



**FLOTT  
& Co.**  
ATTORNEYS

A Virginia  
Professional  
Corporation

May 2<sup>nd</sup>, 2005

**BY HAND**

Honorable Vernon A. Williams, Secretary  
Surface Transportation Board  
1925 K Street, NW  
Washington, DC 20423



**Re: CUSA CSS, LLC d/b/a Crew Shuttle Services - Acquisition of Control of the Assets  
and Business Operations of Crew Shuttle Service, Inc. - MC-F-21012**

**EXPEDITED ACTION REQUESTED**

Dear Secretary Williams:

Enclosed please find:

- the original and ten copies of an application pursuant to 49 U.S.C. §14303(a) for approval of a transaction involving the acquisition of the assets and operations of Crew Shuttle Service, Inc., a federally regulated motor carrier of passengers;
- a check in the amount of \$2,000 for payment of the filing fees;
- a floppy disk containing the proposed *Federal Register* notice in Microsoft Word format and a printed copy of same; and
- a copy of this letter to be date stamped to acknowledge the date of time we filed this application.

**We respectfully request the Board's expeditious handling of the Request for Interim Approval.**

Please contact the undersigned, counsel for the purchaser, or Fritz Kahn, counsel for the seller, should you need further assistance.

Yours truly,

**Stephen Flott**

**Enclosures (4)**

cc: **Thomas Holmes, Esq.**

**Parties as Identified on the Application's Certificate of Service**

**FILED**

MAY - 2 2005

**SURFACE  
TRANSPORTATION BOARD**

P.O. Box 17655

Courthouse Postal

Station

Arlington, Virginia

22216-7655

2009 North 14th Street

Suite 600

Arlington, Virginia

22201-2514

703.525.5110

703.525.5122 FAX

www.flottco.com

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

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~~FINANCE~~ DOCET NO. MC-F-21012

**CUSA CSS, LLC D/B/A CREW SHUTTLE SERVICES  
-- ACQUISITION OF ASSETS AND BUSINESS OPERATIONS --  
CREW SHUTTLE SERVICE, INC.**

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**VERIFIED APPLICATION**

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Applicant CUSA CSS, LLC d/b/a Crew Shuttle Services ("CUSA CSS" or "Applicant") of 5430 LBJ Freeway, 3 Lincoln Center, Suite 1075, Dallas, Texas 75240, pursuant to 49 U.S.C. 14303 and 49 CFR 1182.1 *et seq.*, seeks Surface Transportation Board ("Board") approval to acquire the assets and business operations of Crew Shuttle Service, Inc., a federally authorized motor passenger carrier ("Seller" or "Crew").

The proposed transaction would assure no interruption in the service now provided by Crew to the public, who will continue to receive the same type and quality of service from the Applicant as that now provided by Crew. Upon closing of the transaction, CUSA CSS will continue to carry on the business now conducted by Crew. The Applicant is wholly owned by CUSA, LLC, a non-carrier, which in addition to CUSA CSS owns nineteen federally regulated and several non-federally regulated motor carriers.<sup>1</sup> CUSA, LLC ("CUSA") is in turn wholly owned by KBUS Holdings, LLC ("KBUS"), which is also a non-carrier.<sup>2</sup> The transaction itself

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<sup>1</sup>A list of all of the federally regulated motor carriers owned by CUSA is attached to this application as Appendix A.

<sup>2</sup>Board approved the acquisition by KBUS of the assets and business conducted by 30 federally regulated motor carriers then owned by Coach USA, Inc. in STB Docket No. MC-F-21000, issued July 23<sup>rd</sup>, 2003, a copy of which is

will not close until the Board's approval has been obtained. Thus, an expedited decision will reduce transactional uncertainty and facilitate the Applicant's transition efforts.

Approval of this Application is consistent with the public interest standard set forth in 49 U.S.C. §14303(b), as discussed further below. Furthermore, for reasons set forth in an accompanying Request for Interim Approval, the Applicant seeks interim control of the Crew business and assets pending action on this Application in order to preserve the value of that business and the service to its contract customers.

