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Decision 97-07-014 July 16, 1997

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of DIVERSIFIED PARATRANSIT, INC. to acquire and INLAND EXPRESS SERVICES, INC. to transfer an "on-call" passenger stage certificate of public convenience and necessity and certain other assets, pursuant to Section 851 et seq. of the California Public Utilities Code.

**ORIGINAL**

Application 97-04-041  
(Filed April 21, 1997)

**OPINION**

Inland Express Services, Inc. (transferor), a corporation, requests authority to sell its passenger stage certificate (PSC-1308), pursuant to Public Utilities Code § 851 et seq., to Diversified Paratransit, Inc. (transferee), a corporation.

Transferor is authorized to operate as an on-call passenger stage corporation to transport persons and their baggage between points within the Counties of Los Angeles and Orange, and certain cities and communities in the Counties of San Bernardino and Riverside, on the one hand, and Palm Springs (PSP), John Wayne (SNA), Burbank (BUR), Los Angeles International (LAX), and Ontario International (ONT) Airports, the piers in San Pedro, and the AMTRAK Stations in the Cities of Los Angeles, Fullerton, Pomona, San Bernardino, Riverside, and Glendale, on the other hand. This authority was granted by Decision (D.) 87-04-025, amended by D.94-04-065.

The Bill of Sale, attached as Exhibit B to the application, includes the sale of all the furniture, fixtures, machinery, equipment, licenses, goodwill, leases and agreements, and all of the transferor's books, records, and other matters. Transferee will pay \$75,000 in cash and execute a promissory note in the principal amount of \$425,000.

As of December 31, 1996, the unaudited balance sheet of the transferee shows total assets in the amount of \$2,062,916; liabilities totaling in the amount of \$2,030,169; and stockholder's equity in the amount of \$32,747.

Notice of filing of the application appeared in the Commission's Daily Calendar on April 24, 1997. The transferee notified the affected governmental entities, AMTRAK station in Los Angeles and the airports. No protest has been received. The Commission's Rail Safety and Carriers Division recommends that this application be granted.

#### **Findings of Fact**

1. Transferor is operating as a passenger stage corporation pursuant to a certificate of public convenience and necessity described in PSC-1308 of D.87-04-025, amended by D.94-04-065.
2. Transferor will sell its authority, PSC-1308, and all the furniture, fixtures, machinery, equipment, licenses, goodwill, leases and agreements, and all of transferors books, records, and other matters. Transferee will pay \$75,000 in cash and will issue a promissory note in the amount of \$425,000.
3. No protests to the application have been filed.
4. The proposed sale will not be adverse to the public interest.

#### **Conclusions of Law**

1. The proposed sale is in the public interest and should be authorized. A public hearing is not necessary.
2. Since the application is non-controversial, the order should be made effective on the date it is signed.

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.

### **O R D E R**

#### **IT IS ORDERED that:**

1. By September 30, 1997, Inland Express Services, Inc. (transferor), a corporation, may sell the operative rights specified in the application to Diversified Paratransit, Inc. (transferee), a corporation.

2. Transferee shall:

- a. File a written acceptance of this certificate.
- b. Amend or reissue transferor's tariffs and timetables, state in them when the service will start, make them effective 10 or more days after this order is effective, allow at least 10 days' notice to the Commission.
- c. Comply with General Orders Series 101, 104, and 158 and the California Highway Patrol (CHP) safety rules.
- d. Comply with the controlled substance and alcohol testing certification program pursuant to Public Utilities (PU) Code § 1032.1 and General Order Series 158.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Remit to the Commission the Transportation Reimbursement Fee required by PU § 403 when notified by mail to do so.
- g. Comply with PU Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.

3. If the sale is completed, on the effective date of the tariff, a certificate of public convenience and necessity is granted to transferee, authorizing it to operate as a passenger stage corporation, as defined in PU Code § 226, between the points and over the routes set forth in Appendix PSC -4077, to transport persons and their baggage.

4. The certificate of public convenience and necessity granted by Decision (D.) 87-04-025, as amended by D.94-04-065, is revoked on the effective date of the tariffs filed by the transferor.

5. Before beginning service to any airport, transferee shall notify the airport's governing body. Transferee shall not operate into or on airport property unless such operations are also authorized by the airport's governing body.

