

ORIGINAL

Decision No. 83627

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Mark IV Charter Lines, Inc. for Authority to provide Passenger Stage Service between points in Southern California and McDonnell Douglas Huntington Beach Plant.

Application No. 54412
(Filed October 29, 1973;
amended July 30, 1974)

Christopher Ashworth, Attorney at Law, for Mark IV Charter Lines, Inc., applicant.

Gino Forato and Samuel Singer, for Palm Springs Sightseeing Co., Inc.; and Stephen T. Parry, for Southern California Rapid Transit District; protestants.

Ronald J. Hoffman, for Com-Bus, interested party.

M. E. Gottlieb, for the Commission staff.

O P I N I O N

Applicant Mark IV Charter Lines, Inc. (Mark IV), a California corporation, requests a certificate to operate as a passenger stage corporation between certain points in the San Fernando Valley area (Route 5) and Santa Monica (Route 6), on the one hand, and, on the other, the McDonnell Douglas Aircraft plant (McDonnell Douglas) located in Huntington Beach. The application was protested by Palm Springs Sightseeing & Charter Co., Inc. (PSSC) and the Southern California Rapid Transit District (SCRTD). A hearing was held at Huntington Beach on July 30, 1974 before Examiner Pilling.

Mark IV operates primarily as a Class A charter-party carrier of passengers and is currently certificated to operate as a passenger stage corporation between certain points in southern California and the McDonnell Douglas Aircraft plant in Huntington Beach. The president of Mark IV testified that his company had a net worth of

\$108,288 as of May 31, 1974 with a gross operating revenue of \$835,688 and net revenues of \$53,292 for the year ending on that date. It operates 40 buses, 2 of which are available for use in the proposed operation. The witness stated that Mark IV is presently operating both proposed routes and averages 35 passengers per route and that each route is only slightly profitable. Mark IV will charge weekly fares of \$11.50 and \$13.75, respectively, over its Santa Monica and San Fernando Valley routes. Buses will be scheduled only during the commute hours and will transport only employees of McDonnell Douglas. The proposed San Fernando Valley service will offer three pickup stops in the morning and three dropoff stops in the late afternoon and evening at the same points: on Ventura Boulevard between Topanga Canyon Boulevard and Canoga Avenue; at the intersection of Balboa

Boulevard and Burbank Boulevard; and at the intersection of Sepulveda Boulevard and Magnolia Boulevard. The proposed service to and from Santa Monica will have nine pickup and nine dropoff stops.

Four persons, employees of McDonnell Douglas, who currently ride or who will ride in the proposed service testified in support of the application. They variously stated that the service is and will be of great convenience to them; that the service saves them gas and oil money since they would otherwise have to drive their automobiles to and from work; that riding in the proposed service gets them to work refreshed and that they get home less tired at the end of the day; that they sleep, read, or do work on the bus; and that the fare was reasonable. One of the supporting riders presented a petition signed by 29 persons who currently ride applicant's Route 6 to and from Santa Monica and who stated their need for a continuation of that service.

PSSC objects to the granting of authority to applicant to engage in service to and from the San Fernando Valley on the ground that such service would be competitive with PSSC's Route 3 and Route 3

(alternate) granted by the Commission in Decision No. 79798 dated March 14, 1972. Under that authority PSSC operates as a passenger stage corporation from the intersection of Fallbrook Avenue and Victory Boulevard south to the Ventura Freeway, thence east to Van Nuys, thence south to the McDonnell Douglas plant at Huntington Beach. In all it makes a total of nine stops, not including the McDonnell Douglas plant. Three of those stops are close to the stops proposed to be served by applicant. PSSC contends that applicant has been requested by PSSC to take over some of PSSC's San Fernando Valley--McDonnell Douglas service when PSSC was granted its authority under Decision No. 79798. Applicant took over two such runs and was subsequently asked by PSSC to discontinue the service, but applicant discontinued only one of the runs and then filed the herein application. PSSC contends that they have sufficient men and equipment to service their entire San Fernando Valley operation and that no witness expressed dissatisfaction with PSSC's San Fernando Valley service.

SCRTD, which opposes the application, operates 1,869 buses over 137 routes within and without Los Angeles County and has 26 subscription service routes offering service of a nature similar to that proposed by applicant. Between 30 and 35 buses are presently being used in its subscription service and the witness for SCRTD estimated that SCRTD would charge \$15 per week per passenger if it were asked to institute subscription service over the proposed routes. The witness stated that SCRTD offers and performs mass transit bus service into and out of the San Fernando Valley and Santa Monica which is available in connection with other bus lines for service to Huntington Beach. The witness requested that if any grant of authority is made to applicant that the service be restricted against local service within the county of Los Angeles, that only round-trip fares on a weekly basis be allowed, and that the service be restricted to

bonafide employees of McDonnell Douglas. SCRTD is fearful that if the application is granted SCRTD may be prevented from expanding or changing its service or putting on new service which may be considered competitive to the proposed service. Section 30637 of the Public Utilities Code provides that SCRTD shall not "...establish...any rapid transit service or system...as will or may, either then or at any time in the future, divert, lessen or compete for the patronage or revenues of the existing system of a publicly or privately owned public utility without the consent of the said utility." Since SCRTD is charged by the state legislature with solving the transportation problems in the southern California area and to provide a needed comprehensive mass transit system (Section 30001(c) of the Public Utilities Code) the witness requests that any authority granted herein be subordinated to the right of SCRTD to provide bus service to the general public which may be competitive to the proposed service. ✓