**1. Name, Address and Telephone Numbers of the Parties:**

*The Applicant*

CUSA CSS, LLC d/b/a Crew Shuttle Services  
5430 LBJ Freeway, 3 Lincoln Center, Suite 1075  
Dallas, TX 75240  
Tel: (972) 354-3500

*The Seller*

Crew Shuttle Service, Inc.  
220 East Lewis Street  
Pocatello, ID 83201  
Tel: (208) 233-6877

**2. Information about the Parties**

*Applicant:*

Applicant is a new company. CUSA created it to purchase the assets and business being acquired from Crew. CUSA CSS's application to the Federal Motor Carrier Safety Administration ("FMCSA") to obtain Contact and Common carrier operating rights has been approved under Docket No. MC-522544. In the two years since completing the transaction approved by the Board in STB Docket No. MC-F-21000, CUSA has successfully reorganized the

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attached to this Application as Appendix B. The assets and business acquired by KBUS have been consolidated into the eighteen federally regulated carriers listed in Appendix A plus several non-federally regulated entities.

assets and businesses acquired into a number of federally and non-federally regulated companies. Annual revenues for the CUSA group of companies for 2004 exceeded \$220 million. The companies in the CUSA group operate approximately 1,100 motor coaches and over 700 other revenue vehicles in 35 states and have more than 3,700 employees. The experienced senior management team that CUSA now has in place has identified the acquisition of Crew as a strategic way to expand its market scope in the Pacific Northwest.

*Seller:*

Crew, a motor carrier of passengers, is authorized to render contact carrier services, principally in Idaho, Washington and Oregon, pursuant to authority granted in Docket No. MC-264436.

**3. Description of the Proposed Transaction**

Applicant has entered into an agreement with Crew and its shareholders to buy Crew's assets, including vehicles, and business operations (the "Agreement"). The Agreement is scheduled to close no later than May 6, 2005, but in any event not before Board approval of this Application. Applicant will operate the business pursuant to its own federal operating authority. Applicant's purchase of Seller's assets and business operations requires Board authorization pursuant to 49 USC § 14303(a)(5).

For reasons set forth in an accompanying Request for Interim Approval, the Applicant seeks interim control of the Crew assets pending action on this Application in order to preserve the value of the Crew assets. Applicant will operate the business pursuant to its own federal operating authority.

#### **4. Affiliated Motor Passenger Carriers, their Operations and Relationships**

Seller is not affiliated with any other federally regulated motor carrier. Appendix C contains a chart showing the relationship among KBUS, CUSA and the affiliated carriers controlled by CUSA. Applicant is owned by CUSA, a non-carrier, which is in turn owned by KBUS, another non-carrier. KBUS, through CUSA, controls the FMCSA registered motor passenger carriers listed in Appendix A.

#### **5. Jurisdiction Statement**

The Board has jurisdiction over this matter under 49 USC 14303(g), because the annual aggregate gross operating revenue of the motor carriers party to this proposed transaction exceeds \$2 million.

#### **6. Environmental Impact**

The parties assert approval of this application will not constitute a Federal action having a significant effect on the quality of the human environment and the conservation of energy resources. There will be no significant operational changes as a consequence of the transaction described in this application.

#### **7. Consistency with the Public Interest**

##### *Adequacy of Transportation Services to the Public*

The proposed transaction will preserve the adequacy of transportation services available to the public and railroad crews in the Pacific Northwest.

The proposed transaction involves the acquisition of the assets and business of a contract passenger bus operator. The Applicant is part of a new, but successful and well-funded industry group, lead by a management team with extensive bus industry experience.

The proposed transaction involves the acquisition of a successful business, which was has

operated successfully in the Pacific Northwest for many years. The Applicant, as a subsidiary of CUSA, is part of a new, but successful and well-funded industry group, lead by a management team with extensive bus industry experience.

CUSA CSS intends to continue the business of Crew essentially in the same manner in which it is now being conducted. The public will not be affected by the transaction. Many of the experienced professionals who now run Crew will continue to operate the acquired assets as employees of the Applicant. CUSA CSS will be integrated into the centralized management structure that KBUS established under CUSA when it entered the business industry in 2003. Further, CUSA will be able to extend its advantages of volume purchasing power in areas such as equipment and fuel to this new acquisition. This will facilitate the ability of the new operating entity to provide efficient public service.

Board approval of this Application also will relieve Applicant of the need to seek state approval that might otherwise be required. This will reduce regulatory burdens and allow the transaction to proceed in an efficient manner.

#### *Fixed Charges*

The proposed transaction will have no effect on total fixed charges.

#### *Employee Interests*

It is anticipated that no carrier employees will be adversely affected by the contemplated transaction. All qualified drivers of Crew who wish to continue employment will be offered employment with CUSA CSS.

