

fc

Decision No. 90797 SEP 12 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
RONALD RATTI dba BANKERS LIMOUSINE)
SERVICE For Certificate Of Public)
Convenience And Necessity to operate)
passenger service between the)
financial district of the City of)
San Francisco and the San Francisco)
International Airport.)

Application No. 57047
(Filed February 2, 1977)

Charles H. Richards, Attorney at Law, for
Bankers Limousine Service, applicant.
Handler, Baker & Greene, by Randall M.
Faccinto, Attorney at Law, for Airporter,
Inc.; Ernest Cerelli, for Associated
Limousine Company; and Robert C. Franchi,
for Chauffeurs Union Local 265; protestants.
Handler, Baker & Greene, by Randall M.
Faccinto, Attorney at Law, for O'Connor
Limousine Service, dba O'Connor Tours
Service; William Lazar, for Luxor Cab;
James B. Brasil, Deputy City Attorney,
for the City and County of San Francisco;
Tony Ruiz, for Lorrie's Travel and Tours;
and Fred M. Feller, Attorney at Law, for
San Mateo Transit District; interested
parties.
Mary Carlos, Attorney at Law, R. E. Douglas,
and Masaru Matsumura, for the Commission
staff.

O P I N I O N

Applicant Ronald Ratti, dba Bankers Limousine Service, requests a certificate to operate as a passenger stage corporation between San Francisco and the San Francisco International Airport (SFIA). The application was protested by Airporter, Inc. (Airporter) and Associated Limousine Company. Interested parties appearing were

Luxor Cab (Luxor), Lorrie's Travel and Tours (Lorrie's), the San Mateo Transit District, and the city and county of San Francisco. Also appearing were representatives of the Commission staff. A hearing was held on the application in San Francisco before Administrative Law Judge Pilling on June 20 and 21, 1977, and August 29 and 30, 1977.

Applicant proposes to operate a shuttle service by radio-dispatched limousine and motor van from the Bank of America Plaza, 555 California Street in San Francisco, to SFIA, with intermediate stops within San Francisco at Maritime Plaza at Clay and Front Street, the Transamerica Pyramid at Montgomery and Washington Streets, the Wells Fargo Building at 44 Montgomery Street, and the Bechtel Corporation at 50 Beale Street. On the return from SFIA, applicant's vehicles would operate over the reverse of its outgoing route and serve the same points in San Francisco in reverse order. Individual fares in either direction would be \$5. The service will operate between 8:30 a.m. and 5:30 p.m. every hour on the half hour. Applicant will inaugurate service with three limousines of recent vintage, which he owns. Applicant also has a fleet of seven vans which are either owned or leased which will be used when traffic demands. Applicant's balance sheet, as of January 31, 1977, shows a net worth of \$372,819.

Applicant estimates his cost to operate one limousine or one van for eight trips on the 30-mile round trip between San Francisco and SFIA to be \$113. Applicant will pay his drivers \$7 an hour, including wages, fringe benefits, and payroll deductions, or \$56 a day. Applicant estimates his depreciation, maintenance, and repairs to be 15 cents per mile, or \$36 for the 240-mile day. Fuel cost will be \$15 per day and insurance will be \$6 per day. Total costs for one limousine or van for one day: \$113. Based on a 50 percent occupancy, or four persons, in one direction of each round trip, applicant estimates he will gross \$160, leaving applicant a net of \$47 a day for each limousine or van operated.

While applicant concedes that most of the people he will transport in his proposed service are now traveling to and from SFIA by other means, applicant estimates that 6 to 8 percent of the persons he will be transporting will be new business. The new business he expects to generate will consist of persons who need to discuss last-minute business with departing air passengers on the trip to SFIA and who will accompany the air passenger to SFIA in applicant's limousine and then return via applicant's service to San Francisco. Applicant contends the \$15 one-way cab fare discourages this type of passenger but that his \$5 fare will attract such passengers. Applicant claims he personally made a study and survey which revealed to him the need for his service. He said he would present such study at the continued hearing but did not do so. At the continued hearing, which started on August 29, 1977, applicant presented a witness from a management services company, who testified to being hired by applicant about a month before to conduct surveys on the feasibility of a limousine service from the financial district of San Francisco to SFIA and that a week before the start of the continued hearing, the surveys had been conducted. The first survey was made in the financial district of San Francisco at each of the proposed loading sites by asking random pedestrians coming and going from the buildings. The second survey was made by telephone to the person responsible for scheduling travel for major business in the building. The third survey was made of the surrounding area's businesses that could use the service because of close proximity. In the first survey, of the 96 persons interviewed, 45 persons thought the proposed service was "a good idea" and would use it, 18 persons responded negatively, and 33 persons had no opinion. In the second survey all of the 6 companies interviewed thought the service was a "good idea", except one company thought the \$1.40 charge for the airport bus was more desirable.

