

ORIGINAL

Decision 82 01 44 JAN 5 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ARIK SHARABI, dba California Mini-Bus,)
for a certificate of public convenience)
and necessity to operate passenger)
(express) service between San Francisco)
(City) hotels and the San Francisco)
International Airport.)

Application 60511
(Filed May 5, 1981)

Dennis B. Natali, Attorney at Law for
applicant.
Ray Greene, Attorney at Law, for SFO Airporter,
Inc.; and Daniel J. Custer, Attorney at Law,
for Lorrie's Travel & Tour; protestants.

O P I N I O N

Arik Sharabi, doing business as California Mini-Bus, requests a certificate of public convenience and necessity authorizing operations as a passenger stage corporation between six San Francisco hotels in San Francisco, on the one hand, and the San Francisco International Airport, on the other hand. Protests to the application were filed by SFO Airporter, Inc., (SFO), and Lorrie's Travel & Tour (Lorrie's).

Public hearing was held before Administrative Law Judge Daly in San Francisco and was submitted on August 12, 1981, upon the receipt of concurrent briefs, which have been filed and considered.

Applicant's Presentation

Applicant proposes to provide a daily service seven days a week from 6:00 a.m. to 11:30 p.m. between the San Francisco International Airport and the Stewart Hotel, David's Hotel, Bellevue Hotel, El Cortez Hotel, Geary Hotel, and the Jack Tar Hotel, all of which are located on Geary Street in the downtown area of San Francisco.

Service would be provided by two 14-passenger mini vans. Applicant presently owns one 14-passenger Dodge Mini Van and proposes to lease two additional vans, one of which would be used for backup purposes. The proposed schedule calls for each hotel to be served on an hourly basis. Information concerning departure schedules, fares, and hotel destinations would be on permanent display at three unmanned booths located in the passenger-arrival areas of the Airport. The proposed fare is \$6.00 for an adult and \$3.00 for children. As of August 10, 1981, applicant indicated assets in the amount of \$58,000 and no liabilities.

Applicant called two public witnesses. Robert Webb, who is employed as a doorman at the Jack Tar Hotel, testified that he has as many as 20 or 30 inquiries a day concerning transportation to the airport. According to the witness he usually informs these individuals that they can either get a bus at the SFO terminal in downtown San Francisco, call Lorrie's for a pickup, or take a cab. Webb expressed the opinion that Lorrie's provides an excellent service, but there are times when the bus does not have seats available to accommodate everyone. Bepin M. Ramaiya, vice president and general manager of California Parlor Car Tours, which provides a certificated sightseeing service, testified that although he had no knowledge as to whether there was a need for the proposed service, he was of the opinion that it would have a beneficial effect.

Protestants' Presentation

- SFO SFO is authorized to provide a certificated passenger stage service between its San Francisco terminal, located at Taylor and Ellis Streets in downtown San Francisco, and the San Francisco International Airport. It owns and operates 23 buses and service is provided every 10 minutes between 6:00 a.m. and 10:00 p.m. daily. SFO has a contract with the Airport which grants it the exclusive right to pick up and discharge passengers and solicit business on Airport property. According to SFO's general manager, the San Francisco terminal is so situated in relation to the downtown hotels as to be readily accessible by a \$2 taxi trip which when added to the present SFO fare of \$4 would be comparable to the proposed \$6 fare of applicant. He further testified that SFO had experimented with a shuttle service between its terminal and the hotels in the downtown area, but discontinued the service because the patronage did not justify the cost. The witness expressed the opinion that the existing service is adequate and that certification of an additional carrier would not only have an adverse financial effect upon SFO but would further contribute to the existing congestion at the Airport.

Lorrie's Lorrie's operations manager testified that Lorrie's provides a certificated on-call service between San Francisco and the San Francisco International Airport including service to the hotels which applicant proposes to serve. He further testified that pickups are made within 30 minutes after a call is placed and about the only time a pickup may not be provided is when a very large convention is in town. He also expressed the opinion that an additional service would have an adverse effect upon the existing carriers by diverting traffic.

Lorrie's general manager testified that the Jack Tar Hotel provides approximately 12% of its overall business. He further testified that Lorrie's is presently operating at a loss even with an airport fare of \$6.50 and that Lorrie's would provide a scheduled service only if there were a need for it or if so directed by the Commission.

Lorrie's also introduced the testimony of two public witnesses in support of its protest. Their testimony is summarized as follows:

1. Charles Roger Incebritsen

Senior desk clerk at the El Cortez Hotel. Handles reservations for sightseeing tours and for transportation to the airport. Uses the service of Lorrie's and Associated as well as taxi service. Existing service to the airport is adequate.

2. Samuel McMullen

Bell Captain at the Jack Tar Hotel. When so requested he has arranged transportation for hotel guests to the airport. If less than three individuals he usually calls Lorrie's, but some people find it more convenient to take a cab to SFO's terminal where they can get a bus to the airport. Lorrie's usually picks up within a reasonable time after a call is placed, but if they can't they suggest that the people be put in a cab and Lorrie's pays the difference. On occasion Lorrie's will not pick up because the bus is full.

