

ORIGINAL

Decision 88 03 046 MAR 23 1988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 John E. Kindt, Jr., d/b/a Prime Time )  
 Limousine Service, for a certificate )  
 of public convenience and necessity )  
 to extend his passenger stage service )  
 between points in the Los Angeles, )  
 Orange, San Bernardino, and Ventura )  
 counties, on the one hand, and Los )  
 Angeles International, Burbank, Long )  
 Beach, Ontario International, John )  
 Wayne Airports, and Long Beach, San )  
 Pedro Harbors, on the other hand. )

Application 86-12-045  
(Filed December 22, 1986)

John Kindt, for himself, and Anne Kindt,  
 for applicant.  
K. D. Walpert, for Donald R. Howery, City  
 of Los Angeles Department of  
 Transportation, protestant.  
Vahak Petrossian, for the Transportation  
 Division.

OPINION

Applicant John E. Kindt, Jr., dba Prime Time Limousine Service, requests authority, under Public Utilities (PU) Code Section 1031, to extend his passenger stage service between points in Los Angeles, Orange, San Bernardino, and Ventura counties, on the one hand, and Los Angeles International (LAX), Burbank-Glendale-Pasadena (BUR), Long Beach, Ontario International (ONT), and John Wayne airports, and Long Beach and San Pedro harbors, on the other hand.

Applicant now operates a passenger stage service (PSC-1424), providing on-call, door-to-door airport shuttle van service between LAX and BUR, on the one hand, and various cities and communities in the San Fernando Valley, on the other hand. Applicant serves every major hotel in the valley. Applicant also

possesses charter-party carrier authority (TCP-633B), under which he provides charter limousine service within the entire Los Angeles vicinity.

Notice of filing of the application appeared in the Commission's Daily Transportation Calendar on December 30, 1986. In addition, notice of the filing was served by applicant on all governmental agencies within whose boundaries passengers will be loaded and unloaded. A protest to the application was filed by the City of Los Angeles Department of Transportation (City). There were no protests from competing carriers.

The additional authority sought by applicant would provide on-call passenger stage service between 168 cities and communities in four counties, on the one hand, and five airports, and the San Pedro and Long Beach harbors, on the other hand. The equipment to be used in the proposed service includes 8-passenger late model vans which may be Ford, Chrysler, or General Motors products, identical to those used by applicant in his present service. The vehicles will be fully automatic, air-conditioned, and equipped with two-way radios. Proposed fares to LAX from the proposed extended area range from a minimum of \$6 per person to a maximum of \$55 per person; to BUR, fares will range from a minimum of \$8 to a maximum of \$55 per person; to Long Beach Airport, fares will range from a minimum of \$15 to a maximum of \$65 per person; to ONT, fares will range from a minimum of \$32 to a maximum of \$65 per person; and to and from Long Beach and San Pedro harbors, fares will range from a minimum of \$15 to a maximum of \$65 per person. The fare structure is dependent upon the community and zip code in which the transportation originates or terminates.

Following notice, a public hearing was held in Los Angeles on November 23, 1987 before Administrative Law Judge William A. Turkish, and the matter was submitted upon the receipt of a late-filed exhibit, No. 9, which was due on or before

December 18, 1987. Late-filed Exhibit 9 was received on December 18 and the matter is deemed submitted on that date.

Applicant presented the testimony of John E. Kindt, Jr. City presented the testimony of one witness.

The testimony of Kindt was essentially as follows:

1. Applicant's passenger stage service currently serves all of the San Fernando Valley. Within the past year, applicant's company has become the largest on-call, door-to-door shuttle service in the valley. In his initial application, his projected revenue goal was approximately \$6,000 per van per month. This was exceeded from the first day of operation and applicant now has 11 vans, earning about \$10,000 per van per month. Applicant's service has been transporting hundreds of people a day from the valley to the airport areas.
2. The company's number one priority is safety and applicant believes he has more driver-supervisors than any other shuttle van company in the industry; the company carries on an extensive safety program in conjunction with the California Highway Patrol. The company has a good safety record.
3. In its one year of service, the company has an excellent record in reliability. Its growth has increased several hundred percent and it has been profitable.
4. The company has completed a survey of travel agents in the proposed service areas, who overwhelmingly responded that additional transportation service would be beneficial. Approximately 20 more vans will be placed into service immediately if this authority is granted with plans to increase to 100 vans within one year.

