

Decision 89 10 004 OCT 12 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Mike's Airport Shuttle, Inc.,)
(PSC-4295) for authority to establish)
on-call passenger stage operations)
between Los Angeles International)
Airport ("LAX") on the one hand and)
a Burbank/Glendale/Pasadena/Los Feliz)
service territory on the other hand.)

ORIGINAL

Application 89-01-005
(Filed January 6, 1989)

J. Terence Lyons, Attorney at Law, for Mike's
Airport Shuttle, Inc., applicant.
S. E. Rowe, by J. D. Walpert, for Department of
Transportation, City of Los Angeles, protestant.

OPINION

Mike's Airport Shuttle, Inc. (Mike's), a California corporation, is the successor in interest to Magdy Mikhail Awad to whom the Commission granted a certificate of public convenience and necessity to operate scheduled passenger stage corporation service between Los Angeles International Airport (LAX) and points in Los Angeles County (PSC-4295).

Applicant now seeks to extend its service to include on-call transportation of passengers and their baggage over the most appropriate streets and highways between LAX, on the one hand, and a Burbank/Glendale/Pasadena/Los Feliz service territory, on the other hand.

The application was protested by the Department of Transportation, City of Los Angeles (City), and a duly noticed public hearing was held before Administrative Law Judge Orville I. Wright in Los Angeles on May 23, 1989. The matter was submitted upon receipt of the transcript on July 28, 1989.

Mike's Evidence

In addition to the scheduled service it operates between LAX and four hotels in Los Angeles County, applicant holds charter-party authority under which it currently transports travelers between the airport and the territory specified in this application.

Mike's testified that it receives many requests for service to the Glendale/Pasadena/Burbank/Los Feliz area which it is unable to serve as a charter-party carrier. In response to those requests, Mike's seeks passenger stage authority to provide on-call door-to-door service.

Applicant's equipment list shows that it operates with 11 vans, and it testified that it would acquire 4 additional vehicles if its application is granted.

As of October 31, 1988, the corporation's balance sheet shows \$147,979 total assets and total equity of \$18,116.

City's Evidence

City's participation in the hearing developed the record with respect to financial projections and the ability of applicant to conduct the sought service.

In addition, City produced two witnesses who testified to the heavy traffic congestion at LAX and who also expressed the opinion that there is adequate on-call, door-to-door transportation at the present time.

Discussion

Mike's requested expansion of its certificate to include an on-call service area is justified by evidence of increasing patronage of its existing charter-party service and by testimony that the many requests for door-to-door per capita transportation it receives justify extension of its passenger stage operations into the limited area it seeks to serve.

City's testimony that there is adequate on-call service at LAX is based on visual observations of vans leaving the airport

by two employees, each of whom admitted that no attempt was made to conduct a definitive study.

With respect to airport congestion, we note that Los Angeles Department of Airports is not a party to this proceeding, and that agency's permission to enter LAX must be obtained in addition to certification by this Commission if the proposed operation is to go into effect.

Waiver of Proposed Decision

At the close of the public hearing, applicant moved to waive the filing of and comment on the proposed decision (Rule 77.1, Rules of Practice and Procedure).

Although City opposed the motion, we will grant it as it seems clear that applicant's request for a limited expansion of its ongoing transportation services raises no issues of such substance that the public interest requires circulation of a proposed decision.

Findings of Fact

1. Applicant has the ability, equipment, and financial resources to perform the proposed service.
2. Public convenience and necessity require the proposed service.
3. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
4. As this application is essentially an expansion of existing service, the order should be effective on the date of signing.

Conclusion of Law

Public convenience and necessity have been demonstrated, and a certificate 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.

ORDER

IT IS ORDERED that:

1. PSC-4295 is amended by First Revised Page 3, attached to this decision, which cancels Original Page 3.

2. Applicant shall:

- a. File a written acceptance of the amended 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 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 Public Utilities 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 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.

This order is effective today.

Dated OCT 12 1989, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

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

- 5 -

Wesley Franklin
WESLEY FRANKLIN, Acting Executive Director

WB

SECTION 2. ROUTE DESCRIPTION.

Route 1. Scheduled Service.

Commencing at LAX, then over and along the most convenient route or routes to the following motels:

1. Vagabond Inn 120 W. Colorado St., Glendale
2. Miyako Inn 1500 E. Colorado St., Glendale
3. Royal Inn 1437 E. Colorado St., Glendale
4. Travelodge 2911 Colorado St., Los Angeles

*Route 2. On-call, door-to door service.

Commencing at LAX, then over and along the most convenient route or routes to all points within the geographical limits of the cities of Burbank, Glendale, Pasadena, and the following zip code communities in the City of Los Angeles:

Los Feliz	90027
Los Feliz	90029
Los Feliz	90039

Issued by California Public Utilities Commission.

*Revised by Decision 89 10 004, Application 89-01-005.