Decision 87 10 027

OCT 1 6 198

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORN

This matter of Santa Barbara Airbus, )
Inc. (PSC 1262 and TCP 3191 P )
to take over operating authority )
from Michael J. Adriansen, dba )
Adriansen's Airport Express )
(PSC 1224).

Application 87-05-010 (Filed May 7, 1987)

#### OPINION

Applicant Santa Barbara Airbus, Inc. (Airbus) is a California corporation operating out of Goleta. Its articles of incorporation are on file with its current operating authority.

Applicant holds authority as a charter-party carrier of passengers as well as a certificate of public convenience and necessity as a passenger stage corporation, (PSC-1262) authorizing a scheduled passenger service between points in Santa Barbara County and the Los Angeles International Airport (LAX); also between points in Santa Barbara County and the Santa Barbara Airport (SBA).

Airbus has applied for authority to take over Michael J. Adriansen's (Adriansen's Airport Express) operating authority, assets, and liabilities and to combine its own and Adriansen's authority. The authority to be transferred concerns transportation of passengers and baggage between seven zones in Santa Barbara County identified as Buellton, Goleta, Santa Barbara Proper, Mesa, Riviera - outlying Santa Barbara, Montecito Proper, Montecito Outlying, and Summerland, and the Santa Barbara Municipal Airport. Service is on call and furnished seven days a week, except for Buellton, which has one scheduled round-trip, five days a week. (D.82-07-109, dated July 12, 1982, A.82-03-104.)

The purchase agreement provides for the transfer of 3 buses and 4 vans to Airbus. Airbus is assuming an indebtedness of \$167,303 (includes \$57,703 on vehicle contracts), and acquiring assets of \$259,500 (includes \$60,000 for a covenant not to compete). The Airbus profit and loss statement for the 12 months of 1986 shows total income of \$1,311,735.50, gross profit of \$876,902.90, and net profit of \$80,219.03. Airbus assets total \$412,801 and liabilities \$234,686.

The transfer of authority to a single operator will benefit the parties herein and the public. It appears that no other carrier is now providing similar Santa Barbara Airport service. Airbus has requested a new certificate to include its prior and present operating authority.

Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar of May 12, 1987. There are no protests.

### Findings of Pact

- 1. Seller (Adriansen) holds a passenger stage certificate granted by D.82-07-109, which authorizes the transportation of passengers and their baggage between points in Santa Barbara County and the Santa Barbara Municipal Airport.
- 2. The buyer also provides service to Santa Barbara Municipal Airport, in addition to serving Los Angeles International Airport.
- 3. Seller has agreed to transfer its passenger stage corporation authority, with 3 buses, 4 vans, and other assets and indebtedness, to the buyer.
- 4. The transfer is in the public interest, since it appears that no other carrier is now providing similar service.
- 5. Airbus has the ability, including financial ability, to continue operations under the combined passenger stage authority under consideration.

6. Because the ensuing decision will benefit the travelling public by providing for continuance of needed service, it should be made effective on the date of signature.

Conclusion of Law

The proposed transfer is in the public interest and should be authorized. A public hearing is not necessary.

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.

#### ORDER

### IT IS ORDERED that:

- 1. On or before November 1, 1987, Michael J. Adriansen may sell and transfer the operative rights and property specified in the application to Santa Barbara Airbus, Inc.
  - 2. Purchaser shall:
    - a. File with the Transportation Division written acceptance of the certificate and a copy of the bill of sale or other transfer document within 30 days after transfer.
    - b. Amend or reissue seller's tariffs and timetables, state in them when the service will start, make them effective 10 days or more days after this order is effective, and allow at least 10 days' notice to the Commission.
    - C. Comply with General Orders Series 79, 98, 101, and 104, and the California Highway Patrol safety rules.
    - d. File an annual report of seller's operations for the period from the first day of the current year to the date of transfer.
    - 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. If the transfer is completed, on the effective date of the tariffs a certificate of public convenience and necessity is granted to Santa Barbara Airbus, Inc., a corporation, 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-1262, to transport persons and their baggage.
- 4. The certificate of public convenience and necessity granted by Decision 82-07-109 is revoked on the effective date of the tariffs.

This order is effective today.

Dated \_\_\_\_\_\_OCT 1 6.4987 \_\_\_\_\_, at San Francisco, California.

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
Commissioners

Commissioner John B. Ohanian, being necessarily absent, did not participate.

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

Victor Woissor, Executive Director

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SANTA BARBARA AIRBUS, INC.

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Issued by California Public Utilities Commission.

