

ORIGINAL

Decision 81-02-026 FEB 1 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of )  
Walter Raymond Winbush, doing business )  
as Sputnik Tours, Inc., for authority )  
to obtain a Class B Charter Party )  
Carrier of Passengers certificate, )  
Los Angeles. )

Application 83-07-40  
(Filed July 22, 1983)

O P I N I O N

The caption on this application indicates Walter Raymond Winbush, doing business as Sputnik Tours, Inc. (Sputnik), seeks a Class B certificate of public convenience and necessity to operate as a charter-party carrier of passengers from a service area with a 40-mile radius from home terminal at 11100 South Vermont Avenue, Los Angeles. By letter dated November 30, 1983 (Exhibit 2) Winbush states that he wants the certificate to be granted to Sputnik rather than to himself. Winbush is Sputnik's principal stockholder. The application contains a December 31, 1982 statement of financial condition which shows a Sputnik liability of \$39,000 for motor vehicle equipment that was greater than the \$35,000 cost of the equipment. That statement also shows applicant's assets of \$3,325 in cash and other current assets of \$15,000. In order to clarify the apparent discrepancy between the liability for motor vehicle equipment and the cost of the equipment, applicant's accountant sent a letter to the Commission dated October 14, 1983 (Exhibit 1) which states that the \$39,000 liability should have been shown as a loan from its stockholder rather than a balance due on motor vehicle equipment and that the motor vehicle equipment is not

being held as collateral for the loan from Winbush. In addition, Exhibit 1 shows Winbush's personal balance sheet as of August 31, 1983. On that date Winbush's assets of \$204,000 included a loan receivable from Sputnik of \$43,000, and his liabilities were \$70,200.

The application also contains an estimate of charter revenues of \$53,000 and annual expenses of approximately \$43,000 exclusive of income taxes, which would leave a net pretax income of approximately \$10,000.

Winbush states that he drove a bus and was a bus driving instructor for the Southern California Rapid Transit District for six years and that he drove a Greyhound Lines, Inc. bus for one year. Applicant proposes to operate its 46-passenger 1965 Silver Eagle bus.

Notice of the filing of the application appeared in the Daily Transportation Calendar of July 2, 1983. No protests were received.

#### Findings of Fact

1. This application was drafted to indicate that Winbush is the applicant. In Exhibit 2 Winbush states that the applicant is Sputnik.
2. Applicant has the fitness, equipment, and financial resources to perform the proposed service.
3. A public hearing is not necessary.
4. Applicant should be authorized to pick up passengers within a radius of 40 air miles from its home terminal at 11100 South Vermont Avenue, Los Angeles.
5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusion of Law

Public convenience and necessity require that the requested authority be issued to Sputnik.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity, to be renewed each year, is granted to Sputnik Tours, Inc., authorizing it to operate as a Class B charter-party carrier of passengers, as defined in PU Code Section 5383, from a service area with a radius of 40 air miles from applicant's home terminal at 11100 South Vermont Avenue, Los Angeles.

2. Applicant shall:

- a. Obtain California Highway Patrol (CHP) clearance for each vehicle to be used in this Class B charter-party operation.
- b. Notify the Commission and CHP of any addition or deletion of vehicles used in the service prior to use.
- c. Establish the authorized service within 360 days after this order is effective.

3. The Passenger Operations Branch will issue the annual renewable certificate on Form PE-695 as authorized by Resolution PE-303 when it receives CHP clearances and evidence of liability protection in compliance with General Order Series 115.

4. In providing service under the certificate, applicant shall comply with General Orders Series 98 and 115 and the CHP safety rules.

5. This certificate does not authorize the holder to conduct any operations on the property of or into any airport unless such operation is authorized by both this Commission and the airport authority involved.

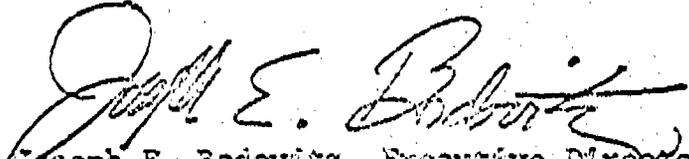
6. The Class B certificate of public convenience and necessity granted by this order does not authorize round-trip sightseeing-tour service, which is not subject to regulation by this Commission.

This order becomes effective 30 days from today.

Dated FEB 1 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President  
VICTOR CALVO  
PRISCILLA C. CREW  
DONALD VIAL  
WILLIAM T. BAGLEY  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bodovitz, Executive Director  
