

Decision No. 30762

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
BRYANT GUERNSEY of Monterey, Calif.,)
for certificate of public convenience)
and necessity to operate a passenger) Application No. 21837
bus service, as a common carrier,)
between East Monterey and Monterey,)
California.)

Bryant Guernsey, Applicant, in propria persona;

Harold Harper, for Bay Rapid Transit Co.,
Interested Party.

O P I N I O N

BY THE COMMISSION:

By his application, Bryant Guernsey seeks a certificate of public convenience and necessity authorizing the establishment of a passenger stage service between Monterey and East Monterey, including Seaside as the most easterly point, and intermediate points.

No protest to the granting of this application was made by Bay Rapid Transit Co. engaged in operating a passenger stage service between Monterey and other points, which appeared as an interested party. Applicant, however, agreed not to operate locally within the corporate limits of the City of Monterey.

A public hearing was had before Examiner Austin at East Monterey, on March 29, 1938, when evidence was offered, the matter submitted, and it is now ready for decision.

In support of the application, testimony was introduced through the applicant himself and fifteen public witnesses residing in various parts of the territory proposed to be served. The latter, representing as they did, various types of business and occupations, presented a fair cross-section of public opinion bearing upon the needs of this community for additional public transportation service. They spoke not only for themselves but for certain civic and business organizations which had given this question considerable study and consideration.

Fronting on Monterey Bay, the area known as East Monterey extends eastward from the Del Monte Hotel grounds to Seaside, situated approximately six miles east of Monterey, a city of 10,000 inhabitants, to which this community is tributary. The population of the district, all of which lies within unincorporated territory, was variously estimated to comprise from 3,000 to 4,000 people. A substantial part of its development has taken place in recent years.

From the record, it was clearly established that this territory is entirely without any adequate public transportation service enabling its inhabitants to travel to and from Monterey. Some twenty years ago, the area, then much more thinly populated than at present, was served by a streetcar line, which long since has been abandoned. Though Pacific Greyhound Lines, Inc. and Southern Pacific Company operate between these points, their service is not

designed to accommodate the public needs, two schedules daily being provided by Pacific Greyhound Lines, Inc., and two by the Southern Pacific Company. Though the latter operates three trains daily through Seaside, one of them, the Del Monte Express, does not stop there. From the filed time schedules of these carriers, received in evidence by reference, it appears that they operate at the following hours:

SERVICE VIA PACIFIC GREYHOUND LINES, INC.

2:53 P.M.	8:46 A.M.	↓ Lv. Seaside	↓ Ar.	7:56 A.M.	1:11 P.M.
3:00 P.M.	8:55 A.M.	↓ Ar. Monterey	↓ Lv.	7:50 A.M.	1:05 P.M.

SERVICE VIA SOUTHERN PACIFIC COMPANY

9:41 A.M.	7:37 A.M.	↓ Lv. Seaside	↓ Ar.	1:29 P.M.	8:30 P.M.
9:51 A.M.	7:47 A.M.	↓ Ar. Monterey	↓ Lv.	1:20 P.M.	8:22 P.M.

(This schedule excludes the Del Monte Express
which does not stop at Seaside)

Although there was some evidence that but one daily train stopped at Seaside, this is inconsistent with the filed schedules, as stated above.

Each of these carriers, as shown by their published tariffs, also received in evidence by reference, charges a one-way fare of 10¢ between Seaside and Monterey.

Substantially all the public witnesses testified that the schedules provided by these carriers did not meet the convenience of shoppers, nor of persons employed at Monterey. The morning bus and train leave East Monterey at an hour too late to accommodate employees, and too early to meet the needs of shoppers. Since the routes of both of these carriers traverse the northern edge of East Monterey, their patrons will be compelled to walk a considerable distance to utilize their service.

Neither carrier appeared at the hearing nor protested the granting of this application. California Parlor Car Tours, named in the application as an interested party, did not appear, and the record indicates its service is wholly of a sightseeing character.

Those desiring to travel between Monterey and East Monterey are now obliged to use their private automobiles, or those of their friends, and if these facilities are not available, they must either hitch-hike or walk. Where the family car is used by the wage-earner, other members of the family are left without transportation, except that available through the courtesy or sufferance of friends or neighbors. Several witnesses who had occasion frequently to drive to Monterey testified that they often provided transportation for one or more residents of the district. Those engaged in business in East Monterey frequently were called upon to drive members of their families to Monterey to shop or visit, thus absenting themselves from their offices or places of business. Since some were obliged to close their offices, this resulted in considerable inconvenience.