Ms. Kristen Dickie, a cab driver for Independent Cab Company, was called as a witness by City. Presenting photographs taken at LAX, she explained that the photographs were designed to

show the proliferation of van shuttles at LAX. In essence, her testimony was that shuttle vans double and triple park and impede traffic flow at the airport. She indicated that large buses are unable to park at the curbs because shuttle vans take up all the space, causing the buses to have to discharge passengers in the roadway. She has observed van drivers double park the vans in the roadway, leave the vans, and go into the terminal to search for or solicit passengers. She explained the restrictions placed on taxicabs at LAX and indicated that vans should have similar restrictions. She is of the opinion that there are more vans operating at LAX than are needed.

#### Discussion

City extensively cross-examined applicant regarding his insurance and financial reports submitted with the application. Applicant was granted 30 days within which to submit a revised projected annual income statement, a corrected amendment to tariffs, verification that he is current in the payment of Commission fees, and an amended fare structure according to postal zip codes. Additionally, applicant furnished a letter from his insurance broker indicating complete insurance coverage at all times, but admitting problems concerning the filing of insurance form No. 610 with the Commission. We take official notice of the fact that applicant's certificate, which had previously been suspended due to failure to file form No. 610, has been reinstated, and that the proper form is now on file in the Commission's San Francisco office.

The revised projected annual income statement for the proposed operations indicates that applicant expects a net income of \$1,737,725. Year-to-date income from present operations shows a net operating income of \$17,730.98. Additional income from limousine services raises total net income for the year to \$43,399.20.

By virtue of applicant's past performance, he has shown capability of providing the proposed service. His growth in the one-year period he has been operating demonstrates that the public desires the van-type service he provides. Likewise, applicant has demonstrated financial ability to provide service in the proposed service area. Applicant is current in his Commission fees and has demonstrated that, although his certificate was technically suspended for two months because of failure to file the proper form with the Commission, his service has been completely covered by insurance at all times.

We are aware of congestion at LAX, as pointed out by City. However, the responsibility for traffic congestion and traffic flow within the airport is the responsibility of the City of Los Angeles Department of Airports and not the responsibility of the Commission. If the Department of Airports is seriously concerned about traffic congestion at LAX, it should consider and initiate means and procedures to eliminate such traffic congestion. According to information developed on the record, restrictions on shuttle vans, such as those imposed on taxicabs, are available to LAX officials as one means of easing traffic congestion if they feel vans are a cause of such congestion.

Comments to the Administrative Law Judge's Proposed Decision were received from City. The comments have been considered but do not persuade us to make any changes in the decision.

Findings of Fact

1. Applicant has the equipment, experience, and financial ability to provide service to the proposed extended service area.
2. Applicant provides an increasingly popular on-call passenger stage service in the San Fernando Valley. His goals are to provide on-time service with a focus on safety.
3. There is a need for the type of passenger stage service applicant offers which is in conformity with the Commission's

stated policy that competition generally provides a better level of service to the public.

4. Protestant City has not provided persuasive evidence which would cause the Commission to deny the application.

5. At all relevant times, applicant's insurance coverage for the protection of the public has been in full force and effect, as required by the Commission, although his certificate was suspended for a two-month period for lack of such evidence on file with the Commission.

6. Applicant is current on his Commission fees.

7. The proposed fares for the proposed service area are reasonable.

Conclusion of Law

Applicant has demonstrated public convenience and necessity for establishing the proposed service.

