

T/ctb

Decision 82 09 036 SEP 22 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of QR Investment Corporation dba)
A-M Bus Lines and as Novato)
Airporter to Transfer to Frank)
C. McClendon, Jr. dba North Bay)
Transit, the Passenger Stage)
Corporation Business Currently)
Operated by A-M Bus Lines & as)
Novato Airporter Under Authority)
of Decision No. 89728/92424 of)
the Public Utilities Commission.)

Application 82-04-69
(Filed April 30, 1982)

O P I N I O N

QR Investment Corporation (seller), doing business as A-M Bus Lines and as Novato Airporter, and Frank C. McClendon, Jr. (buyer), doing business as North Bay Transit, seek Commission authorization to transfer seller's certificate (PSC-1057, Decisions (D.) 89728 and 92424) to buyer. Despite the title block, the contract of sale does not call for the transfer of any other tangible or intangible assets. Seller's certificate authorizes service over two routes; between Novato and Oakland International Airport, and between Travis Air Force Base and Oakland International Airport.

Buyer currently has authority to operate as a passenger stage corporation (PSC-1069, D.90239) between the Cities of Concord, Benicia, Martinez, Vallejo, Richmond, and San Francisco. This certificate is currently in voluntary suspension (Resolution FE-407, June 16, 1981) because of business reorganization. Seller's certificate is also in suspension as of March 15, 1981 because of failure to maintain insurance in accordance with General Order 101-C. Seller states that it ceased operations because equipment failure

in this winter's floods in Marin County caused the business to generate insufficient income. The purchase price for the certificate is \$17,000, payable without interest at \$94.44 per month for 180 months. There is also a two-year covenant not to compete.

Exhibit B-1 of the application indicates buyer has a net worth of \$51,411 including \$10,700 in cash and a bus valued at \$15,000.

Discussion

The application shows that buyer has sufficient financial resources to purchase and operate the service authorized under certificate PSC-1057. Buyer desires the certificate PSC-1057 to remain a separate business from PSC-1069 due to the terms of an existing agreement between Travis Air Force Base and A-M Bus Lines.

Findings of Fact

1. Seller has ceased operating the service authorized under PSC-1057.
2. Buyer has the financial ability and experience necessary to provide the service authorized under PSC-1057 which will satisfy the public need.
3. A note will be employed as consideration for the sale of PSC-1057 and there is a covenant not to compete.

Conclusions of Law

1. The proposed transfer is in the public interest and should be authorized. A public hearing is not necessary.
2. Buyer should be authorized to issue a note to seller as described in the application.

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. By January 1, 1983, QR Investment Corporation may sell and transfer the operative rights specified in the application to Frank C. McClendon, Jr.

2. Buyer 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 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.

3. If the transfer is completed, on the effective date of the tariffs a certificate of public convenience and necessity is granted to Frank C. McClendon, Jr. 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 the attached Appendix PSC-1057, to transport persons, baggage, and express.

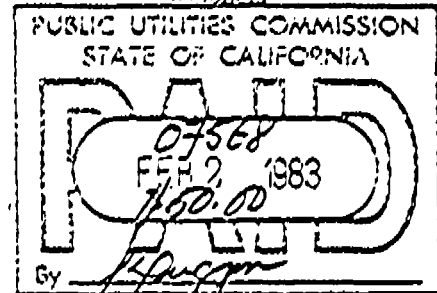
4. On or after the effective date of this order, but before January 1, 1983, buyer may issue a note not to exceed \$17,000. This document shall be for the purposes specified and shall be substantially the same as that attached to the application.

5. The certificate of public convenience and necessity granted to QR Investment Corporation by Decisions 89728 and 92424 is transferred on the effective date of the tariffs. ✓

The authority granted by this order to issue an evidence of indebtedness will become effective when the issuer pays \$50.00, set by PU Code Section 1904(b). In all other respects this order becomes effective 30 days from today.

Dated SEP 22 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. CRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners



I CERTIFY THAT THIS ORDER WAS APPROVED BY THE COMMISSIONERS

John E. Bryson
John E. Bryson, President
ps

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*Appendix PSC-1057

Frank C. McClendon, Jr.

First Revised Title Page
Cancels
Original Title Page

CERTIFICATE
OF
PUBLIC CONVENIENCE AND NECESSITY
AS A PASSENGER STAGE CORPORATION
PSC-1057

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 by California Public Utilities Commission.

*Amended by Decision 82 09 036, Application 82-04-69.

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*Appendix PSC-1057

Frank C. McClendon, Jr.

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*Amended by Decision 82 09 096, Application 82-04-69.

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*Appendix PSC-1057

Frank C. McClendon, Jr.

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Cancel

First Revised Page 2

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

Frank C. McClendon, Jr., doing business as A-M Bus Lines and as Novato Airporter, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers, baggage, and express between the Cities of Novato, San Rafael, Larkspur Ferry Terminal, Walnut Creek, Concord, Martinez, Benicia, and places of Alameda Naval Air Base, Concord Naval Weapons Station, Mare Island Naval Station, and Travis Air Force Base, on the one hand, and Oakland International Airport, on the other hand, over and along the routes described, subject to the authority of this Commission to change or modify these 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 may be operated either by schedule or "on-call" or in combination according to the demands of the passengers.

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*Appendix PSC-1057

Frank C. McClendon, Jr.

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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 dependent on the demands of passengers. The tariffs and timetables shall show the conditions under which each authorized on-call service will be rendered.
- e. 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. ROUTE DESCRIPTIONS.

Route 1. Novato-Oakland International Airport

Beginning at the intersection of Grant Avenue and Redwood Highway in the City of Novato, then via the appropriate city streets to U.S. Highway 101, then via U.S. Highway 101 to Sir Francis Drake Boulevard East to the Larkspur Ferry Terminal, then via Sir Francis Drake Boulevard to State Highway 17, then via appropriate streets and highways to the Oakland International Airport.

Alternate
Route.

As an alternate route to serve San Rafael, may depart U.S. Highway 101 at Heatherton Street southbound or Irwin Street northbound to bus terminal on Fourth Street and return to U.S. Highway 101.

Route 2. Travis Air Force Base - Oakland International Airport

Beginning at Travis Air Force Base then via Air Base Parkway to U.S. Highway 80 to State Highway 37, via State Highway 37 to Wilson Avenue, via Wilson Avenue to Mare Island Naval Shipyard, then via the most appropriate streets and highways to U.S. Highway 780, continuing on U.S. Highway 780 to Benicia, return to U.S. Highway 780, continue to junction U.S. Highway 680, then via appropriate streets and highways to Martinez, Concord, Walnut Creek, then via State Highway 24 to Oakland, then via the most appropriate streets and highways to Alameda Naval Air Station, then via the most appropriate streets and highways to Oakland International Airport.

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