**8. Safety Fitness Ratings**

CUSA CSS and the other federally regulated motor carriers owned by CUSA have satisfactory safety ratings or are as yet unrated as shown on Exhibit A attached hereto. Seller has a satisfactory safety rating.

**9. Insurance**

CUSA CSS has the required \$5 million of BIPD insurance.

**10. Mexican Domicile or Control**

Applicant, CUSA, KBUS, and Seller are not domiciled in Mexico or controlled by persons of that country.

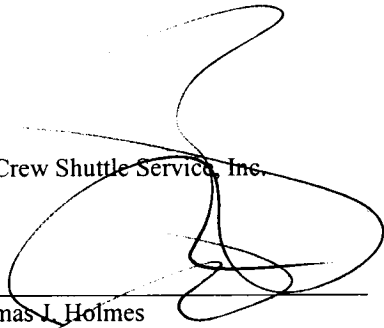
Respectfully submitted,

For CUSA CSS, LLC



Stephen Flott, Esq.  
Flott & Co. PC  
PO Box 17655  
Arlington, VA 22216-7655  
Tel: 703-525-5110, ext. 26  
Fax: 703-525-5122

For Crew Shuttle Service, Inc.



Thomas J. Holmes  
Jones, Chartered  
203 South Garfield Street  
Pocatello, ID 83204  
Tel. 208-232-5911, ext. 103  
Fax. 208-232-5962

**CUSA, LLC Entities with MC#, USDOT #, DOT Safety Rating & EIN**

| <b>Carrier Name</b>                                              | <b>MC #</b> | <b>US DOT #</b> | <b>Safety Rating</b> | <b>EIN</b> |
|------------------------------------------------------------------|-------------|-----------------|----------------------|------------|
| CUSA, LLC                                                        | MC # 471723 | 1183818         | Unrated              | 65-1193523 |
| CUSA ASL, LLC d/b/a Arrow Stage Lines                            | MC # 465199 | 1167618         | Unrated              | 20-0152030 |
| CUSA AT, LLC d/b/a Americoach Tours                              | MC # 463166 | 1167631         | Unrated              | 20-0152071 |
| CUSA AWC, LLC d/b/a All West Coachlines                          | MC # 465200 | 1167523         | Unrated              | 20-0152084 |
| CUSA BCCAE, LLC d/b/a Blackhawk-Central City Ace Express         | MC # 463169 | 1167642         | Unrated              | 20-0152017 |
| CUSA CC, LLC d/b/a Airport Bus of Bakersfield                    | MC # 465201 | 1167647         | Unrated              | 20-0151999 |
| CUSA CC, LLC d/b/a Antelope Valley Bus                           | MC # 463167 | 1167647         | Unrated              | 20-0151999 |
| CUSA CC, LLC d/b/a California Charters                           | MC # 465198 | 1167647         | Unrated              | 20-0151999 |
| CUSA EE, LLC d/b/a El Expreso                                    | MC # 463171 | 1167656         | Unrated              | 20-0151982 |
| CUSA ELKO, LLC d/b/a K-T Contract Services Elko                  | MC #467153  | 1167661         | Unrated              | 20-0154648 |
| CUSA ES, LLC d/b/a Express Shuttle                               | MC # 463168 | 1167664         | Unrated              | 20-0151941 |
| CUSA FL, LLC d/b/a Franciscan Lines                              | MC # 465197 | 1167666         | Unrated              | 20-0151920 |
| CUSA FTT, LLC d/b/a Fun Time Tours                               | MC # 463172 | 1167670         | Unrated              | 20-0151907 |
| CUSA GBL, LLC d/b/a Grosvenor Bus Lines                          | MC # 463174 | 1167668         | Unrated              | 20-0151920 |
| CUSA GCBS, LLC d/b/a Goodall's Charter Bus Service               | MC # 463173 | 1167671         | Satisfactory         | 20-0151891 |
| CUSA GCT, LLC d/b/a Gulf Coast Transportation                    | MC # 465196 | 1167675         | Satisfactory         | 20-0151833 |
| CUSA KBC, LLC d/b/a Kerrville Bus Company                        | MC # 463270 | 1167678         | Unrated              | 20-0151808 |
| CUSA K-TCS, LLC d/b/a K-T Contract Services                      | MC # 463271 | 1167677         | Unrated              | 20-0151741 |
| CUSA K-TCS, LLC d/b/a Arizona Charters                           | MC # 468081 | 1167677         | Unrated              | 20-0151741 |
| CUSA NC, LLC d/b/a Nevada Charters                               | MC # 465263 | 1167637         | Unrated              | 20-0151724 |
| CUSA PCSTC, LLC d/b/a Pacific Coast Sightseeing Tours & Charters | MC # 463273 | 1167672         | Unrated              | 20-0151701 |
| CUSA PRTS, LLC d/b/a Powder River Transportation Services        | MC # 463274 | 1167669         | Satisfactory         | 20-0151591 |
| CUSA RAZ, LLC d/b/a Raz Transportation Company                   | MC #499453  | 1285207         | Unrated              | 20-1610640 |

