## Decision 83 09 042 SEP 7 1983

# ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application ) of Michael S. Tracey and Gerald W. ) Norman, dba Inland Express Services,) for certificate of public convenience and necessity to operate as a ) passenger stage corporation between ) Los Angeles International Airport ) (LAX), Ontario International Airport (ONT), Palm Springs Airport ) (PSP), Orange County-John Wayne ) Airport (SNA), the piers in San ) Pedro and certain communities in ) Riverside, San Bernardino, and ) Eastern Los Angeles Counties. )

Application 83-04-62 (Filed April 29, 1983)

### <u>O P I N I O N</u>

Applicants Michael S. Tracey and Gerald W. Norman, dba Inland Express Services, request authority, under Public Utilities (PU) Code Section 1031 to establish and operate a passenger stage bus service for the transportation of passengers and baggage between Los Angeles International Airport (LAX), Ontario International Airport (ONT), Palm Springs Airport (PSP), Orange County-John Wayne Airport (SNA), and the piers in San Pedro and certain communities in Riverside, San Bernardino, and eastern Los Angeles counties. The communities within Riverside County to be served are: Riverside, Palm Springs, Hemet, March Air Force Base, Corona, Norco, Calimesa, Banning, Beaumont, Cathedral City, and Elsinore. In addition, service is proposed for all those unincorporated areas within Riverside County bound by the following:

> The Riverside/Orange County line north from Highway 91, east along the Riverside/ San Bernardino County line to Highway 62, south on 62 to I-10, I-10 east to Ramon Avenue, Ramon Avenue west to Bob Hope Drive, Bob Hope Drive south to Highway 111, Highway 111 south to Highway 74, Highway 74 south and west to Highway 79, Highway 79 south to I-15, I-15 north to Highway 91, Highway 91 west to Orange County line.

The communities within San Bernardino County to be served are: San Bernardino, Victorville, Wrightwood, Devore, Lake Arrowhead, Redlands, Loma Linda, Norton Air Force Base, Yucaipa, Rialto, Rancho Cucamonga, Crestline, Grand Terrace, Bloomington, Chino, Upland, Ontario, Fontana, Montclair, Big Bear, and Colton. In addition, service is proposed for all those Unincorporated areas in San Bernardino County bound by the following:

> The Los Angeles/San Bernardino County line north from the connection with the Orange County line to Highway 18, Highway 18 east to Highway 395, Highway 395 north to Air Base Road, Air Base Road east to Highway 18, Highway 18 east and south to Highway 38, Highway 38 south and west to Highway 30, Highway 30 south to I-10, I-10 west to 15-E, 15-E south to San Bernardino County line, San Bernardino County line west to starting point.

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The communities within eastern Los Angeles County to be served are: Claremont, Pomona, Diamond Bar, West Covina, Azusa, Walnut, La Verne, San Dimas, Covina, Glendora, and Industry Hills.

Notice of the filing of this application appeared in the Commission's Daily Transportation Calendar on May 2, 1983. In addition, notice of the filing was served by applicants upon all governmental agencies and regional transportation planning agencies within whose boundaries passengers will be loaded or unloaded. A protest to the application was filed by Skyview Limousine Service, Inc. on June 1, 1983. On June 28, 1983 a signed stipulation of the parties was received by the Commission in which the parties agreed that any certificate granted to applicants resulting from Application 83-04-62 will contain the following restriction:

> "Applicant shall not carry any person originating east of the intersection of Highway 111 and I-10 near White Water, Riverside County, who is destined for Los Angeles International Airport (LAX) or the docks of Wilmington and San Pedro (Los Angeles) or Long Beach, or anyone originating at LAX or the docks of Wilmington and San Pedro (Los Angeles) or Long Beach destined for any point east of the intersection of Highway 111 and I-10 near White Water, Riverside County."

On the basis of the above stipulation, accepted by applicants, protestant withdrew its protest to the application. Applicants are placed on notice that they may apply in the future to have this restriction lifted upon showing of good cause. Applicants currently operate under charter-party permit TCP 2149-P providing charter services to San Bernardino, Riverside, and eastern Los Angeles County residents.

The service proposed by applicants is an on-call service on a seven-day per week basis using two 5-passenger Ford Fairmont station wagons, one 1982 14-passenger Ford Super Club wagon, and two 1983 11-passenger Ford Super Club wagons.

Applicants believe the granting of the authority for the operation sought in this application will have no significant adverse effect upon the environment of the areas to be served since the service will effectively reduce the number of private vehicles traveling surface streets and freeways in the proposed service areas.

Applicants allege that public convenience and necessity require the granting of this application for the following reasons:

- Proposed rates and charges of applicants for door-to-door service from the eastern Los Angeles County communities to ONT are 40-50% lower than the present rates charged by other carriers.
- 2. There is currently no passenger stage carrier operating from the Riverside and Hemet areas to the major Southern California air terminals. Population projections for the next three years indicate substantial growth in the western Riverside County area.
- 3. There is currently little or no service from the high desert and mountain communities of San Bernardino County to the Southern California air terminals and only limited service is available from the urbanized valley communities which is more costly and

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of poorer quality than that proposed by applicants. Population projections indicate that western San Bernardino County will be one of the fastest growing areas in the nation.