Findings

1. Applicant proposes to operate as a passenger stage corporation rendering a commuter service during the peak rush hours for employees of McDonnell Douglas at Huntington Beach.
2. Applicant is fit, willing, and able to render the requested service.
3. Prospective riders--employees of McDonnell Douglas--have shown there is a need for a single line, direct passenger stage service to and from Santa Monica as proposed by applicant.
4. Applicant's proposed San Fernando Valley service will be directly competitive with that now being performed by protestant PSSC.
5. PSSC's San Fernando Valley service was not shown to be inadequate or unsatisfactory.
6. Public convenience and necessity do not require the proposed San Fernando Valley service.
7. Applicant should discontinue its San Fernando Valley service as soon as possible, providing for an orderly transition for its passengers who may wish to avail themselves of service provided by PSSC.

8. The present service rendered by SCRTD has not been shown to fully meet the transportation needs of the involved Santa Monica route passengers.

9. Public convenience and necessity require the proposed Santa Monica Service.

10. Authority to serve the Santa Monica route should be restricted to the transportation of passengers having point of origin or destination at the McDonnell-Douglas Plant in Huntington Beach who are employees of McDonnell-Douglas.

11. The projects involved in the herein application will not have, with reasonable certainty, a significant effect on the environment.

Conclusion

A new certificate of public convenience and necessity to operate as a passenger stage corporation as set out in the ensuing order should be issued to applicant in lieu of applicant's present certificate.

Applicant is 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. 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 granted to Mark IV Charter Lines, Inc., a corporation, authorizing it to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes set forth in Appendix A, attached hereto and made a part hereof.


2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure so to do may result in a cancellation of the authority.


- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted. Applicant is placed on notice that if it accepts the certificate it will be required, among other things, to comply with the safety rules administered by the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 101-Series.
- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service 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 ten days after the effective date of this order on not less than ten 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 authorized service.
- (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-Series and 98-Series.
- (e) Applicant shall maintain its 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 its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.


3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 83346 dated August 27, 1974 in Application No. 54747, which certificate is revoked effective concurrently with the effective date of the tariff filings required by paragraph 2(b) hereof.


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


Dated at San Francisco, California, this 22nd
day of OCTOBER, 1974.



President







Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

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.

This certificate supersedes the certificate of public convenience and necessity granted to Mark IV Charter Lines, Inc. by Decision No. 83346 in Application No. 54747.

Issued under authority of Decision No. 83627, dated
OCT 22 1974, of the Public Utilities Commission of the State of
California, on Application No. 54412.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

The certificate hereinafter noted supersedes all operative authority heretofore granted to Mark IV Charter Lines, Inc., or its predecessors.

Mark IV Charter Lines, Inc., by this certificate of public convenience and necessity, is authorized to transport passengers between certain points in Los Angeles County, on the one hand, and the McDonnell-Douglas Huntington Beach Plant, on the other hand; and between certain points in Los Angeles, San Bernardino, Orange, and Ventura Counties, on the one hand, and the Mammoth Mountain Ski Resort, on the other hand, over and along the routes hereinafter described, subject, however, to the authority of this Commission to change or modify said routes at any time and subject to the following provisions:

- (a) No passenger shall be transported over Routes 1, 2, 3, or 6 who does not have as either point of origin or point of destination the McDonnell-Douglas Plant in Huntington Beach, and who is not an employee of McDonnell Douglas. ✓
- (b) No passenger shall be transported over Routes 7, 8, 9, or 10 who does not have as either point of origin or point of destination the Mammoth Mountain Ski Resort.
- (c) Service on Routes 7, 8, 9, and 10 shall be operated on a round-trip schedule leaving Fridays and returning from the Mammoth Mountain Ski Resort on Sunday evenings during the California winter ski season only.
- (d) On Routes 7, 8, 9, and 10, no passenger shall be loaded or discharged except at the indicated bus stops or at the Mammoth Mountain Ski Resort.

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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS. (Continued)

- (e) When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- (f) Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.

SECTION 2. ROUTE DESCRIPTIONS.

ROUTE 1 - Malibu/McDonnell-Douglas (Huntington Beach)

Beginning at Trancas Canyon and Pacific Coast Highway; thence along Pacific Coast Highway, Ocean Boulevard, Santa Monica Freeway, San Diego Freeway, Springdale Street, Bolsa Avenue, and Able Lane to McDonnell-Douglas Plant, Huntington Beach. Returning by reverse of above route.