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SERVICE DATE - JULY 23, 2003

**SURFACE TRANSPORTATION BOARD**

**DECISION**

STB Docket No. MC-F-21000

**KBUS HOLDINGS, LLC — ACQUISITION OF ASSETS AND BUSINESS OPERATIONS —  
ALL WEST COACHLINES, INC., ET AL.**

**AGENCY:** Surface Transportation Board.

**ACTION:** Notice Tentatively Approving Finance Transaction.

**SUMMARY:** KBUS Holdings, LLC (KBUS or Applicant), a noncarrier, has filed an application under 49 U.S.C. 14303 to purchase and merge the assets and business operations of: All West Coachlines, Inc. (MC-212056); American Charters & Tours, Inc. (MC-153814); Americoach Tours, Ltd. (MC-212649); Antelope Valley Bus, Inc. (Antelope) (MC-125057); Airport Bus of Bakersfield, Inc., a subsidiary of Antelope (MC-163191); Arrow Stage Lines, Inc. (MC-029592); Bayou City Coaches, Inc. (MC-245246); Blackhawk, Central City Ace Express, Inc. (MC-273611); Browder Tours, Inc. (MC-236290); California Charters, Inc. (MC-241211); Desert Stage Lines, owned by Antelope (MC-140919); El Expreso, Inc. (MC-244195); Express Shuttle, Inc. (MC-254884); Franciscan Lines, Inc. (MC-425205); Fun Time Tours, Inc. (MC-176329); Goodall's Charter Bus Service, Inc. (MC-148870); Grosvenor Bus Lines, Inc. (MC-157317); Gulf Coast Transportation Company (MC-201397); Kerrville Bus Company, Inc. (MC-27530), and 3 subsidiaries, Community Rentals Company (MC-257338), Sunset Tours & Travel, Inc. (MC-241422), and William Timothy Vaught d/b/a Vaught Bus Leasing Company (MC-209574); K-T Contract Services, Inc. (MC-218583); PCSTC, Inc. (MC-184852); Powder River Transportation Services, Inc. (MC-161531); Royal West Tours & Cruises, Inc. (MC-239135); Stardust Tours-Memphis, Inc. (MC-318341); Texas Bus Lines, Inc. (MC-037640); Travel Impressions, LLC (MC-340826); Valon Transportation, Inc. (MC-212398); and Worthen Van Service, Inc. (MC-142573) (collectively, Sellers). Persons wishing to oppose this application must follow the rules at 49 CFR 1182.5 and 1182.8. The Board has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

**DATES:** Comments must be filed by September 8, 2003. Applicant may file a reply by September 22, 2003. If no comments are filed by September 8, 2003, this notice is effective on that date.

**ADDRESSES:** Send an original and 10 copies of any comments referring to STB Docket No. MC-F-21000 to: Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of any comments to applicant's representative: Stephen Flott, Flott & Co. PC, PO Box 17655, Arlington, VA 22216-7655.

**FOR FURTHER INFORMATION CONTACT:** Beryl Gordon, (202) 565-1600. [Federal Information Relay Service (FIRS) for the hearing impaired: 1-800-877-8339.]

**SUPPLEMENTARY INFORMATION:** KBUS is a private limited liability company organized under the laws of the state of Delaware by Kohlberg & Company, LLC (Kohlberg), a noncarrier. Kohlberg is a private equity firm specializing in middle market investments. KBUS, which was specifically created to undertake this transaction, entered into an agreement with the Sellers to buy the assets, including vehicles, and business operations of the Sellers and to take over vehicle leases. KBUS is undertaking this transaction under Kohlberg Fund IV, which closed in 2001 with a total capital of \$576 million.

KBUS is a noncarrier and will remain a noncarrier after this transaction. Applicant plans to consolidate the assets and business operations of the Sellers into two entities: a leasing company and CUSA, LLC (CUSA). The leasing company will acquire the vehicles and CUSA will conduct carrier operations. CUSA has applied for twelve operating authorities from the Federal Motor Carrier Safety Administration to operate as a motor contract and common carrier of passengers in interstate commerce, in order to accommodate the twenty-four operating names under which CUSA intends to carry on business. The Federal operating authorities currently held by each of the Sellers will, upon consummation, be surrendered.

