

ORIGINAL

Decision 84 OS 111

AUG 1 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of ANTELOPE VALLEY AIRPORT EXPRESS,
INC., a California corporation,
for authority to establish passen-
ger stage operations and parcels
between Los Angeles International
Airport and the City of Lancaster
and intermediate points.

Application 84-05-062
(Filed May 14, 1984)

O P I N I O N

Antelope Valley Airport Express, Inc., a California corporation, has applied for a certificate of public convenience and necessity under Public Utilities (PU) Code Section 1031, et seq., to operate as a passenger stage corporation as defined in PU Code Section 226 to transport passengers, baggage, and express between Los Angeles International Airport (LAX), on the one hand, and the cities of Lancaster and Palmdale, on the other hand. In addition, applicant seeks authority under PU Code Sections 816 and 818 to issue 45,000 shares of its no par capital stock at \$1 per share to one or all of the following: Robert M. Chavez (applicant's president), Thomas L. Miller (applicant's secretary-treasurer), and David M. Miller.

Chavez has studied accounting, bookkeeping, and business management; he has worked in the contracting business, including work on maintenance of small engines. Thomas Miller has taken courses in welding and small machine and automotive repairs; he has driven trucks providing scheduled delivery service; and he has prepared, repaired, and cleaned mobile homes.

Applicant states its officers have made an in-depth study of the institution, operation, and maintenance of an airport shuttle service similar to that proposed in the application to serve a midwest city, the approximate size of Lancaster, California, located approximately 70 miles from a large airport.

No other Commission operating authority has been held by applicant.

Applicant proposes to institute service using three 1984 Ford Club wagons, each capable of carrying 11 passengers, a driver, passenger baggage, and miscellaneous express parcels. Initially applicant proposes to operate four scheduled round trips per day, from Mondays to Fridays. On Saturdays and Sundays it proposes to operate three round trips per day. Applicant's proposed schedules are contained in Exhibit E attached to the application.

Each vehicle will have the following amenities: air-conditioning, privacy glass, AM/FM stereo equipment, tinted windows, group lighting, luggage space in the rear and on top of the vehicles, and cloth upholstery. Each vehicle will be equipped with cruise control, an automatic transmission, and an outside tire-carrying case.

Applicant proposes a one-way fare between Lancaster or Palmdale and LAX of \$18 and a round-trip fare of \$36 for the first person in a party; an additional one-way fare of \$10 per person in a bona fide party with up to four additional persons. Applicant proposes no children's fare but infants under two years of age will travel free. Each person will be allowed to carry two bags per trip. Applicant's proposed express rates are \$12 per package per trip.

Applicant states that public convenience and necessity require the proposed service because the Antelope Valley Bus, Inc. (AVB) line ceased providing scheduled service between Lancaster and LAX, and intermediate points, in March 1984;^{1/} there is no remaining scheduled surface transportation between Lancaster or Palmdale and LAX. Applicant contends that its operation would be more successful than AVB's because it would operate vans rather than a large bus and provide more frequent service, i.e. four round trips per day during the week and three round trips per day on weekends compared to AVB's past operation of one round trip per day between Lancaster and LAX. Applicant further contends its service will fill the vacancy created by the cessation of service by AVB; its service will not have any adverse effect on the environment; use of public transportation between Lancaster and LAX will eliminate the need for many people to use their own private automobiles to and from the airport.

Applicant proposes to use the proceeds of the stock sale for organizational expenses incurred in connection with this application and for working capital, including use for the initial leasing of the vehicles used to provide this service.

Applicant requests issuance of an ex parte order be made effective on three days' notice to the Commission and to the public to permit it to establish a replacement airport shuttle service.

^{1/} Resolution PE-487 dated March 21, 1984 authorized AVB to suspend service on several routes designated as Route 14 until March 31, 1985. That service included daily round-trip service between: Edwards Air Force Base, Palmdale, Palmdale Airport (PA), Hollywood-Burbank Airport (BUR), and LAX; Lancaster, PA, BUR, and LAX.

Notice of the filing of this application appeared in the Commission's Daily Transportation Calendar of May 24, 1984. No protests have been received.

Findings of Fact

1. Applicant possesses the experience, financial resources, and ability to provide the proposed service.
2. Applicant will provide a needed airport shuttle service between the cities of Palmdale and Lancaster and LAX.
3. Applicant's service will supersede airport shuttle service previously provided by AVB, now suspended.
4. Public convenience and necessity require the service proposed by applicant.
5. The proposed security issue is for lawful purposes and the money, property, or labor to be obtained by it are required for these purposes. Proceeds from the security issue may not be charged to operating expenses or income.
6. The rates proposed are reasonable.
7. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. Public convenience and necessity have been demonstrated and a certificate should be granted.
2. The effective date of this order should be the date of signature in order that applicant may begin operations of a needed service as soon as possible. The short notice requirement requested by applicant is reasonable.
3. A public hearing is not necessary.
4. Authority to issue stock should be granted.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Antelope Valley Airport Express, Inc., authorizing it to operate as a passenger stage corporation, as defined in PU Code Section 226, between the points and over the routes set forth in Appendix PSC-1348, to transport persons, baggage, and express.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in its tariffs and timetables when service will start; allow at least 3 days' notice to the Commission; and make timetables and tariffs effective 3 or more days after this order is effective.
- d. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU Code Section 403 when notified by mail to do so.

3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. 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.