Though taxicab service is available, it is far too expensive for general use. The fares, established on a basis of \$0.25 a mile, range from a minimum of \$0.50 to \$1.00, or even higher, for a one-way trip, depending upon the distance traversed. This may be deemed an emergency or luxury service, not designed to meet the transportation needs of the general public.

Experience has demonstrated that walking between East Monterey and Monterey has become quite hazardous, due to the fast automobile traffic encountered upon the roads commonly used. Many patrons of the skating rink, so its proprietor testified, who are obliged to walk, have been struck by automobiles and injured. Where the highway borders a lake, the sidewalk is in poor condition, this hazard being somewhat accentuated at night because of the lack of proper lighting facilities. The absence of a bus line has subjected the residents of East Monterey to annoyance, expense, and great inconvenience.

Of some 300 to 400 residents of the district, employed in the canneries at North Monterey, situated between Monterey proper and Pacific Grove, many, who own no cars, are transported by fellow employees on a share-expense basis, while others walk or hitch-hike. Where the family car is used, those left at home are deprived of any independent means of transportation, being obliged to walk, or rely upon the courtesy of friends whenever they wish to visit Monterey. Several teachers at the Seaside Elementary School, attended by some 350 pupils, must depend on transportation furnished by friends, or members of their family, to bring them from their homes in Monterey. Boys residing in the district and attending the High School at Monterey find it necessary, whenever

they remain to participate in athletic sports and thus miss the regular school bus, either to walk four miles, use the family car when it is sent over for them, or hitch-hike. Those attending theatres or other places of amusement at Monterey are obliged, whenever their own cars are left at home, to rely upon their friends or upon a chance ride. At the Del Monte Hotel, some eighty women employed there frequently are obliged to engage taxicabs, at considerable expense, when traveling to Monterey in the evenings, walking being unsafe because of the darkness.

Because of the absence of transportation facilities, the development of East Monterey has been retarded. On many occasions, prospective buyers, when they became aware of the lack of public transportation, have refused to purchase property. Several specific instances were related by witnesses engaged in the real estate business. This, of course, operates to depreciate property values.

Public attention has been focused upon the absence of adequate transportation service. Various organizations have investigated the matter and sought to provide a remedy. Among them may be mentioned the Monterey Bay Grange No. 492, the East Monterey Improvement Association, and East Monterey Business Association, which have considered the matter at public meetings, appointed committees, and sought to effect an improvement. Several surveys have been made, during which the matter was discussed with many residents. All these bodies supported applicant's proposal.

On several occasions throughout the past two years, the absence of public transportation facilities in this district was brought to the attention of Bay Rapid Transit Co. However, Mr. Joseph Miller, the operator of that line, declined to seek an

extension of his service to East Monterey, referring all inquiries to the applicant in this proceeding. This carrier, of course, cannot be obliged against its will to extend its line to points not now served; this would compel it to enlarge the scope of its dedication.

By a stipulation made at the hearing, applicant agreed to perform no local service within the city limits of Monterey, this understanding comprehending particularly the handling of passengers between Monterey and the Oak Grove District, also within that city, traversed by applicant's proposed route. Bay Rapid Transit Co. agreed to join in applicant's proposal to establish a through route for the transportation of passengers destined to points in Monterey and North Monterey, served by that carrier, under a joint fare of ten cents, to be divided equally between the participating carriers. The passengers will be interchanged at a suitable point, in Monterey. To provide this service, applicant proposes to operate over a route extending from Cypress Street in North Monterey to Main Street in Monterey. So that patrons will find it unnecessary to walk long distances, the route will follow a loop at each terminal. At the East Monterey terminal, the route will follow a loop, commencing at Casa Verde Way and Del Monte Boulevard; thence traversing Del Monte Boulevard to Cypress Street, via Cypress Street to Castroville Road, via Castroville Road to Casa Verde Way; thence via Casa Verde Way, Montecito, to La Plaza, Encina and Casa Verde Way to Del Monte Boulevard (thus closing the loop); thence via Del Monte Boulevard to Washington Street, Monterey; thence over a loop at the Monterey terminal via Washington Street to Scott Street, via Scott Street to Main Street, via Main Street to Polk Street, via Polk Street to Pearl

Street, via Pearl Street to El Estero Street, via El Estero Street to Del Monte Boulevard (thus closing the loop).

