

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

Ordering Paragraphs 1, 2.a., and 3 of D.90155, effective April 10, 1979, required Mexcursions, Inc., doing business as San Diego/Tijuana Tours (Mexcursions), to obtain from the City Manager of the city of San Diego, within ninety days after April 10, 1979, a written statement that Mexcursions has complied with Conditions 1 and 2 of Resolution No. 222,920 passed and adopted by the Council of the City of San Diego on February 26, 1979 (vehicle operation and condition and payment of fees), or that A.57763 granting certain passenger stage authority is denied. By D.90417, effective June 5, 1979, the date for compliance was extended to September 5, 1979.

By A.59116, filed August 31, 1979, Mexcursions requests that the date for compliance with Conditions 1 and 2 of Resolution No. 222,920 of the city of San Diego be extended to November 5, 1979. Among other things, it states that because of financial difficulties resulting in an inability to pay debts as they matured, it was obliged to file an arrangement on July 6, 1979 under Chapter 11 of the National Bankruptcy Act which is pending in the United States District Court, Southern District of California.

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Gray Line Tours Company (Gray Line) protests Mexcursions' request for extension of time for compliance with D.90155 in its reply filed September 11, 1979. Gray Line states that (1) Mexcursions has serious financial problems which have led to the Chapter 11 arrangement; (2) the company has violated city of San Diego regulations and state law identified in City Manager's Report No. 79-97 (February 1, 1979); (3) the city of San Diego has found applicant guiley of subsequent violations; (4) applicant is unfit; and (5) applicant has published a brochure offering tours from the Orange County area to points in San Diego which go far beyond the authorizations in D.90155.

On October 24, 1979, Mr. Leon Williams, Chairman of the Council's Transportation and Land Use Committee, wrote to Mr. William Austin of the Commission staff concerning the matter. On September 3, 1979 the Committee voted to continue to allow Mr. Raoul Lowery (president of Mexcursions) to operate three of his four sightseeing vehicles during a twelve-month probationary period on the condition he comply with the following requirements: (1) that he present his vehicles to the city for a safety inspection monthly; (2) that he pay past due license fees and fines on a monthly schedule; (3) that all his drivers be properly licensed; and (4) that he notify the Police Department when any vehicle is taken out of service.

In view of the action taken by the city of San Diego, Mexcursions should be permitted to continue to operate until further order of the Commission. The company should be directed to discontinue advertising or conducting any operations not authorized by this Commission.

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Findings of Fact

A.59116

1. By D.90155 and D.90417 Mexcursions was directed to comply, by September 5, 1979, with Conditions 1 and 2 of Resolution No. 222,920 passed by the Council of the City of San Diego on February 26, 1979 (vehicle operation and condition and payment of fees), or that A.57763 granting certain passenger stage authority is denied.

2. On September 3, 1979 the city of San Diego authorized Mexcursions to continue to operate certain sightseeing vehicles for a twelve-month probationary period, subject to four conditions identified in the foregoing opinion.

Conclusions of Law

1. Mexcursions should be authorized to continue exercising the certificate of public convenience and necessity to operate as a passenger stage corporation (PSC 1066), as set forth in Appendix A of D.90155, until further order of the Commission.

2. Mexcursions has published a brochure offering certain tours which are beyond its certificated authority, and should be directed to discontinue advertising or conducting any such tours.

3. The following order should be effective the date of signature because there is a public need for Mexcursions' continued service.

<u>ORDER</u>

IT IS ORDERED that:

1. Mexcursions is authorized to continue exercising the passenger stage certificate in Appendix A of D.90155 until further order of the Commission.

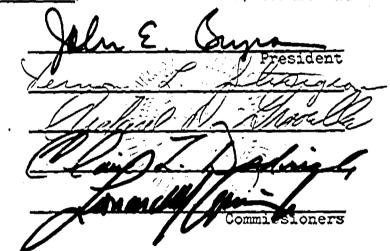
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2. Mexcursions is directed to discontinue advertising or conducting any common carrier passenger stage service which is beyond the scope of the authority contained in Appendix A of D.90155.

3. The Transportation Division staff is directed to report to the Commission on or before September 3, 1980 whether Mexcursions has complied with requirements of the City of San Diego described in the opinion and shall report to the Commission on or before February 1, 1980 whether Mexcursions has complied with Ordering Paragraph 2 hereof.

> The effective date of this order is the date hereof. Dated <u>MEC 18 1979</u>, at San Francisco, Californía.



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