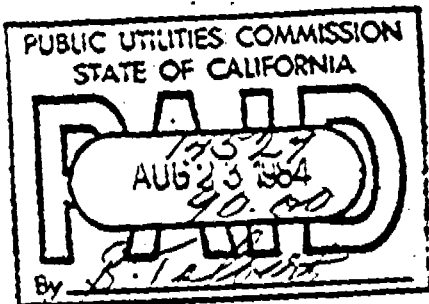
4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

5. Applicant is authorized under PU Code Sections 816 and 818 to issue 45,000 shares of its no par capital stock at \$1.00 per share to one or all of the following: Robert M. Chavez (applicant's president), Thomas L. Miller (applicant's secretary-treasurer), and David M. Miller.

6. The application is granted as set forth above.

The authority granted by this order to issue stock will become effective when the issuer pays \$90, set by PU Code Section 1904.1. In all other respects this order becomes effective today.

Dated August 1, 1984, at San Francisco, California.



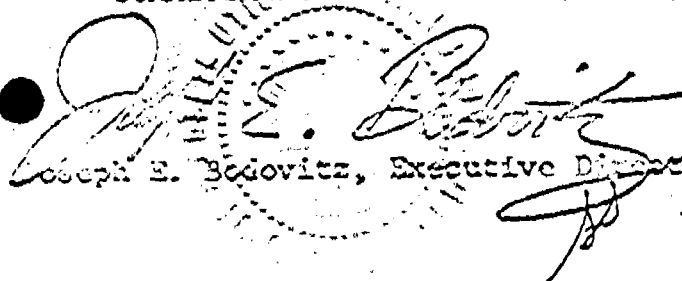
LEONARD M. GRIMES, JR.
President

VICTOR CALVO
DONALD VIAL
Commissioners

Commissioner Priscilla C. Grew,
being necessarily absent, did not
participate.

Commissioner William T. Bagley,
being necessarily absent, did not
participate.

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


Joseph E. Bodovitz, Executive Director

Appendix PSC-1348

ANTELOPE VALLEY AIRPORT
EXPRESS, INC.

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-1348

Showing passenger stage operation rights, restrictions,
limitations, exceptions, and privileges.

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 by California Public Utilities Commission.

Decision 84 GS 111, Application 84-05-062.

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

Antelope Valley Airport Express, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized as a passenger stage corporation to transport passengers between Palmdale and Lancaster on the one hand and the Los Angeles International Airport (LAX) on the other hand, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- a. All transportation of passengers shall originate at and shall be destined to the service points specified in Section 2.
- b. When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.

Issued by California Public Utilities Commission.

Decision 84 OS 111, Application 84-05-062.

SECTION 2. ROUTE DESCRIPTIONS.

Route 1. Lancaster-LAX

Commencing with service points at the following
locations:

Essex House, 44916 No. 10th St., Lancaster
Holiday Inn, 300 W. Palmdale Blvd., Palmdale

Then via the most appropriate streets and highways to
service point at the following location:

Los Angeles International Airport (LAX)

3. Prior to initiating service to any airport, applicant shall notify the airport authority involved. 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.

4. Applicant is authorized to begin operations on the date that the Executive Director mails a notice to applicant that it has evidence of insurance on file with the Commission and that the California Highway Patrol has approved the use of applicant's vehicles for service.

5. The application is granted as set forth above.

6. The authority granted by this order to issue stock will become effective when the issuer pays \$90, set by PU Code Section 1904.1. In all other respects this order becomes effective today.

Dated AUG 1 1984, at San Francisco, California.

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being necessarily absent, did
not participate

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LEONARD M. GRIMES, JR.
President
VICTOR CALVO
DONALD VIAL
Commissioners

Decision 84-08-111 August 1, 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Application 84-05-062

(Filed May 14, 1984)

OPINION

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CORRECTION

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THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

Decision 84-08-111 August 1, 1984

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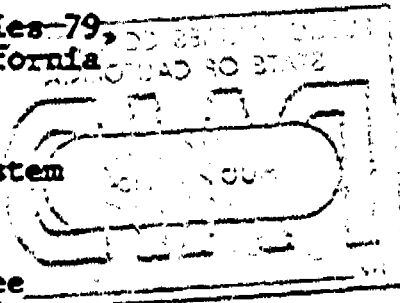
ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Antelope Valley Airport Express, Inc., authorizing it to operate as a passenger stage corporation, as defined in PU Code Section 226, between the points and over the routes set forth in Appendix PSC-1348, to transport persons, baggage, and express.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. State in its tariffs and timetables when service will start; allow at least 3 days' notice to the Commission; and make timetables and tariffs effective 3 or more days after this order is effective.
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LEONARD M. GRIMES, JR.
President

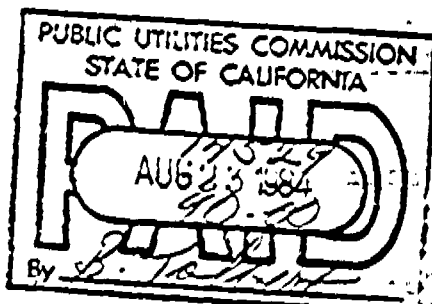
VICTOR CALVO

DONALD VIALO

Commissioners

Commissioner Priscilla C. Grew, being necessarily absent, did not participate.

Commissioner William T. Bagley, being necessarily absent, did not participate.



Appendix PSC-1348

ANTELOPE VALLEY AIRPORT Original Title Page
EXPRESS, INC.

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-1348

Showing passenger stage operation rights, restrictions,
limitations, exceptions, and privileges.

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 by California Public Utilities Commission.

Decision 84-08-111, Application 84-05-062.

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Route 1. Lancaster-LAX

Commencing with service point at the following
locations:

Essex House, 44916 No. 10th St., Lancaster
Holiday Inn, 300 W. Palmdale Blvd., Palmdale

Then via the most appropriate streets and highways to
service point at the following location:

Los Angeles International Airport (LAX)

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