Revised by Decision \_\_\_\_\_87 10 627

SANTA BARBARA AIRBUS, INC. Fourth Revised Page 2 Cancels
Third Revised Page 2

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

Santa Barbara Airbus, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers, their baggage, and express between points in Santa Barbara and Los Angeles Counties as set forth in Section 2, over and along the routes described, subject, however, to the authority of the Commission to change or modify the routes at any time and subject to the following provisions:

- (a) 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.
- (b) When route descriptions are given in one direction, they apply to operations in either direction unless otherwise indicated.
- (c) Only passengers originating at or destined to Los Angeles International Airport or Santa Barbara Municipal Airport shall be transported.
- (d) 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.
- (e) Route 3 shall be on a scheduled basis.
- (f) Routes 4 through 11 shall be on an "on call" basis. Tariffs and timetables shall show the conditions under which such on-call service will be operated.

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Revised by Decision	87 10 027	Application	87-05-010.

T/VP/jd

Appendix PSC-1262 (D. 86-02-026)

SANTA BARBARA AIRBUS, INC.

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

- (g) The transportation of express shall be on passenger-carrying vehicles and shall be incidental to the transportation of passengers and limited to a weight of not more than 100 pounds per shipment.
- (h) The authorized routes may be combined to make through trips for operational purposes, provided passenger service is not delayed and trip length is not unduly increased.

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Added by Decision	87 10 027	lication 87-05-010.

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# SECTION 2. ROUTE DESCRIPTIONS (continued)

- Route #3. Between Service Territory 1 (Buellton) and the Santa Barbara Municipal Airport.
- Route #4. Between Service Territory 2
  (El Encanto Heights/Goleta/Isla Vista)
  and the Santa Barbara Municipal Airport.
- Route #5. Between Service Territory 3
  (Santa Barbara central city) and the Santa
  Barbara Municipal Airport.
- Route #6. Between Service Territory 4 (Mesa) and Santa Barbara Municipal Airport.
- Route #7. Between Service Territory 5 (Riviera) and Santa Barbara Municipal Airport.
- Route #8. Between Service Territory 6 (Santa Barbara, outlying) and Santa Barbara Municipal Airport.
- Route #9. Between Service Territory 7 (Montecito, Proper) and Santa Barbara Municipal Airport.
- Route #10 Between Service Territory 8 (Montecito, outlying) and Santa Barbara Municipal Airport.
- Route #11 Between Service Territory 9 (Summerland) and Santa Barbara Municipal Airport.

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Added by Decision

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SECTION 2. SERVICE TERRITORY DESCRIPTIONS

## Service Territory 1 - Buellton

That territory bounded on the north by junction of US 101 and Jonata Park Road, on the south by Santa Ynez River, on the east by Ballard Canyon Road, and on the west by Calor Drive.

Service Territory 2 - El Encanto Heights/Goleta/Isla Vista

That territory bounded on the north by Los Padres National Forest, on the south by the Pacific Ocean, on the east by Turnpike Road, and on the west by Farrin Road.

Service Territory 3 - Santa Barbara Central City

That territory bounded on the north by Cathedral Oaks/Foothill Road (State Highway 192), on the south by Hollister Avenue to Modoc Road to San Andreas Street to Loma Alta Drive on the east by Cabrillo Blvd. to Milpas to Anapamu to Laguna Street to Mission Canyon, and on the west by Turnpike Road.

### Service Territory 4 - Mesa

That territory bounded on the north by Hollister to Modoc Road to San Andreas Street to Loma Alta Drive, on the south by the Pacific Ocean, on the east by Loma Alta Drive, and the west by south Turnpike.

# Service Territory 5 - Riviera

That territory bounded on the north by State Highway 192, on the south by Laguna to Anapamu to Milpas, on the east by State Highway 144, and the west by Mission Canyon Road.

Service Territory 6 - Santa Barbara, Outlying

That territory bounded on the north by Los Padres National Forest, on the South by State Highway 192, on the east by Mission Canyon Road, and on the west by Old San Marcos Road.

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SECTION 2. SERVICE TERRITORY DESCRIPTIONS (continued)

Service Territory 7 - Montecito, Proper

That territory bounded on the north by State Highway 192, on the south by the Pacific Ocean, on the east by Sheffield Drive, and on the west by Milpas and State Highway 144.

Service Territory 8 - Montecito, Outlying

That territory bounded on the north by Los Padres
National Forest, on the south by State Highway 192, on the east
by Ladera Lane, and on the west by Mission Canyon Road.

Service Territory 9 - Summerland

That territory bounded on the north by Los Padres National Forest, on the south by the Pacific Ocean, on the east by Toro Canyon to Foothill Road to Nidever Road, and on the West by Sheffield Road to State Highway 192 to Ladera Lane.

Issued by California Public Utilities Commission.

Added by Decision 87 10 027 , Application 87-05-010.