A. 57047 - LMG - Alt. fc/dz/ga**

In the third survey each of the 10 businesses interviewed in the surrounding area "liked the idea" of the proposed service and would recommend it to other businesses in their building.

Protestant Airporter operates a passenger stage service between a fixed downtown terminal in San Francisco and SFIA with 22 buses with an average seating capacity of 48 persons. Airporter operates 24 hours a day, seven days a week. Between 6:00 a.m. and 10:00 p.m. Airporter operates every 15 minutes and every 30 minutes between 10:00 p.m. and midnight. After midnight and before 6:00 a.m., Airporter's schedules depart according to flight departures. Airporter operates approximately 106 trips each day each way between San Francisco and SFIA and averages 4.45 trips per hour each way. During the year ending May 31, 1977, Airporter transported 867,450 passengers from San Francisco to SFIA and 1,080,972 passengers from SFIA to San Francisco and operated at a net loss of \$51,166 for the year. Airporter's overall load factor for that year in both directions was 52.09 percent. Airporter objects to the granting of the application contending that Airporter is performing satisfactory service and can meet and is meeting the needs of the public traveling between San Francisco and SFIA. It contends granting another passenger stage certificate to serve between San Francisco and SFIA will merely dilute the available traffic to the detriment of Airporter.

Lorrie's operates a passenger stage service between hotels located in a specified area of San Francisco and SFIA with van type equipment. Lorrie's claims that many of the hotels it serves are within a short walking distance from each of the loading and unloading points in San Francisco which applicant intends to serve and for this reason fears that Lorrie's will lose some of its patronage to applicant..

The evidence presented by applicant Ratti shows that his loading and unloading points are distinctly different from the protestants. Protestant Airporter operates from a fixed downtown terminal; protestant Lorrie operates from hotels in a specified area; applicant Ratti will operate from various commercial centers in a specified area. Therefore, we find no violations of Section 1032 by granting a certificate in this matter.

Luxor also objects to the granting of the application on the premise that applicant has not shown a public need for the proposed service and that taxicabs are handling traffic from the financial district of the city to SFIA very adequately.

Although we grant the staff's motion to incorporate the record in Application No. 55877, its probative value is limited by its age. The hearings in that proceeding were held over two years ago, and there is nothing on this record to indicate that currently applicant lacks the requisite fitness. Because we still have reservations regarding applicant's fitness and willingness to operate in compliance with applicable laws, rules and regulations, we will grant the certificate requested for a limited period of eighteen months and with certain conditions. Applicant should file any application for permanent operating authority within one year after the effective date of the following order to enable processing of the application prior to the expiration of the temporary operating authority.

Findings of Fact

1. Applicant requests the issuance of a certificate of public convenience and necessity to operate as a passenger stage corporation between San Francisco and SFIA.
2. Applicant had an independent company conduct a survey of persons located at strategic places in San Francisco.
3. The results of the survey demonstrate a public need for the proposed service.
4. Applicant's proposed service is distinctly different from existing service of the protestants.
5. The evidence establishes some doubts as to the applicant's fitness for permanent authority.
6. Applicant possesses the operational and financial ability to conduct the proposed operations.
7. Public convenience and necessity requires the granting of the application on a temporary basis.

Conclusions of Law

1. Applicant's service is substantially different from current airport services, therefore is not in competition with them and Section 1032 does not apply.
2. Applicant's fitness and willingness to abide by applicable laws, rules and regulations governing the provision of passenger stage service must be demonstrated further to warrant the issuance of a permanent certificate.
3. Applicant shall be granted a temporary certificate, which shall expire within 18 months of the date of issuance. Applicant may reapply to the Commission at that time for a permanent certificate.
4. If applicant has complied with all applicable statutes, rules and regulations of the Commission during this period, the Commission may issue applicant permanent authority.
5. Applicant's temporary certificate shall be subject to certain conditions.