Lorrie's also introduced the testimony of two additional witnesses for the apparent purpose of showing that applicant had some unlawful connection with the selling and operation of sight-seeing tours from his place of business at 460 Geary Street.

Mrs. Weiyin Young, who is employed in the gift shop of the Bellevue Hotel where she arranges sightseeing tours for guests of the hotel, testified that on occasion she had telephoned applicant's place of business and made arrangements for sightseeing tours.

On direct examination applicant testified that he and his wife operate a gift shop at the Geary Street location and that he also used the premises to sell tours as an agent for various sight-seeing companies. This was supported by Lorrie's other witness, a representative of Greyhound Lines, Inc., who testified that applicant had sold tickets for Greyhound Lines at his Geary Street store until it was discovered that he was also selling tickets for competing companies, at which time the relationship was terminated.

Discussion

At the present time guests of the hotels, which applicant proposes to serve, must either walk or take a taxi to SFO's terminal, or call Lorrie's for a pickup if they wish to travel to the San Francisco Airport by way of a certificated carrier. For those individuals with one or two pieces of light luggage the SFO terminal is within a reasonable walking distance, but for others, because of luggage, age, or physical incapacities, a trip by taxi would be necessary. If one decides to use the service of Lorrie's a call must be placed at least 10 minutes before the next scheduled bus leaves the downtown area. The actual time of pick up would take up

to 30 minutes depending upon the number and locations of prior pick ups that the bus is required to make. According to the record Lorrie's may not make the pick up if it is a particularly busy period.

There is no doubt that a direct scheduled service between the hotels specified in the application and the airport would be a more desirable service than that presently being provided. Neither protestant indicated a present willingness to provide a direct scheduled airport service to and from these hotels. Because of its restrictive nature it is not likely that the proposed service, if authorized, would have a material effect upon the operations of either protestant. It is likely that protestants are experiencing more competition from existing taxi operators than they would from applicant if he were authorized to operate.

Findings of Fact

1. Applicant proposes a direct scheduled service between six specified hotels in the downtown San Francisco area and the San Francisco International Airport.
2. SFO and Lorrie's are presently providing service between San Francisco and the San Francisco International Airport, but the scheduled service of SFO is to and from its San Francisco terminal, and the direct service of Lorrie's is on an "on-call" basis.
3. Neither SFO or Lorrie's have indicated that they stand ready, willing, and able to provide the same service as that proposed by applicant.

4. Public convenience and necessity require applicant's service as proposed.

5. Applicant has the necessary equipment, experience, ability, fitness, and financial ability to conduct the proposed service.

6. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

7. The following order complies with the guidelines of the Commission's Energy Efficiency Plan.

Conclusion of Law

The application 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 Arik Sharabi authorizing him 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 A to transport persons, baggage, and/or 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 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, 92, 101, and 104, and the California Highway Patrol safety rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.

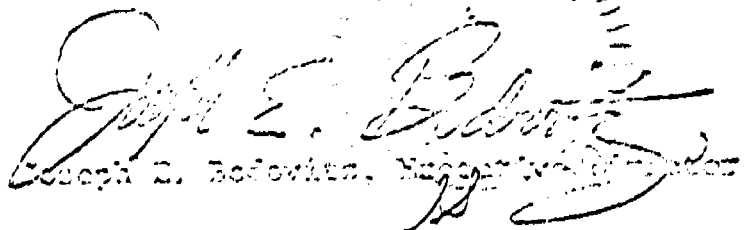
This order becomes effective 30 days from today.

Dated JAN 5 1962, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

Commissioner Leonard M. Grimes, Jr.,
being necessarily absent, did not
participate.

I CERTIFY THAT THIS DECISION
WAS MADE BY THE COMMISSIONERS
CONCERNING THE MATTER.


Joseph R. Bodowick, Secretary

T/seq

Appendix A

Arik Sharabi
doing business as
California Mini-Bus

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC 1169

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 82 01 44, dated JAN 5 1982
of the Public Utilities Commission of the State of California, in
Application 60511.

SECTION I. GENERAL AUTHORIZATION, RESTRICTIONS, LIMITATIONS,
AND SPECIFICATIONS.

Arik Sharabi, doing business as California Mini-Bus, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to operate as a passenger stage corporation to transport persons, baggage and/or express between San Francisco International Airport and hotels located on Geary Street in the downtown area of San Francisco, over and along the most direct or reasonable route or routes subject, however, to the authority of this Commission to change or modify these points or tour 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. All service authorized shall be to provide daily service seven days a week from 6 a.m. to 11:30 p.m. between San Francisco International Airport and the Stewart Hotel, David's Hotel, Bellevue Hotel, El Cortez Hotel, Geary Hotel, and the Jack Tar Hotel, all of which are located on Geary Street in the downtown area of San Francisco.

Issued by California Public Utilities Commission.

Decision 82 01 44, Application 60511.

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Appendix A

Arik Sharabi
doing business as
California Mini-Bus
(PSC 1169)

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SECTION II. ROUTE DESCRIPTIONS.

After passenger pickup, proceed over the most appropriate and convenient streets and highways to San Francisco International Airport.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

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