Under 49 U.S.C. 14303(b), the Board must approve and authorize a transaction found to be consistent with the public interest, taking into consideration at least: (1) the effect of the transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees.

Applicant has submitted information, as required by 49 CFR 1182.2, including information to demonstrate that the proposed transaction is consistent with the public interest under 49 U.S.C. 14303(b). Applicant states that the proposed transaction will not reduce competitive options, adversely impact fixed charges, or adversely impact the interests of employees of companies whose assets and businesses are being acquired. It asserts that granting the application will allow CUSA to take advantage of economies of scale and substantial benefits offered by Applicant, including interest cost savings and reduced operating costs. Additional information, including a copy of the application, may be obtained from Applicant's representative.

On the basis of the application, the Board finds that the proposed transaction is consistent with the public interest and should be authorized. If any opposing comments are timely filed, this finding will be deemed vacated and, unless a final decision can be made on the record as developed, a procedural schedule will be adopted to reconsider the application. See 49 CFR 1182.6(c). If no opposing comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

This decision will not significantly affect either the quality of the human environment or the conservation of energy resources.

**It is ordered:**

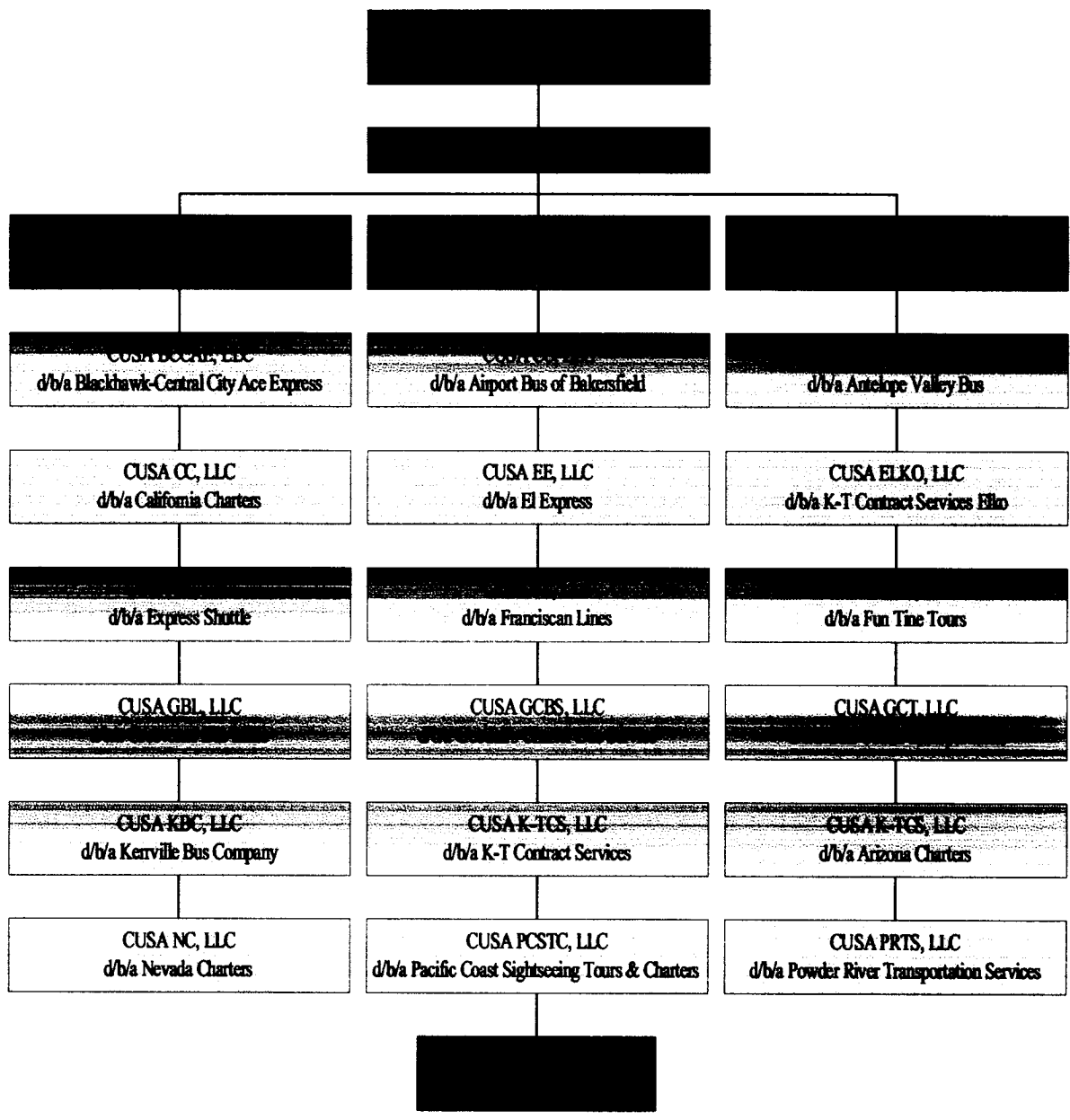
1. The proposed finance transaction is approved and authorized, subject to the filing of opposing comments.
2. If timely opposing comments are filed, the findings made in this decision will be deemed vacated.
3. This decision will be effective on September 8, 2003, unless timely opposing comments are filed.
4. A copy of this notice will be served on: (1) the U.S. Department of Transportation, Federal Motor Carrier Safety Administration, 400 7th Street, S.W., Room 8214, Washington, DC 20590; (2) the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530; and (3) the U.S. Department of Transportation, Office of the General Counsel, 400 7th Street, S.W., Washington, DC 20590.

