

Decision No. 13689

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
LAGUNA BEACH SHORTLINE AUTOMOBILE  
STAGE COMPANY for certificate of  
public convenience and necessity to  
operate a passenger, freight, ex-  
press and baggage service between  
Balboa, Calif., and Serra, Calif. )

ORIGINAL

Application No. 9219

E. E. Morris for applicant.  
R. E. Wedekind for Pacific Electric Railway.  
Clyde Bishop for Crown Stages and Pickwick  
Stages, Inc. protestants.

BY THE COMMISSION:

O P I N I O N

Edward A. Logsdon and Norman H. Robotham, co-partners, doing business under the fictitious name of the Laguna Beach Shortline Automobile Stage Company, have made application to the Railroad Commission for a certificate of public convenience and necessity to operate a passenger, freight, express and baggage service between Balboa (a portion of the City of Newport Beach) and Serra and points intermediate.

A public hearing herein was conducted by Examiner Williams at Newport Beach, California.

Applicants propose to conduct a daily service between termini with six round trips using six cylinder touring cars especially equipped until such time as the coast

boulevard is completed, after which safety coaches of large capacity are to be used. In connection with the service a ferry boat is to be maintained across the lagoon at Balboa,

or by using the public utility ferry now operating. The fares proposed by applicant include transportation by water and land from termini to termini and to and between intermediate points. The distance between termini is approximately 20 miles. Estimates of the population to be served vary from 2500 to 6000 according to witnesses examined. The route to be followed by the proposed service is along the beach road which involves present difficulties of operation, but which soon will be a portion of the state's coast paved highway system.

Laguna Beach is about midway between Balboa and Serra and is a resort assuming much importance and attracting to it many thousands during all seasons of the year, but more heavily during the summer months. Serra is a village on the coast ten miles south of Laguna Beach and the littoral between the two points is being developed for high class beach residence purposes and for general public pleasure. At Serra the proposed coast highway will connect with the present state highway to San Diego about two miles west of San Juan Capistrano. Laguna Beach has an estimated population of about 1200 permanent inhabitants and this population is increasing rapidly due to the occupation of large areas by those building homes. At present it is approachable only by way of the road from Irvine, which involves a journey from any northern

point, by way of Santa Ana. North of Laguna Beach to Balboa the distance, ten miles, is sparsely settled and the road conditions are disadvantageous.

Applicant introduced in support of the proposed service H. G. Sloan, a Trustee of the City of Newport Beach; H. C. Hookstra, a banker at Balboa; Joseph Skidmore, real-estate operator at Laguna Beach; E. E. Jahraus, a real-estate operator of Laguna Cliffs; J. V. Campbell, owner of the Arch Beach Tavern; Anna G. Walters of Laguna Beach and Harry Welch, Secretary of the Orange County Harbor Chamber of Commerce. The substance of their testimony was that there exists now several thousand persons between the termini proposed who are without service in either direction, except via Santa Ana or San Juan Capistrano entailing long journeys and that there is a need for service along the beach route between the various points, particularly, during the summer season. It was pointed out that passengers travelling from Balboa to Laguna Beach must journey to Santa Ana and then to Laguna Beach, a distance of 30 miles, whereas the beach route is about one-third of that distance. The evidence of these witnesses is convincing that there is demand for passenger and baggage service between the points proposed and that there is no other means at hand to provide service except as proposed by applicants. Applicants admitted that the service at the outset might not be profitable but that they were willing to establish the service and sustain any losses that might result.

The application was opposed by the Crown Stages in so far as the operation between Laguna Beach and Balboa was concerned, but not as to that portion proposed south of Laguna Beach. The opposition was limited to cross examination and

protestant introduced no testimony disputing the necessity testified to by witnesses.

It was developed by protestant that the operation between Balboa and Laguna Beach must be conducted over more than four miles of private roadway.

It was stipulated by applicants that permission from the owner of this private road to use it would be filed in this proceeding as an assurance that through service would be established, this Commission not having the power nor the desire to authorize operations over private roadways. In lieu of this permission applicants have filed a statement from Mr. Nelson T. Edwards, member of the California State Highway Commission, that the state has acquired by deed the private road alluded to and that it will be graded and improved and made traversable just as soon as contracts therefor may be awarded, - approximately within ninety days from date hereof. Thus applicants' operation may be conducted entirely over public highway.

It is also the desire of the State Highway Department to have transportation service to its camps while construction work is in progress and this applicants will now be able to furnish. For an indefinite period, however, applicants should establish service between Laguna Cliffs and Serra, establishing complete service whenever the road north of Laguna Cliffs is traversable.

Pacific Electric Railway did not appear as a protestant but its attitude was in support of the applicants because their service extends from the terminns of the Newport Beach branch of the Pacific Electric and the proposed service would in effect co-operate with the service and patronage of

the Pacific Electric.

If a ferry is to be established by applicant in connection with its service proper separate application should be made according to Section 50 of the Public Utilities Act, as amended by Chapter 387, Statutes of 1923, therefor.

It is our conclusion from all the testimony received that the service as proposed by applicants is desirable and that it is the only means of transportation which may be provided between the points named along the coast. Especially, will it be most useful in the summer season when pleasure seekers wish to journey from one beach to another and for which no means of transportation is now provided.

We find as a fact, therefore, that public necessity for the service as proposed by applicants exists as to the carrying of passengers and baggage, but as no testimony was introduced showing any need for freight or express service this portion of the application should be denied.

#### O R D E R

Edward A. Logsdon and Norman H. Robotham, co-partners, doing business under the fictitious name of the Laguna Beach Shortline Automobile Stage Company having made application to the Railroad Commission for a certificate of public convenience and necessity to operate passenger, freight, express and baggage service between Balboa, a portion of the City of Newport Beach, and Serra, a public hearing having been held, the matter having been duly submitted and now being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA  
HEREBY DECLARES that public convenience and necessity re-  
quire said operation as proposed by applicants as to pass-  
enger and baggage transportation only, but not as to freight  
and express matter, over and along the following route;

via main coast highway between termini  
and that a certificate of public convenience and necessity  
therefor be and the same hereby is granted under the follow-  
ing conditions:-

1. - That applicants, Edward A. Logsdon and Norman H. Robotham, co-partners, shall file within fifteen (15) days from date hereof, their written acceptance of the certificate herein granted, and shall file within thirty (30) days of the date hereof, duplicate tariff of rates and time schedules, in accordance with General Order No. 51 of the Railroad Commission, and shall begin service within sixty (60) days from date hereof.
11. - That applicants, Edward A. Logsdon and Norman H. Robotham, co-partners, shall not sell, lease, assign or discontinue the service herein authorized, unless such sale, lease, assignment, or discontinuance shall have been authorized by the Railroad Commission.
11. - That no vehicle shall be operated by applicants unless such vehicles are owned by said applicants, or are leased under an agreement satisfactory to the Railroad Commission.

IT IS FURTHER ORDERED that in all other respects said  
application be denied.

Dated at San Francisco, California this 12<sup>th</sup> day  
of June, 1924.

*C. J. Seaver*  
*W. H. K. ...*  
*J. ...*

Commissioners.