ROUTE 2 - Palms/McDonnell-Douglas (Huntington Beach)

Beginning at Overland Avenue and National Boulevard; thence along National Boulevard, San Diego Freeway, La Tijera Boulevard, Osage, San Diego Freeway, Springdale Street, Bolsa Avenue, and Able Lane to McDonnell-Douglas Plant, Huntington Beach. Returning by reverse of above route.

ROUTE 3 - Culver City/McDonnell-Douglas (Huntington Beach)

Beginning at Venice Boulevard and La Cienega Boulevard; thence along Venice Boulevard, Lincoln Boulevard, Culver Boulevard, San Diego Freeway, Springdale Street, Bolsa Avenue, and Able Lane to McDonnell-Douglas Plant, Huntington Beach. Returning by reverse of above route.

ROUTE 6 - Santa Monica/McDonnell-Douglas (Huntington Beach)

Beginning at Sixth Street and Washington Boulevard, Santa Monica, then via Sixth Street, Montana Street, Twenty-Sixth Street, Wilshire Boulevard, San Diego Freeway, Springdale Street, Bolsa Avenue, and Able Lane to McDonnell-Douglas Plant, Huntington Beach. Return via reverse of above route.

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SECTION 2. ROUTE DESCRIPTIONS. (Continued)

ROUTE 7 - Torrance/Mammoth Mountain Ski Resort

Commencing at Del Amo Shopping Center located near the intersection of Sepulveda and Hawthorne Boulevards (bus stop), in the City of Torrance, north on Hawthorne Boulevard to Artesia Street (bus stop), north on San Diego Freeway, north on La Tijera to Osage Avenue (bus stop), north on San Diego Freeway, north on Sepulveda Boulevard to Wilshire Boulevard (bus stop), north on San Diego Freeway, north on Sepulveda Boulevard to Ventura Boulevard (bus stop), north on San Diego Freeway, north on Golden State Freeway, northeast on State Highway 14, north on U. S. Highway 395, west on State Highway 203 and to the Mammoth Mountain Ski Resort, returning by the reverse of the above route.

ROUTE 8 - Montclair/Mammoth Mountain Ski Resort

Commencing at Montclair Plaza located near the intersection of Moreno Street and Monte Vista Avenue (bus stop), in the City of Montclair, south on Monte Vista Avenue, west on San Bernardino Freeway, north on Citrus Avenue to Workman Avenue (bus stop), south on Citrus Avenue, west on San Bernardino Freeway, north on Rosemead Boulevard to Ramona Boulevard (bus stop), south on Rosemead Boulevard, west on San Bernardino Freeway, north on Golden State Freeway, east on Colorado Freeway (State Highway 134), south on Branch Boulevard to Doran Street (bus stop), west on Doran Street, north on Central Avenue, west on Colorado Freeway, north on Hollywood Freeway, east on Victory Boulevard to Laurel Canyon Boulevard (bus stop), west on Victory Boulevard, north on Hollywood Freeway, north on Golden State Freeway, northeast on State Highway 14, north on U. S. Highway 395, west on State Highway 203, and to the Mammoth Mountain Ski Resort, returning by the reverse of the above route.

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SECTION 2. ROUTE DESCRIPTIONS. (Continued)

ROUTE 9 - Newport Beach/Mammoth Mountain Ski Resort

Commencing at Fashion Island Center located near the intersection of MacArthur Boulevard and Pacific Coast Highway (bus stop), in the City of Newport Beach, then north on MacArthur Boulevard, northwest on San Diego Freeway, north on Bristol Avenue to Anton Avenue (bus stop), south on Bristol Avenue, east on San Diego Freeway, north on Newport Freeway, west on Garden Grove Freeway, north on The City Drive to County Facility (bus stop), south on The City Drive, west on Garden Grove Freeway, north on Santa Ana Freeway, north on Euclid Avenue to Anaheim Plaza Center (bus stop), south on Euclid Avenue, north on Santa Ana Freeway, west on Artesia Freeway, west on Orangethorpe Avenue, west on South Street to Gridley Road (bus stop), west on South Street, north on San Gabriel River Freeway, northwest on Interstate Highway 5, northeast on State Highway 14, north on U. S. Highway 395, west on State Highway 203 and to Mammoth Mountain Ski Resort, returning by the reverse of the above route.

ROUTE 10 - Thousand Oaks/Mammoth Mountain Ski Resort

Commencing at Conejo Center located near the intersection of Moorpark Road and Thousand Oaks Boulevard (bus stop), south on Thousand Oaks Boulevard, east on Ventura Freeway, south on Westlake Boulevard to Westlake Plaza Shopping Center (bus stop), north on Westlake Boulevard, east on Ventura Freeway, south on Topanga Canyon Boulevard to Ventura Boulevard (bus stop), north on Topanga Canyon Boulevard, east on Roscoe Boulevard, north on Tampa Avenue to Nordhoff Street (bus stop), north on San Diego Freeway, northeast on State Highway 14, north on U. S. Highway 395, west on State Highway 203 and to Mammoth Mountain Ski Resort, returning by the reverse of the above route.

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