Decided: July 17, 2003.

By the Board, Chairman Nober.

Vernon A. Williams  
Secretary

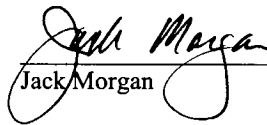
**KBUS Holdings, LLC/CUSA, LLC**  
**Ownership Structure of Federally-Regulated Carriers**



## VERIFICATION

I, Jack Morgan, Chief Financial Officer of CUSA CSS, LLC d/b/a Crew Shuttle Services, declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Application of CUSA CSS, LLC d/b/a Crew Shuttle Services and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of CUSA CSS, LLC d/b/a Crew Shuttle Services, the purchaser of assets being acquired from Seller. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 USC 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 USC 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

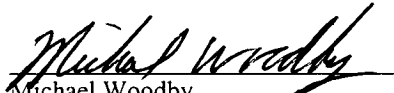
Dated at Dallas, Texas, this 28<sup>th</sup> day of April 2005.

  
\_\_\_\_\_  
Jack Morgan

## VERIFICATION

I, Michael Woodby, President, Crew Shuttle Service, Inc., declare under penalty of perjury, under the laws of the United States of America, that I have read the foregoing Verified Application of CUSA CSS, LLC d/b/a Crew Shuttle Services and that its assertions are true and correct to the best of my knowledge, information and belief. I further declare that I am qualified and authorized to submit this verification on behalf of Crew Shuttle Service, Inc. I know that willful misstatements or omissions of material facts constitute Federal criminal violations punishable under 18 USC 1001 by imprisonment up to five years and fines up to \$10,000 for each offense. Additionally, these misstatements are punishable as perjury under 18 USC 1621, which provides for fines up to \$2,000 or imprisonment up to five years for each offense.

Dated at Pocatello, Idaho, this 28<sup>th</sup> day of April 2005.

  
Michael Woodby  
President

## **Certificate of Service**

I hereby certify that I have served a copy of the foregoing Application on the following entities by serving a copy thereof as follows:

By causing to be hand delivered to:

Director of Operations  
Antitrust Division  
US Department of Justice  
601 D Street, NW, Room 1013  
Washington, DC 20004-2904

Premarmer Notification Office  
Bureau of Competition  
Federal Trade Commission  
600 Pennsylvania Avenue, NW, Room 303  
Washington, DC 20580

By mailing a copy thereof, via first class mail, postage prepaid, to:

Chief, Licensing & Insurance Division  
U.S.D.O.T. Office of Motor Carriers-HIA 30  
400 Virginia Avenue, SW, Suite 600  
Washington, DC 20004

Motor Carrier Services  
Idaho Division of Motor Vehicles  
PO Box 7129  
Boise, ID 83707

Licensing Services  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
Olympia, WA 98504-7250

ODOT Motor Carrier Division Administrator  
Oregon Department of Transportation  
550 Capital Street NE  
Salem, OR 97301-2530

Dated at Arlington, Virginia, this 2<sup>nd</sup> day of May 2005.



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Stephen Flott