittier Boulevard in the City of La Habra and its junction with Pacific Coast Highway (State Sign Route 1) in the City of Huntington Beach, subject to the following restriction:

No passenger shall be transported whose origin and destination are both between the intersection of Manchester Avenue and Beach Boulevard, Buena Park, and the intersection of Bolsa Avenue and Beach Boulevard, Midway City.

They propose to conduct said passenger stage operations on a daily basis during the period of June 12 to September 14 and during Easter vacation week of each year. Initially, the service would be operated on an hourly basis with the first and last southbound trips leaving point of beginning in La Habra at

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7:00 A.M. and 5:00 P.M., respectively, and the first and last northbound trips leaving point of beginning in Huntington Beach at 8:00 A.M. and 6:00 P.M., respectively.

The fares which applicants propose to assess are set forth in Appendix A hereof. The rules and regulations which would govern said fares are set forth in Exhibit A of the application, as amended, and are made a part hereof by this reference.

Two 1954 38-passenger diesel buses would be used in the operations. Assertedly, these buses are in excellent condition, both mechanically and as to appearance.

Applicants' proposed service is intended primarily to serve young people desiring to go to and from the beach area at Huntington Beach. There is no public transportation between said beach area, La Habra and intermediate points at present. Assertedly, numerous young people who do not have private transportation available to them resort to hitchhiking along Beach Boulevard to reach the beach and return therefrom, and in so doing they submit themselves and motorists along Beach Boulevard to undue hazards.

Applicants predict that more than 100 persons per day will use their services, if established.

With respect to expected financial results of the operations, applicants estimate that their operating costs over the three months from June 12 to September 14 of this year would approximate \$10,200. They calculate that an average passenger load of 4.8 persons per trip would produce sufficient revenues to return their costs. However, they expect to realize an

average passenger load of 10.3 persons per trip. On this basis they anticipate that they will more than realize their operating costs of their services.^{1/}

Other financial data which applicants presented show their assets, liabilities and net worth as of March 31, 1971, to be as follows:

Assets:

Current	\$4,925	
Fixed	6,625	
Other	<u>6,700</u>	\$18,250
Liabilities, current		2,500
Net Worth		15,750

The application shows that copies thereof, including the amendments thereto, have been sent to the various for-hire common carriers of persons serving the area in which applicants seek to operate. Copies have also been sent to various cities in said area. No objections to the granting of the application, as amended, have been received.

Upon consideration of this application and the representations therein contained, the Commission is of the opinion that there is public need for the transportation service which applicants are seeking to provide. It appears that applicants can

^{1/} Applicants' calculations that their costs of operation would be returned by an average passenger load of 4.8 persons per trip apparently assume that each passenger would pay their maximum fare of \$1.20 per ride. The average load of 10.3 passengers per trip which applicants expect to realize would be subject to fares ranging from \$.45 to \$1.20 per person; hence, the average fare would be less than maximum fare.

provide said service at a relatively low cost, and that they can reasonably institute and maintain the service under the fares which they would assess.

The Commission finds that public convenience and necessity require the operation of the proposed service. The application should be granted. Public hearing thereon is not necessary.

In order that the service may be established on June 12, 1971, or as soon thereafter as possible, the order herein will be made effective five days after the date hereof.

Paul and Michael Kadletz are hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is hereby granted to Paul Arthur Kadletz and Michael Anthony Kadletz authorizing them to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, for the

transportation of persons between the points and over the routes particularly set forth in Appendix B attached hereto and made a part hereof by this reference.

2. In instituting the service herein authorized, applicants shall be governed by the fares which are set forth in Appendix A hereto and by the rules and regulations which are set forth in Exhibit A of their application, as amended, which appendix and exhibit are made part hereof by this reference.

