

Decision No. 93078 MAY 19 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application )  
of METRO COMMUTER COMPANY, INC., )  
a California corporation, to sell )  
all outstanding shares, control, )  
and corporate rights; and JIHAD )  
AKKAWI and WILLIAM DEMAR, two )  
individuals, to acquire, pursuant )  
to Sections 851, et seq., of the )  
California Public Utilities Code; )  
and to add one additional tariff )  
point on an on-call basis per )  
Section 1031 of said code. }

Application No. 60078  
(Filed November 12, 1980)

O P I N I O N

Metro Commuter Company, Inc. (Metro), a California corporation, presently is authorized to provide service as a passenger stage corporation (PSC-1053) between Burbank Airport and points in Glendale, Pasadena, and Arcadia.

By this application, Jihad Akkawi and William DeMar (Buyers) seek authority, pursuant to Section 854 of the Public Utilities Code, to acquire all of the issued and outstanding capital shares of Metro. The shares are held by James H. Wingate, president of Metro (Seller).

In addition, by this application Metro seeks a certificate of public convenience and necessity, pursuant to Sections 1031 and 1032 of the Public Utilities Code, to extend its authority to operate as a passenger stage corporation to include an on-call service between the Sheraton-Universal Hotel in Universal City and the Burbank Airport. The proposed fare is \$3 per person.

According to Exhibit C attached to the application, Metro incurred a net operating loss of \$13,077 for the first eight months of 1980. Buyers assert they can provide the financial assistance needed for Metro to continue to provide service. Buyers' personal financial statements, attached as Exhibit B to the application, indicate a combined net worth in excess of \$900,000.

Buyers propose to acquire all of the stock of Metro pursuant to the purchase agreement and its supplement attached to the application as Exhibit A. The parties have agreed that the purchase price is \$2,000. Metro and Buyers assert that the public will not be adversely affected by Buyers' gaining control of Metro.

Exhibit E to the application is a request from the Sheraton-Universal Hotel in Universal City for Metro to provide an on-call bus service between the hotel and Burbank Airport. According to the application, no direct service exists between these points except by taxicab, and travel by Southern California Rapid Transit District (RTD) bus between these points is impractical. A copy of the application was served upon RTD.

Metro asserts that the additional service proposed would have no significant adverse effect on the environment. Rather, it is believed by Metro that the availability of this service would be a benefit to the public, as it would result in a reduction of private vehicles on the road and satisfaction of demonstrable need.

The application was listed on the Commission's Daily Calendar. The Commission's Transportation Division staff has reviewed the application and recommends that in the absence of protest or request for hearing, it be granted by ex parte order. No protest or request for hearing has been received.

Findings of Fact

1. There is no known opposition to granting the authority requested.
2. A public hearing is not necessary.
3. The control of Metro by Buyers through acquisition of all of the outstanding capital stock of the corporation, pursuant to the purchase agreement, would not be adverse to the public interest.
4. Metro has the operating personnel, equipment, and financial ability to provide the additional service proposed (i.e., the on-call service between the Sheraton-Universal Hotel in Universal City and the Burbank Airport).
5. Public convenience and necessity require the proposed additional service.
6. The fare proposed for the additional service appears reasonable.
7. It can be seen with certainty that there is no possibility that the passenger stage operation involved in this proceeding may have a significant effect on the environment.

Conclusion of Law

The Commission concludes that the authority sought should be granted as set forth in the ensuing order. Since the public will benefit from the immediate institution of the service extension, the order should be effective the date of signature.

Metro and Buyers are placed on notice that: (1) the authority herein granted shall not be construed as a finding of value of the assets or capital stock of Metro; and (2) operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the granting of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. On or before June 30, 1981 Jihad Akkawi and William DeMar (Buyers) may acquire control of Metro Commuter Company, Inc. (Metro) through acquisition of all of the outstanding capital stock of the corporation pursuant to the purchase agreement and its supplement attached to Application No. 60078 as Exhibit A.
2. Within thirty days after the above authority is exercised, Metro shall notify the Commission in writing of the date the control of the corporation was acquired by Buyers.
3. Appendix A (PSC-1053) of Decision No. 89421 in Application No. 58066 is amended incorporating First Revised Pages 1 and 2 attached hereto, in revision of Original Pages 1 and 2.
4. In providing service pursuant to the authority granted by this order, applicant, Metro, shall comply with the following service regulations. Failure to do so may result in a cancellation of the 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 it accepts the certificate it will be required, among other things, to comply with the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-Series, and the insurance requirements of the Commission's General Order No. 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 ten days after the effective date of this order on not less than ten 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 the tariffs and timetables set forth in the Commission's General Orders Nos. 79-Series and 98-Series.
- (e) Applicant shall maintain its 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 its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

The effective date of this order is the date hereof.

Dated MAY 19 1981, at San Francisco, California.

John E. Boyan  
President  
Michael D. ...  
...  
...  
...  
Commissioners

Appendix A  
(A. 58066)

METRO COMMUTER COMPANY, INC.

First Revised Page 1  
Cancels  
Original Page 1

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

Metro Commuter Company, Inc., a corporation, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized as a passenger stage corporation to transport passengers and their baggage \*over the routes hereinafter described and subject to the following provisions and restrictions:

- (a) When route descriptions are given in one direction, they apply to operations in either direction unless otherwise indicated.
- (b) Service shall be limited to the transportation of passengers and their baggage who originate at or are destined to the Hollywood-Burbank Airport.
- (c) All passengers on Route 1 must be picked up or discharged at points within the authorized service area described herein, Holiday Inn of Glendale or at the Hollywood-Burbank Airport.
- \*\* (d) All passengers on Route 2 must be picked up or discharged at the Sheraton-Universal Hotel or at the Hollywood-Burbank Airport.

Issued by California Public Utilities Commission.

\* Changed) by Decision No. 93078, Application No. 60078.  
\*\* Added )

SECTION 2. SERVICE AREA AND TERRITORY DESCRIPTIONS

Pasadena-Arcadia Service Area

Commencing at the intersection of Foothill Boulevard and Myrtle Avenue; thence along Myrtle Avenue, Live Oak Avenue; Las Tunas Drive, Rosemead Boulevard, Huntington Drive, Fremont Avenue, Mission Street, Orange Grove Avenue, Orange Grove Boulevard, Lincoln Avenue, Washington Boulevard, Sierra Madre Boulevard, Santa Anita Avenue, Foothill Boulevard to point of beginning.

SECTION 3. ROUTE DESCRIPTIONS

\*Route 1:

Pasadena-Arcadia Service Area, Glendale-Hollywood-Burbank Airport

Commencing at the Pasadena-Arcadia Service Area to Ventura Freeway 134 and over the most appropriate and convenient streets to Holiday Inn of Glendale, 450 Pioneer Drive, Glendale, continue over the most appropriate and convenient streets and return to Ventura Freeway 134, Golden State Freeway 5 and over and along the most direct or appropriate route or routes to the Hollywood-Burbank Airport subject, however, to local traffic regulations.

\*\*Route 2:

Universal City-Hollywood-Burbank Airport

Between the Sheraton-Universal Hotel at Universal City, on the one hand, and along the most direct or appropriate route or routes to the Hollywood-Burbank Airport, on the other hand.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

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\*\* Added )