

Decision No. 23373

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
PAJARO VALLEY AUTO TRANSIT COMPANY
for certificate of public convenience
and necessity to operate Street Motor
Bus service as a common carrier between
City of Watsonville and outlying
districts.

ORIGINAL

Application No. 17102.

Sans & Hudson, by R.E. Hudson, for
Applicant.

T. Finkboner, for Pacific Greyhound Lines,
Interested Party.

BY THE COMMISSION:

O P I N I O N

Applicants, W. L. Hardy and E. L. Dever, copartners operating under the fictitious name of Pajaro Valley Auto Transit Company, seek to establish passenger auto stage service in Watsonville and points outside the city limits.

A public hearing was conducted thereon by Examiner Williams at Watsonville.

Applicants propose to use three safety coaches of 26-passenger capacity of recent manufacture and equipped with air brakes. Two vehicles will be required for schedules and the third is for relief. The schedules proposed in Exhibit "A" attached to the application, were amended at the hearing and greater frequency provided on a half hourly basis, except during midday to and from Freedom. All schedules are to end from Main and Third Streets in Watsonville, the most important point in the business district, but passengers will be carried from any point to any other point on the lines, by transfer,

if necessary, for one fare.

The points outside the city limits fixed as termini are St. Francis School, east of the city, the community of Freedom north, the Travers Packing House on the west, and Watsonville junction on the south. No point is over one mile from the city limits.

Applicants propose a single fare of ten cents a trip, or three tokens for twenty-five cents, and a special rate of three cents for children attending schools.

M. M. Swisher, City Clerk of Watsonville, testified that the Board of Aldermen unanimously endorsed the proposed service January 21, 1930, and urged granting the certificate. Rev. L. B. Galling, Director of St. Francis School, testified that the service was needed by this institution, where 200 boys are sustained on an eleemosynary basis; that their parents and others have had to use expensive taxi service to reach the school and being mostly of the poorer classes, this was a deterrent to frequent visits which the institution desired. The institution would patronize it, and would cease to use its own automobile in part.

W. A. Drake, General Yardmaster of Southern Pacific Railway at Watsonville, testified that of approximately 200 men employed by the company, nearly all live in Watsonville or its suburbs and that the service would meet a need that has been long felt. Similar testimony was given by Clark E. Bulmer, of the unincorporated community of Freedom, where he estimated there are now 300 residents. Many other witnesses were present to support the application. A petition urging the granting of the certificate, signed by 150 residents of Freedom also was presented. Mrs. E. B. Thorburn, Secretary of Watsonville

Chamber of Commerce, testified that the estimated population of Watsonville is 8700 (Census of 1930, 8300) and that the service is needed.

No protest was made by Southern Pacific Company, which operates trains between Watsonville Junction and Watsonville, nor Pacific Greyhound Lines, which operates bus service, Mr. Finkboner, of the last named company, being satisfied with a stipulation by applicants that the service to Freedom will terminate at Roach Road.

Applicants are proprietors of a garage business in Watsonville. Mr. Harding, one of the partners, is also road construction truck contractor. He testified that while they have no experience in passenger operation, they appeared in best position by reason of their garage facilities and financial ability to undertake a service which, they believe, the community will support.

Applicants presented no estimates of cost of operation nor prospective income. Their offer, however, is made to, and received by, the community as a public benefit, and there appears no reason why the certificate should not be granted. An order accordingly will be entered.

W. L. Hardy and E. L. Dever are hereby placed on notice that "operative rights" do not constitute a class of property which should be capitalized or used as an element of value in determining reasonable rates. Aside from their purely permissive aspect, they extend to the holder a full or partial monopoly of a class of business over a particular route. This

monopoly feature may be changed or destroyed at any time by the state which is not in any respect limited to the number of rights which may be given.

ORDER

W. L. Hardy and E. L. Dever, co-partners, operating under the name and style of Pajaro Valley Auto Transit Company, having made application to the Railroad Commission for a certificate of public convenience and necessity to establish and conduct auto stage service for the transportation of passengers only between Watsonville and Watsonville Junction, St. Francis School, Freedom and Travers Packing House; 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 require the establishment of auto service between Watsonville and Watsonville Junction, St. Francis School, Freedom and Travers Packing House and in the City of Watsonville for the transportation of passengers only over and along the following routes:

ROUTE NO. 1

Beginning at the intersection of Third and Main Streets, in Watsonville, thence easterly on Third Street to Beck Avenue, thence north on Beck Avenue to East Lake Avenue, thence easterly on East Lake Avenue to St. Francis School, terminus; thence returning westerly on East Lake Avenue to Palm Avenue; thence northerly and westerly on Palm Avenue to Brewington Avenue, thence south on Brewington Avenue to East Lake Avenue; thence west on East Lake Avenue and West Lake Avenue to Walker Street; thence south on Walker Street to Wall Street; thence west on Wall Street to Travers packing house, terminus; thence easterly on Wall Street to Third Street and on Third Street to the point of beginning.

ROUTE NO. 2

Beginning at the intersection of Main and Third Streets in Watsonville; thence northerly via Main Street and Santa Cruz road to Roach Avenue in the community of Freedom, terminus; thence returning southerly via Santa Cruz road and Main Street, to Lincoln Street; thence south on Lincoln Street to Third Street; thence west on Third Street to Main Street; thence south on Main Street to Watsonville Junction, terminus.

IT IS HEREBY ORDERED that a certificate therefor be, and the same hereby is, granted to said W. L. Hardy and E. L. Dever copartners, operating under the name and style of Pajaro Valley Auto Transit Company, applicants herein, subject to the following conditions:

1. Applicants shall file their written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof.
2. Applicants shall file in duplicate and make effective within a period of not to exceed thirty (30) days from the date hereof, a tariff or tariffs constructed in accordance with the requirements of the Commission's General Orders and containing rates and rules which, in volume and effect, shall be identical with the rates and rules shown in the exhibit attached to the application in so far as they conform to the certificate herein granted.
3. Applicants shall file in duplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof time schedules, covering the service herein authorized, in a form satisfactory to the Railroad Commission.
4. The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
5. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicants or is leased by them under a contract or agreement on a basis satisfactory to the Railroad Commission.

For all other purposes the effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, California, this 9th day of February, 1931.

C. J. [Signature]
W. B. [Signature]
W. B. [Signature]
Frank G. [Signature]
Commissioners.