6. Transferee is authorized to begin operations on the date that the Executive Director mails a notice to transferee that its evidence of insurance is on file with the Commission and that the California Highway Patrol has approved the use of transferee's vehicles for service.

7. The application is granted as set forth above.

8. This proceeding is closed.

This order is effective today.

Dated July 16, 1997, at San Francisco, California.

P. GREGORY CONLON  
President

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEEPER

RICHARD A. BILAS

Commissioners

T/MM

Appendix PSC-4077

Diversified  
Paratransit Inc.  
(a corporation)

Original Title Page

CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

AS A PASSENGER STAGE CORPORATION

PSC-4077

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

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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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Supersedes authority heretofore granted to  
Inland Express Services, Inc.  
by D.87-04-025, as amended by D.94-04-065.

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Issued under authority of Decision 97-07-014,  
dated July 16, 1997, of the Public Utilities Commission of the  
State of California in Application 97-04-041.

T/MM

Appendix PSC-4077

Diversified  
Paratransit, Inc.  
(a corporation)

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## SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.

This certificate supersedes all passenger stage operative authority granted to Inland Express Services, Inc., a corporation.

Diversified Paratransit Inc., a corporation, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to transport passengers and their baggage on an on-call basis, between the points described in Section IIA, on the one hand, and Section IIB, on the other hand, over and along the route described in Section III, subject, however, to the authority of this Commission to change or modify the route at any time and subject to the following provisions:

- a. When route description is given in one direction, they apply to operation in either direction unless otherwise indicated.
- b. 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.
- c. No passengers shall be transported except those having a point of origin or destination as described in Section IIB.
- d. This certificate does not authorize the holder to conduct any operation on the property of or into any airport unless such operation is authorized by the airport authority involved.

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## SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS (concluded).

- e. Carrier shall not transport any person between any points east of the intersection of Highway 111 and I-10, near White Water, Riverside County, on the one hand, and LAX, the piers of Wilmington and San Pedro or Long Beach, on the other hand.

## SECTION II. SERVICE AREAS.

- A. The following cities and areas within the counties, as described below, unless otherwise specified:

1. Riverside County

Banning	Beaumont	Calimesa
Cathedral City	Corona	Elsinore
Hemet	March Air Force Base	
Norco	Palm Springs	Riverside

Including all those unincorporated areas within the boundaries described below:

Commencing at the intersection of Highway (H) 91 and the Riverside County line (County line), east along the County line to H-62 and south on it to I-10, east to Ramon Avenue and west on it to Bob Hope Drive, south on Bob Hope Drive to H-111 and south on it to H-74, south on H-74 and west to H-311 and southwesterly on it to H-79, west on H-79 to I-15 and north on it to H-91 and west on H-91 to County Line.

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## SECTION II. SERVICE AREAS (continued).

- A. The following cities and areas within the counties, as described below, unless otherwise specified:

2. San Bernardino County

Big Bear	Bloomington	Chino
Colton	Crestline	Devore
Fontana	Grand Terrace	Lake Arrowhead
Loma Linda	Montclair	Norton Air Force Base
Ontario	Rancho Cucamonga	Redlands
Rialto	San Bernardino	Upland
Victorville	Wrightwood	Yucaipa

Including all those unincorporated areas within the boundaries described below:

Beginning at the intersection of the San Bernardino County line (County line) with the County lines of Los Angeles and Orange, north on the County line to Highway (H) 18, east on H-18 to H-395 and north on it to Air Base Road, east on Air Force Road to National Trails Highway and south on it to H-18, east and south on H-18 to H-38, southwesterly on H-38 to I-10 and west on it to the County line and south on the County line to the starting point.

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SECTION II. SERVICE AREAS (concluded).

A. The following cities and areas within the counties, as described below, unless otherwise specified:

3. Any point or place within the geographical limits of Los Angeles and Orange Counties.

B. Los Angeles International Airport  
John Wayne Airport  
Ontario International Airport  
Burbank Airport  
Palm Springs Airport  
Piers in San Pedro, Los Angeles  
AMTRAK Stations in the cities of Los Angeles, Fullerton,  
Pomona, San Bernardino, Riverside, and Glendale.

SECTION III. ROUTE DESCRIPTION.

Commencing from any point or place, as described in Section IIA, then over the most convenient streets and highways to any point or place, as described in Section IIB.

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