

ORIGINAL

Decision No. 26596

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
NORTHWESTERN PACIFIC RAILROAD COMPANY
for authority to discontinue the ferry
service between Sausalito, Tiburon and
Belvedere, all in Marin County, Calif-
ornia, heretofore conducted by means
of M. S. "Marin."

Application No. 18953.

In the Matter of the Application of
PACIFIC GREYHOUND LINES, INC., a cor-
poration, for certificate of public
convenience and necessity authorizing
operation of automotive stages for the
transportation of passengers, baggage
and express between Tiburon Nye and
Tiburon, either direct, or via Belve-
dere.

Application No. 18959.

- E. J. Foulds, for Northwestern Pacific Railroad
Company.
H. C. Lucas and T. Finkbohner, by T. Finkbohner,
for Pacific Greyhound Lines, Inc.
Athearn, Chandler, Farmer and Frank R. Devlin,
by Frank R. Devlin, for Communities of
Belvedere and Tiburon, Protestants.
Mrs. Natalie J. Holly and Carlos R. Freitas,
for Marvelous Marin, Inc., Protestants.
Capt. George M. Fouratt, for Masters, Mates and
Pilots of America, Local No. 40, of San
Francisco.
R. Merriweather, for Marine Engineers Beneficial
Association No. 37.
C. W. Deal, for Ferry Boatmen's Union of California
and Pacific Coast Labor Bureau, Protestants.
E. F. Wilson, for Belvedere Land Company and San
Francisco Yacht Club, Protestants.

BY THE COMMISSION:

O P I N I O N

In Application No. 18953 Northwestern Pacific Railroad
Company requests permission to discontinue its ferry service between
Sausalito, Tiburon and Belvedere, County of Marin, said service

being conducted by the Motorship "Marin." This carrier will be hereinafter referred to as the Ferry Company.

In Application No. 18959 Pacific Greyhound Lines, Inc., hereinafter referred to as the Bus Company, apply for a certificate of public convenience and necessity authorizing the operation of automotive stages for the transportation of passengers, baggage and express between Tiburon Wye and Tiburon direct, or via Belvedere, all in the County of Marin.

Public hearings were held in these matters before Examiner Handford in Belvedere and in San Francisco.

Northwestern Pacific Railroad Company operates an inter-urban electric railroad and ferry service between Marin County points and San Francisco. The ferry operations are conducted across San Francisco Bay between San Francisco and Sausalito and between Sausalito and Belvedere-Tiburon. The Belvedere-Tiburon service connects with the San Francisco service at Sausalito.

The ferry service between Belvedere, Tiburon and Sausalito has been almost entirely provided through the operation of the M. S. "Marin." At times when the "Marin" has been tied up for repairs, a substitute boat has been rented to perform this service.

The Ferry Company contends that the out-of-pocket cost of providing its Tiburon-Belvedere service greatly exceeds the operating revenue. Exhibits were introduced showing that the annual operating costs, exclusive of depreciation, amounted to some \$34,000 (Exhibit No. 6), whereas the revenues received from this service, on the most favorable basis, including full system passenger revenue from traffic using this service, approximate \$25,000 per annum (Exhibit No. 6). On the more unfavorable basis, where the passenger revenues are allocated to the Tiburon-Belvedere service on a mileage prorata basis with the connecting service between San Francisco and

Sausalito, the revenues approximate \$8,000 per annum (Exhibit No. 9).

The Ferry Company proposes to turn over its Sausalito-Belvedere-Tiburon service to the Bus Company which offers to provide a substitute service by operating a bus line over the state highway between these points. It was shown that the Ferry Company and the Bus Company have entered into a tentative agreement whereby the Bus Company will accept and honor the Ferry Company's tickets and transport its patrons between Tiburon-Belvedere and Sausalito. Furthermore, the Ferry Company proposes to guarantee to the Bus Company the cost of operation. As yet no formal agreement has been entered into between applicants.

The Bus Company estimates that it will cost approximately \$1,700 per month or \$20,400 per year, including depreciation on buses and supervision, to provide this service. It proposes to allocate regularly to this service two of the so-called "twin coaches" (Exhibits Nos. 2, 3 & 4), and one spare bus and if requirements demand additional equipment, some will be available. The Bus Company proposes a schedule which will give the same number of trips between Sausalito and Tiburon-Belvedere as is now operated by M. S. "Marin." In its application the Bus Company seeks permission to transport express between Sausalito and Tiburon-Belvedere, subject to the provision that no single package may be accepted for transportation that exceeds 100 pounds in weight and all express shipments are to be transported on the regular passenger vehicles, except that the limitations as to packages, weight and vehicle of transportation shall not apply to shipments transported for or through the agency of Railway Express Agency, Inc., and milk and cream and empty containers of such commodities when being transported to or from a rail

junction in connection with rail transportation thereof, and shipments transported for or at the request of the Ferry Company.

At the present time William Barr holds two certificates of public convenience and necessity (Decisions Nos. 6669 and 11187), for the operation of an automotive passenger stage line between Belvedere and Tiburon and Alto (now called Alto Wye), and Tamalpais High School. The Bus Company proposes to operate over a portion of the route of William Barr and has stipulated it is agreeable to a restriction that would prohibit it from carrying local passenger traffic between the points covered by the Barr certificate.

The granting of these applications, particularly that of the Ferry Company, was protested by the residents of Tiburon and Belvedere, the various marine labor organizations and quasi-public bodies in Marin County.