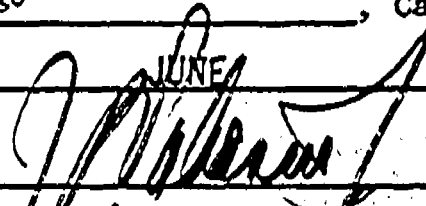
3. In providing service pursuant to the certificate herein granted, applicants shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

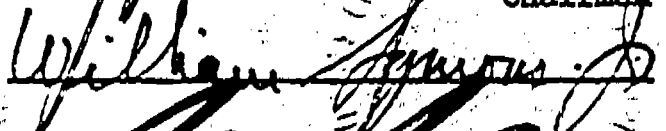
- (a) Within thirty days after the effective date hereof, applicants shall file a written acceptance of the certificate herein granted. Applicants are placed on notice that, if they accept the certificate of public convenience and necessity herein granted, they will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-C.
- (b) Within one hundred twenty days after the effective date hereof, applicants shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- (c) The tariff and timetable filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.

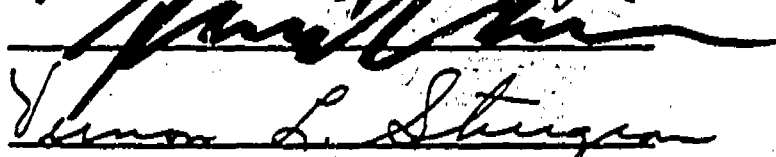
- (d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98-A.
- (e) Applicants shall maintain their accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of their operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

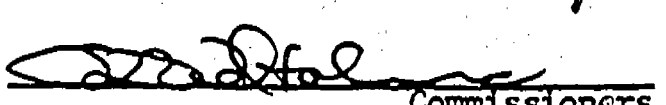
The effective date of this order shall be five days after the date hereof.

Dated at San Diego, California,
this 2nd day of JUNE, 1971.



Chairman






Commissioners

Appendix A

Proposed Fares Per Person
Per One-Way Ride

<u>Between And</u>	<u>Whittier & Beach</u>	<u>Artesia & Beach</u>	<u>Katella & Beach</u>	<u>Garden Grove Blvd. & Beach</u>	<u>Edinger Street & Beach</u>
Crescent Ave.	\$.45				
Katella Ave.	.55				
Garden Grove Blvd.	.70				
Edinger Street	.90	.55	.45		
Garfield Ave.	1.10	.70	.55	.45	
Pacific Coast Hwy. & Beach	1.20	.90	.70	.55	.45

Children's Fares

(Applicable to not more than two children
when accompanied by an adult)

Children, 3 years or older but
less than 5 years of age 1/2 regular fare

Children, less than 3 years of age . . . No charge

(End)

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Appendix B PAUL A. KADLETZ AND MICHAEL A. KADLETZ Original Page 1
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PINK BUS LINES

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY

Showing passenger stage operative rights, restrictions, limitations, exceptions, and privileges applicable thereto.

All changes and amendments as authorized by the Public Utilities Commission of the State of California will be made as revised pages or added original pages.

Issued under authority of Decision No. 78743, dated June 2, 1971, of the Public Utilities Commission of the State of California, on Application No. 52373.

SECTION 1. General Authorizations, Restrictions,
Limitations, and Specifications.

Paul A. Kadletz and Michael A. Kadletz, by the certificate of public convenience and necessity granted by the decision noted in the margin, are authorized to transport passengers over the routes hereinafter described, subject to the following conditions and restrictions:

- (a) Motor vehicles may be turned at termini or at intermediate points, in either direction.
- (b) When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- (c) Service shall be operated on a regular scheduled basis during summer vacation of public schools from approximately June 10 to September 15 of each year, as well as during week preceding Easter of each year.
- (d) No passenger shall be transported whose origin and destination are both between the intersection of Manchester Avenue and Beach Boulevard (State Highway 39), Buena Park, and the intersection of Eolsa Avenue and Beach Boulevard (State Highway 39), Midway City, both points inclusive. This restriction shall not prohibit the transportation of a passenger between a point within the restricted area and a point outside of the restricted area.

Issued by California Public Utilities Commission.

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PINK BUS LINES

SECTION 2. Route Description

Commencing at Beach Boulevard (State Highway 39)
and Whittier Boulevard, La Habra, thence via Beach
Boulevard to Pacific Coast Highway (State Highway 1),
Huntington Beach.

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