Ten roundtrips daily will be provided, operating on an hourly schedule from 6:35 A.M. to 10:35 P.M., with the exception of Sundays, when six roundtrips daily will be operated, commencing at 9:05 A.M. and ending at 10:35 P.M. The fare will be ten cents one way, or fourteen trips for \$1.00, thus resulting in a one-way fare of approximately seven cents when sold on this basis. A joint fare of ten cents will be established between applicant and Bay Rapid Transit Co., as stated above. Lower fares for schoolchildren will also be published.

Aside from some minor suggestions as to changes in the route, the proposed route, time schedules, and fares met with the general approval of the public witnesses. Applicant stated he would make such changes in the route or the time schedules as experience would require.

At the outset, applicant will operate a 21-passenger bus which, though not new, is in good condition. Other buses will be supplied as needed. Applicant testified he would provide public liability and property damage insurance within the usual limits, viz., \$5,000 to \$10,000 for the former, and \$5,000 for the latter. He appears to be financially able to establish and maintain the proposed service.

Documents were submitted, though not introduced, containing subscriptions by some 264 residents of East Monterey for transportation over applicant's line, if established, at the proposed fares, amounting to a total of \$418.50 subscribed. The amount of the individual subscriptions varied from fifty cents to \$5.00, and more in a few instances. Many witnesses expressed the belief that the service would develop substantially in the near future.

From the evidence, we are convinced that there now exists a definite need for the establishment of a public service for the transportation of passengers between East Monterey and Monterey. Applicant's proposal appears satisfactory; the evidence indicates that he will be able to maintain this service. Therefore, a certificate will be granted.

Bryant Guernsey is hereby placed upon 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.

O R D E R

A public hearing having been held in the above entitled matter; evidence having been received; the matter having been duly submitted; and the Commission now being fully advised in the premises:

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment and operation by Bryant Guernsey of an automotive service for the transportation of passengers and their baggage, as a passenger stage corporation, as such is defined in Section 2-1/4 of the Public Utilities Act, between Seaside and Monterey, and intermediate points, in East Monterey, over and along the following route, to-wit:

At the East Monterey terminal, the route will follow a loop, commencing at Casa Verde Way and Del Monte Boulevard; thence traversing Del Monte Boulevard to Cypress Street, via Cypress Street to Castroville Road, via Castroville Road to Casa Verde Way; thence via Casa Verde Way, Montecito, to La Plaza, Encina and Casa Verde Way to Del Monte Boulevard (thus closing the loop); thence via Del Monte Boulevard to Washington Street, Monterey; thence over a loop at the Monterey terminal via Washington Street to Scott Street, via Scott Street to Main Street, via Main Street to Polk Street, via Polk Street to Pearl Street, via Pearl Street to El Estero Street, via El Estero Street to Del Monte Boulevard (thus closing the loop).

IT IS HEREBY ORDERED that a certificate of public convenience and necessity therefor be, and it hereby is, granted to said Bryant Guernsey, subject to the following conditions:

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed fifteen (15) days from date hereof.
2. Applicant shall commence the service herein authorized within a period of not to exceed thirty (30) days from the effective date hereof, and shall file in triplicate, and concurrently make effective on not less than five (5) days' notice to the Railroad 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, or rates and rules satisfactory to the Railroad Commission.
3. Applicant shall file in duplicate, and make effective within a period of not to exceed thirty (30) days after the effective date of this order, on not less than five (5) days' notice to the Railroad

Commission and the public, a time schedule or 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 the written consent of the Railroad Commission to such discontinuance, sale, lease, transfer, or assignment has first been obtained.

5. No vehicle may be operated by applicant herein unless such vehicle is owned by said applicant or is leased by applicant under a contract or agreement on a basis satisfactory to the Railroad Commission.

6. No passengers nor baggage shall be transported locally within the City of Monterey, nor in particular between the Oak Grove District and any other point within said City of Monterey.

For all other purposes, the effective date of this order shall be the day it bears date.

Dated at San Francisco, California, this 11th day of April, 1938.

W. L. ...
Leon ...
James ...
Harold ...
Ray L. Riley
COMMISSIONERS