4. Recent growth figures at ONT indicate a surge in the demand for the use of airline services at the terminal and, according to applicants, airport officials at ONT have stated that to sustain the growth at ONT, better ground transportation services are needed.

Applicants' current financial statement as of April 20, 1983 shows total assets of \$68,489 and total liabilities of \$30,911.

Findings of Fact

1. Applicants have the ability, equipment, and financial resources to perform the proposed service.

2. There is currently little or no service as proposed by applicants within the proposed service areas to the Southern California air terminals.

3. Public convenience and necessity require the service proposed by applicants.

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

5. Applicants have agreed that any certificate granted to them as the result of this application will contain the restriction indicated in this opinion.

6. The rates proposed in the application are reasonable.

7. A public hearing is not necessary.

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#### Conclusion of Law

Public convenience and necessity have been demonstrated and a certificate should be granted to applicants.

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 Michael S. Tracey and Gerald W. Norman authorizing them 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 PSC-1308, to transport persons and their baggage.

2. Applicants shall not carry any person originating east of the intersection of Highway 111 and Interstate 10 near White Water, Riverside County, who is destined for Los Angeles International Airport (LAX) or the docks of Wilmington and San Pedro (Los Angeles) or Long Beach, or anyone originating at LAX or the docks of Wilmington and San Pedro (Los Angeles) or Long Beach destined for any point east of the intersection of Highway 111 and Interstate 10 near White Water, Riverside County.

- 3. Applicants 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.

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- c. State in their 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.

4. 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.

This order becomes effective 30 days from today. Dated <u>SEP 7 1983</u>, at San Francisco, California.

Commissioner William T. Begley being necessarily absent, did not participate.

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LEONARD M. GRIMES, JR. Prosident VICTOR CALVO PRISCILLA C. GREW DONALD VIAL Commissioners

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I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ABOVE COMISSIONERS TODAY. 1170 Э Seph E. Bodovitz, Endewoive Kor

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Appendix PSC-1308

MICHAEL S. TRACY and GERALD W. NORMAN dba INLAND EXPRESS SERVICES Original Title Page

#### CERTIFICATE

OF

#### PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-1308

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.

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Issued maden authority of Decision \_\_\_\_\_\_, dated , of the Public Utilities Commission of the State of California, in Application 83-04-62.

Appendix PSC-1308

MICHAEL S. TRACY and GERALD W. NORMAN dba INLAND EXPRESS SERVICES Original Page 1

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

Michael S. Tracy and Gerald W. Norman, by the certificate of public convenience and necessity granted by the decision noted in the margin, are authorized to operate as a passenger stage corporation to transport passengers and baggage on an "on-call" basis between Los Angeles International Airport (IAX), Ontario International Airport (ONT), Palm Springs Airport (PSP), Orange County - John Wayne Airport (SNA), and the piers in San Pedro, on the one hand, and certain communities in Riverside, San Bernardino, and Eastern Los Angeles Counties, as described in Section II, on the other hand, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- 8. 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.
- b. Daily service shall be provided, including weekdays, weekends, and holidays.
- c. Service shall be limited to the transportation of passengers who originate at or are destined to LAX, ONT, PSP, SNA, or piers in San Pedro.

Issued by California Public Utilities Commission. S3 99 042 Decision \_\_\_\_\_, Application 83-04-62.

Appendix PSC-1308

MICHAEL S. TRACY and GERALD W. NORMAN dba INLAND EXPRESS SERVICES

- SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS. (Continued)
  - d. 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 appropriate and direct routing possible, taking into consideration the various points of origin and destination of the several passengers.
  - e. Drivers shall have discretion in choosing routings and order of origins and destinations, based upon the above considerations.
  - f. Applicant shall not carry any person originating east of the intersection of Highway 111 and I-10 near White Water, Riverside County, who is destined for Los Angeles International Airport (LAX) or the docks of Wilmington and San Pedro (Los Angeles) or Long Beach, or anyone originating at LAX or the docks of Wilmington and San Pedro (Los Angeles) or Long Beach destined for any point east of the intersection of Highway 111 and I-10 near White Water, Riverside County.

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Appendix PSC-1308

MICHAEL S. TRACY and GERALD W. NORMAN dba.

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INLAND EXPRESS SERVICES

SECTION II. DESCRIPTION OF COMMUNITIES TO BE SERVED.

Riverside County

Riverside Palm Springs Hemet March Air Force Base Corona Norco

Calimesa Banning Beaumont Cathedral City Elsinore

In addition, all those unincorporated areas bound by

the following:

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San Bernardino County

San Bernardino Victorville Wrightwood Devore Lake Arrowhead Redlands Loma Linda Norton Air Force Base Yucaipa Rialto Rancho Cucamonga

Crestline Grand Terrace Bloomington Chino Upland Ontario Fontana Montelair Big Bear Colton

Issued by California Public Utilties Commission. 83 99 942 Decision Application 83-04-62.

Appendix PSC-1308

#### MICHAEL S. TRACY and GERALD W. NORMAN dba INLAND EXPRESS SERVICES

SECTION II. DESCRIPTION OF COMMUNITIES TO BE SERVED. (Continued)

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#### Eastern Los Angeles County

Claremont Pomona Diamond Bar West Covina Azusa Walnut

La Verne San Dimas Covina Glendora Industry Hills

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(END OF APPENDIX)

Issued by California Public Utilities Commission. Decision 83 99 642, Application 83-04-62.

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