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. A certificate of public convenience and necessity is granted to John E. Kindt, Jr., authorizing him to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in the attached revised pages to Appendix PSC-1424, to transport persons and baggage.

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 his tariffs and timetables when service will start; allow at least 10 days' notice to the Commission; and make timetables and tariffs effective 10 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 § 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 he 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.  
This order becomes effective 30 days from today.  
Dated MAR 23 1988, at San Francisco, California.

STANLEY W. HULETT  
President

DONALD VIAL  
FREDERICK R. DUDA  
G. MITCHELL WILK  
JOHN B. OHANIAN  
Commissioners

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



Victor Weisser, Executive Director



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

John E. Kindt, Jr., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers and baggage between \*Los Angeles International Airport (LAX), Burbank-Glendale-Pasadena Airport (BUR), Long Beach Municipal Airport (LGB), Ontario International Airport (ONT), Orange County/John Wayne Airport (SNA), Los Angeles and Long Beach Harbors, on the one hand, and points within Los Angeles, Orange, Ventura and San Bernardino Counties, as described in Section 3, on the other hand, over and along the routes described; subject, however, to the authority of this 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 operation in either direction unless otherwise indicated.
- (c) Service performed shall be door-to-door, on-call, seven days per week (including legal holidays).

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

- \* (d) The term "on-call" as used refers to service which is authorized to be rendered dependant on the demands of passengers. The tariffs and timetables shall show the conditions under which each authorized on-call service will be provided, and shall include the description of the boundary of each fare zone, except when a single fare is charged to all points within a single incorporated city.
- \* (e) No passengers shall be transported except those having point of origin or destination at LAX, BUR, LGB, ONT, SNA, Los Angeles Harbor or Long Beach Harbor.
- (f) Service shall be rendered via a direct route from the point of origin to the point of destination of a passenger, except that when more than one passenger is to be transported in a single vehicle, service shall be rendered by the most direct routings possible, taking into consideration the various points of origin and destination of the several passengers.
- (g) 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.

Issued by California Public Utilities Commission.

\* Revised by Decision 88 03 046, Application 86-12-045.

T/VP/jgd

Appendix PSC-1424  
(D. 86-06-070)

John E. Kindt, Jr.

Second Revised Page 4  
Cancels  
First Revised Page 4

\*SECTION 2. ROUTE DESCRIPTION

Commencing at any point within the authorized service area described in Section 3, then via the most convenient streets and highways to LAX, BUR, LGB, ONT, SNA, Los Angeles Harbor or Long Beach Harbor.

\*SECTION 3. SERVICE AREA DESCRIPTION

Los Angeles County

All points within the geographical limits of Los Angeles County south of the Angeles National Forest.

Orange County

All points within the geographical limits of Orange County, except Trabuco Canyon (postal zip code 92679)

San Bernardino County

All points within the following communities and postal zip codes:

| City/Community   | Zip Code            |
|------------------|---------------------|
| Chino            | 91709, 91710        |
| Montclair        | 91763               |
| Ontario          | 91761, 91762, 91764 |
| Rancho Cucamonga | 91701, 91730        |
| Upland           | 91786               |

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\*Revised by Decision 88 03 046, Application 86-12-045.

T/VP/jgd

Appendix PSC-1424  
(D. 86-06-070)

John E. Kindt, Jr.

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\*SECTION 3. SERVICE AREA DESCRIPTION (continued)

Ventura County

All points within the following cities/communities and  
postal zip codes:

| City/Community | Zip Code     |
|----------------|--------------|
| Moorpark       | 93021        |
| Simi Valley    | 93063, 93065 |

Issued by the California Public Utilities Commission.

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3. There is a need for the type of passenger stage service applicant offers which is in conformity with the Commission's stated policy that competition generally provides a better level of service to the public.
4. Protestant City has not provided persuasive evidence which would cause the Commission to deny the application.

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