

ORIGINAL

Decision No. 90275

MAY 8 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LADNER & DAVIDSON )  
LINES, INC., a corporation, for a )  
Class "B" certificate to operate )  
as a charter-party carrier of )  
passengers, Los Angeles. )  
(TCP 70-B) )

Application No. 58588  
(Filed January 1, 1979)

Howard Ladner, for applicant.  
James Lyon, Attorney at Law, for  
Airport Service, Inc. and Orange  
Coast Sightseeing Co.; and  
R. Gildersleeve, for Greyhound  
Lines, Inc.; protestants.  
William Austin, for the Commission  
staff.

O P I N I O N

Applicant requests authority to operate as a Class "B" charter-party carrier of passengers from its headquarters in Los Angeles, California. Applicant proposes to provide such service with five school buses of varying capacity ranging from 44 passengers to 53 passengers. Its bank is the Security Pacific National Bank, Washington and Tenth Avenue Branch, in Los Angeles, and its insurance broker is Transportation Insurance Brokers, Inc. in Los Angeles.

A public hearing was held in connection with the application in Los Angeles on March 12, 1979 before Administrative Law Judge William A. Turkish pursuant to Section 5375.1 of the Public Utilities Code, and the matter was submitted on that date.

During the hearing, protestants, Airport Service, Inc. and Orange Coast Sightseeing Company through their attorney, Greyhound Lines, Inc. through its representative, and applicant entered into an oral stipulation whereby protestants agreed to withdraw their protest to the application and applicant agreed to the following restrictions in connection with its application:

1. Applicant will use only school buses for its charter operations.
2. No charter operations will be conducted into or out of any Orange County airport or Los Angeles County airport except for so-called "fog runs".<sup>1/</sup>
3. No charter operations will originate in Orange County.

The oral stipulation of the parties was accepted into the record, whereupon the protestants withdrew their protests and were excused from the remainder of the proceedings.

Howard Ladner, applicant's president, testified on its behalf. Applicant has been engaged in the school transportation business under contract with the Los Angeles City Unified School District since 1973. It utilizes 48 leased school-type buses in its operation and plans on utilizing five school-type buses for charter work if it is granted a permit. The witness testified that applicant has \$3,000,000/\$5,000,000 public liability insurance coverage. Most of its charter work will be in connection with after school activities and for such organizations as the Boy Scouts, Girl Scouts, churches, and other groups. Applicant has

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<sup>1/</sup> "Fog runs" are charters requested by the various airline carriers during times when the Los Angeles basin airports are fogbound and arriving or departing passengers must be transported to and from outlying airports.

received many requests for charter work from such organizations which it has had to turn down because it lacked a permit. The witness also testified that applicant's passenger buses periodically undergo inspections by the California Highway Patrol and the Los Angeles City Unified School District. In addition, each bus undergoes preventative maintenance inspection every 30 days or every 2,500 miles. Applicant has never been cited for equipment deficiencies. It was the witnesses' belief that the contemplated charter operations would have no significant effect on the environment.

Applicant has assets valued at \$337,130 and liabilities of \$129,244 as of the date of the application.

The Commission staff recommended approval of the application subject to the restrictions stipulated to at the hearing.

Findings of Fact

1. Applicant proposes to provide service as a charter-party carrier of passengers from its headquarters in Los Angeles.

2. Applicant has been engaged in the transportation of students under a contract with the Los Angeles Unified School District since 1973.

3. Applicant will conduct its charter operations after the regular school day, plus weekends, for school organizations, scout organizations, church groups, and other organized groups.

4. Applicant has stipulated to utilizing school buses exclusively in its charter operations as well as its being excluded from undertaking any charters originating in Orange County. In addition, applicant stipulates to a restriction prohibiting it from charter operations into or out of any airports in Orange County or Los Angeles County except for so-called "fog runs".

5. Applicant has numerous requests from organized groups for charter-party service.

6. Applicant has the ability, experience, equipment, and financial resources to perform the proposed service.

7. All protests to applicant's Class "B" charter-party permit application have been withdrawn.

8. Public convenience and necessity require that the service proposed by applicant be established.

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

The Commission concludes that the proposed authority should be issued, subject to certain restrictions, as provided in the following order.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity, to be renewed each year, shall be issued to applicant, Ladner & Davidson Lines, Inc., authorizing it to operate as a Class "B" charter-party carrier of passengers, as defined in Section 5383

of the Public Utilities Code, from a service area encompassing a radius of fifty air miles from applicant's home office at 1680 West Slauson Avenue, Los Angeles, California, subject to the following restrictions:

- a. Applicant shall use only school buses for its charter operations.
- b. Applicant shall not perform any charter services into or out of any airports located in Orange County or Los Angeles County except for "fog runs", as defined hereinabove.
- c. Applicant shall not perform any charter service originating in Orange County.

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulation. Failure to do so may result in a cancellation of the operating authority.

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Applicant shall be required, among other things, to comply with and observe the safety rules administered by the California Highway Patrol and the rules and regulations of the Commission's General Order No. 115-Series.

The effective date of this order shall be thirty days after the date hereof.

Dated at San Francisco, California, this 8<sup>th</sup> day of MAY, 1979.

John E. Boyer  
President  
James L. Stinson

Commissioner Richard D. Gravelle, being necessarily absent, did not participate in the disposition of this proceeding.

Richard D. Gravelle  
Commissioners