The protestants contend that the ferry operation should be continued, that the ferry service in this case is a more satisfactory form of transportation than bus service and that the Ferry Company should procure a new boat so that operating expenses could be reduced. They produced evidence which purported to show that a new boat could be operated with a smaller crew and that maintenance costs would be materially reduced. This new boat it was contended could be purchased for around \$25,000. Protestants were of the opinion that the bus service would be insufficient, uncomfortable and hazardous, and that if express were allowed to be carried, insufficient room would be available for passengers.

A review of the record in this proceeding clearly shows that the revenues received by the Ferry Company from the Sausalito-Belvedere operations do not meet the operating expenses and that the amount of traffic does not appear to warrant the capital expense required to purchase a new boat to replace the M. S. "Marin" which

has been in service many years and is now nearing the end of its useful life, with the resultant high maintenance costs.

The losses incurred in this operation must be reduced if the service between Sausalito and Tiburon-Belvedere is to be preserved and the plan of substituting bus for boat service appears to be the most efficient and practical means of effecting such a reduction in operating losses and still maintain a reasonably adequate service to the respective districts, with proper restrictions to protect the operative rights of William Barr. In addition to the limitations set forth in the application, express packages should not be carried on buses except when sufficient room is available after passengers have been provided for. To meet public convenience and necessity, tickets of the Ferry Company should be honored on the bus line and provision should be made for the sale of tickets of the Ferry Company at Tiburon and Belvedere.

The record clearly indicates that the applications should be granted, with the above-mentioned restrictions, and it will be so ordered.

O R D E R

Public hearings having been held and the matter having been submitted,

IT IS HEREBY ORDERED that Northwestern Pacific Railroad Company is hereby granted authority to discontinue the operation of ferry service between Sausalito and Belvedere and Tiburon, in the County of Marin, State of California, coincident with the establishment of automotive passenger stage service by Pacific Greyhound Lines, Inc., as hereinafter authorized, and to cancel all time schedules between said points in conformity with the General Orders of this Commission, subject to the following

conditions and not otherwise:

- (1) Applicant, Northwestern Pacific Railroad Company, shall make arrangements with Pacific Greyhound Lines, Inc., to the effect that tickets of said Northwestern Pacific Railroad Company shall be honored on the passenger stages of said Pacific Greyhound Lines, Inc., between Sausalito and Tiburon and Belvedere.
- (2) Northwestern Pacific Railroad Company shall make arrangements for the sale of its tickets at Tiburon.
- (3) Applicant shall give the public at least five (5) days' notice of this discontinuance of said ferry service by posting notices at Sausalito, Tiburon and Belvedere and on the motor boat or boats plying between said points.
- (4) Applicant shall, within thirty (30) days thereafter notify this Commission, in writing, of the abandonment of said ferry service.
- (5) The authority herein granted shall lapse and become void if not exercised within one (1) year from the date hereof unless further time is granted by subsequent order.

The Railroad Commission of the State of California Hereby Declares that public convenience and necessity require the establishment of automotive passenger stage service, as proposed, between Sausalito and Tiburon and Belvedere for the transportation of passengers, baggage and express over and along the following routes:

"Along State Highway Route from Alto Wye to Tiburon, thence via county and city streets to Belvedere and a junction with said State Highway, known as Belvedere Junction, and as shown on Exhibit "A" attached to Application No. 18959, said operation to be around said Tiburon-Belvedere loop in either or both directions".

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be and the same is hereby granted to Pacific Greyhound Lines, Inc., subject to the following conditions:

- (1) This order shall not become effective until passenger ferry service of Northwestern Pacific Railroad Company shall be discontinued between Sausalito, Tiburon and Belvedere and the service herein authorized shall begin concurrently with

such discontinuance, provided, however, that no passengers shall be handled locally between Tiburon, Belvedere and Alto Wye, Marin County.

- (2) Applicant shall file its written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from the date hereof, stipulating in said acceptance that the rights herein granted are an extension and enlargement of the rights granted by Decision No. 23244, dated December 30, 1930, in Application No. 16989, and consolidated therewith, and not as a new or separate operating right.
- (3) Applicant shall operate through passenger service between Sausalito and Tiburon and Belvedere without change at Alto Wye or any other point unless extreme conditions warrant such action.
- (4) Applicant shall file a certified copy of an agreement or agreements with Northwestern Pacific Railroad Company relative to the honoring of said Northwestern Pacific Railroad Company's tickets on said bus route.
- (5) Applicant shall file, in triplicate, and make effective within a period of not to exceed thirty (30) days from the date hereof, on not less than ten (10) days' notice to the Commission and the public, 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.
- (6) Applicant shall file, in duplicate, and make effective within a period of not to exceed thirty (30) days from date hereof, on not less than five days' notice to the Commission and the public, time schedules covering the service herein authorized, in a form satisfactory to the Railroad Commission.
- (7) The rights and privileges herein authorized may not be discontinued, sold, leased, transferred nor assigned unless the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer or assignment has first been secured.
- (8) No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by it under a contract or agreement on a basis satisfactory to the Railroad Commission.
- (9) Applicant shall carry only such baggage and express on its passenger stages as will not interfere with the proper handling of its passengers.

(10) No single package of express may be accepted for transportation that exceeds one hundred pounds in weight, and all express is to be transported on passenger vehicles only, except the limitation as to package weight and vehicle of transportation shall not apply to:

- a. Shipments transported for or through the agency of Railway Express Agency, Inc.
- b. Milk and cream and empty containers of such commodities when being transported to or from a rail junction point in connection with rail transportation thereof, and
- c. Shipments transported for or at request of Northwestern Pacific Railroad Company.

The effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 4th day of December, 1933.

C. Leaver

M. A. Gunn

W. B. Quinn

Arthur [unclear]
Commissioners