O R D E R

IT IS ORDERED that:

1. A certificate of Public Convenience and Necessity is granted to Ronald Ratti, dba Bankers Limousine Service authorizing him to operate as a passenger stage corporation as defined in Section 226 of the Public Utilities Code, between points in San Francisco and the San Francisco International Airport subject to the conditions in Ordering paragraph two below and also subject to the conditions set forth in Appendix A of this decision.
2. Application No. 57047 is granted a temporary certificate which shall expire on March 12, 1981, unless extended by further order of the Commission, and subject to the following conditions:
 - a) Applicant shall abide by all the laws, rules, and regulations of this Commission applicable to passenger stage utilities:

- b) Applicant shall withhold taxes from employee wages pursuant to State and Federal law;
- c) Applicant shall pay his employees properly and regularly;
- d) Applicant shall keep this utility's operations and accounting separate from any other business;
- e) Applicant shall further abide with all the laws, ordinances, rules and regulations of the City and County of San Francisco, San Francisco Airport Commission, State of California and the Federal government.

3. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure to do so may result in a cancellation of this authority:

- a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted. Applicant is placed on notice that if he accepts the certificate he will be required, among other things, to comply with the safety rules administered by the California Highway Patrol, the rules and other regulations of the Commission's General Order 98-Series and the insurance requirements of the Commission's General Order 101-Series.
- b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service and file tariffs and timetables, in triplicate, in the Commission's office.
- c) The tariff and timetable filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the authorized service.
- d) The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders 79-Series and 98-Series.

- e) Applicant shall maintain his accounting records on a calendar-year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of his operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

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

Dated SEP 12 1979, at San Francisco, California.

John E. Byron
President

Richard W. Kaul

Clair J. D. Smith

Edward J. ...
Commissioners

I dissent
Vernon L. Sturgeon

Appendix A

Ronald Ratti
Doing Business As
BANKERS LIMOUSINE SERVICE

Original Title Page

TEMPORARY CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC - 1084

Showing passenger stage operative rights, restrictions,
limitations, exceptions and privileges applicable thereto.

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 No. 90797, dated SEP 12 1979, 1979
of the Public Utilities Commission of the State of California, in
Application No. 57047.

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

Ronald Ratti, an individual, doing business as Bankers Limousine Service, by the certificate of public convenience and necessity to operate as a passenger stage corporation granted by the decision noted in the margin, is authorized to transport passengers between the Financial District located in the City of San Francisco and the San Francisco International Airport, over and along the route hereinafter described, subject, however, to the authority of this Commission to change or modify said route at any time and subject to the following provisions:

- (a) Carrier will provide service between 8:30 a.m. and 5:30 p.m. daily except Saturdays, Sundays and Holidays as declared by the State and U.S. Governments.
- (b) Service shall be provided with vehicles seating no more than twelve (12) passengers excluding the driver.
- (c) No passenger shall be transported except those having either the point of origin or destination in San Francisco International airport, on the one hand, and the stops named in the routes as described herein, on the other hand.
- (d) When route descriptions are given in one direction, they apply to operation in either direction, unless otherwise indicated.
- (e) Motor vehicles may be turned at termini or 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.
- (f) This is a temporary authority that will expire on March 12, 1981.

Issued by California Public Utilities Commission.

Decision No. 90797, Application No. 57047.

Appendix A

Ronald Ratti
Doing Business As
BANKERS LIMOUSINE SERVICE

Original Page Two

SECTION 2. ROUTE DESCRIPTION.

Route 1. Financial District in San Francisco - San Francisco International Airport:

Commencing from the Financial District in San Francisco at 555 California Street, thence east on California Street, left on Front Street, right on Clay Street, with a brief stop to receive passengers at Maritime Plaza, left on Drumm Street, left on Washington Street, with a brief stop to receive passengers at the Transamerica Pyramid Building, left on Montgomery Street, with a brief stop to receive passengers at 44 Montgomery, Wells Fargo Building, left on Market Street, right on Beale Street, with a brief stop to receive passengers at 50 Beale Street, Bechtel Corporation, continue on Beale Street to Highways 80 and 101 and to San Francisco International Airport. Return in the reverse direction.

(End of Appendix A)

Issued by California Public Utilities Commission.

Decision No. 90797, Application No. 57047