

Decision 91 05 023 MAY 8 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In Re the matter of the Application)
of Oak Tree Hotels, Inc., dba La)
Quinta Hotel, and Landmark Land)
Company of California, Inc., dba Oak)
Tree Hotels, Inc., for transfer)
Passenger Stage Authority PSC 1430)
pursuant to Sections 851 and 854 of)
the Public Utilities Code.)

ORIGINAL
Application 91-01-028
(Filed January 22, 1991)

O P I N I O N

Oak Tree Hotels, Inc., dba La Quinta Hotel (transferor), and Landmark Land Company of California, Inc., dba Oak Tree Hotels, Inc., (transferee) jointly apply for authority to transfer transferor's passenger stage authority (PSC-1430) to transferee pursuant to Public Utilities (PU) Code Section 851, et seq.

No protests have been received, and Transportation Division recommends that the application be granted by ex parte order.

Transferor presently transports persons on an on-call basis in Riverside County from a fixed base at La Quinta Hotel, La Quinta, to and from the Thermal Airport, Palm Springs Airport, and the surrounding and adjacent cities, communities and unincorporated areas and intermediate points over the streets and highways of Riverside County without a fixed route, under the authority of Decision (D.) 86-10-018, dated October 1, 1986, in Application (A.) 86-06-055.

Reasons given for the proposed transfer are that the transferee is the parent company and holder of one hundred (100%) of the shares of stock of the transferor. By Certificate of Ownership and Merger dated December 24, 1987, transferor's corporate entity merged into transferee and became part and parcel

thereof. All properties, assets, and equipment of transferor, by said merger, are the property of transferee.

Balance sheets attached to the transferee's proposed fare increase application (A.90-08-011) show Landmark Land Company, Inc., dba Oak Tree Hotels Inc., to have a net worth of \$12,164,217.

If the transfer is approved by the Commission, applicants allege that transferee will conduct the same service which the transferor currently provides. All operations including management, personnel, telephone numbers, name of operator, vehicles operated, hours of service, and area of service will remain the same.

Findings of Fact

1. Notice of the filing of this application appeared in the Commission's Daily Transportation Division Calendar of January 22, 1991.

2. Transferee has the ability, experience, equipment, and financial resources to assume and conduct the existing service sought to be transferred.

3. Public convenience and necessity require the transfer of authority from transferor to transferee.

4. As there have been no protests, a public hearing is not necessary.

5. It can be seen that there is no possibility that the transfer of existing authority may have a significant effect on the environment.

6. As this transfer contemplates the continuance of an existing business, this decision should be effective upon the date of signing.

Conclusion of Law

The proposed transfer is in the public interest and should be authorized.

Only the amount to be paid to the State for operative rates may be used in rate fixing. The State may grant any number

of rights and may cancel or modify the monopoly features of these rights at any time.

ORDER

IT IS ORDERED that:

1. By June 25, 1991, Oak Tree Hotels, Inc., dba La Quinta Hotel, (transferor) may transfer the operative rights and property specified in the application to Landmark Land Company of California, Inc., dba Oak Tree Hotels Inc., (transferee).

2. Transferee 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 transferor's tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective, and allow at least 10 days' notice to the Commission.
- c. Comply with General orders Series 101, 104, and 158, the California Highway Patrol (CHP) safety rules.
- d. File an annual report of seller's operations for the period from the first day of the current year to date of the 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 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 transferee, authorizing it to operate as a passenger stage corporation, as defined in PU Code 226, between the points and over the routes set forth in Appendix PSC-7092 to transport persons and baggage.

4. The certificate of public convenience and necessity granted by D.86-10-018 dated October 1, 1986 is revoked on the effective date of the tariffs.

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

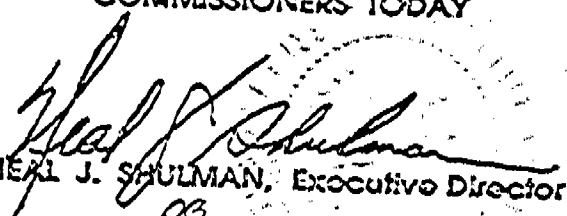
6. If the transfer is not consummated by June 25, 1991, the authority granted in Ordering Paragraph 1 shall lapse.

This order is effective today.

Dated MAY 8 1991, at San Francisco, California

PATRICIA M. ECKERT
President
G. MITCHELL WILK
JOHN B. OHANIAN
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners

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


NEAL J. SHULMAN, Executive Director
PB

T/KMP/kmp

Appendix PSC-7092

Landmark Land
Company of California, Inc.

Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
TO OPERATE AS
A PASSENGER STAGE CORPORATION
PSC-7092

Showing passenger stage operative 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 under authority of Decision 91 65 023, dated
MAY 8 1991 of the Public Utilities Commission of
the State of California in Application 91-01-028.

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Issued by California Public Utilities Commission.

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

Landmark Land Company of California, Inc., dba Oak Tree Hotels, 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 and their baggage on an "on-call" basis in Riverside County from a fixed base at La Quinta Hotel, La Quinta, to and from the Thermal Airport, Palm Springs Airport, and the surrounding and adjacent cities, communities and unincorporated areas along the routes described, subject, however, to the authority of this Commission to change or modify the route at any time and subject to the following provisions:

- (a) When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- (b) The term "on-call" as used refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which each authorized on-call service is rendered.
- (c) 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.
- (d) No passengers shall be transported except those having point of origin or destination at La Quinta Hotel, La Quinta.

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

- (e) Service shall be rendered via a direct route for 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.
- (f) The transportation of baggage or 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.

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SECTION 2. SERVICE AREA DESCRIPTION

Service Area 1

Includes those areas of Riverside County and the cities of Coachella, Indio, La Quinta, Indian Wells, and Palm Desert, which are bound by Interstate (I) Highway 10 on the north, State Highway 111 on the east, Avenue 58 on the south, and the Santa Rosa Mountains and Cook Street on the west.

Service Area 2

Includes those areas of Riverside County and the cities of Palm Desert and Rancho Mirage, which are bound by I-10 on the north, Cook Street on the east, and the Santa Rosa Mountains on the south, and Date Palm Road on the west.

Service Area 3

Includes those areas of Riverside County and the cities of Cathedral City and Palm Spring, which are bound by I-10 on the north, Date Palm Road on the east, the Santa Rosa Mountains on the south, and Palm Spring's west city boundary on the west.

SECTION 3. ROUTE DESCRIPTION

Between La Quinta Hotel, La Quinta, on the one hand and Thermal and Palm Springs Airports and points within the above described service areas, on the other hand, via the most convenient streets and highways.

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