

Decision No. 38225

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the Matter of the Application of  
ELIZABETH SCHILLING and GLADYS PORTER  
for certificate of public convenience  
and necessity to operate the GATE CITY  
BUS LINE as a common carrier, between  
the City of San Bernardino and the  
Muscoy District

Application No. 26841

HERBERT CAMERON, for applicant

WILLIAM GUTHRIE, for San Bernardino Valley  
Transit Company, Air Service Transit, Inc.,  
and McKinley Transportation Company,  
protestants

W. H. WEDELL, for Base Line Commercial Club,  
interested party

ALBERT HALLEN, for Muscoy District Improvement  
Association, interested party

BY THE COMMISSION:

O P I N I O N

Applicants Elizabeth Schilling and Gladys Porter, partners, doing business as Gate City Bus Line, by this application, as amended, request authority to establish service as a common carrier for the transportation of persons in San Bernardino, and in territory within the County of San Bernardino known as the Muscoy District.

A public hearing was held at San Bernardino on August 23, 1945, before Examiner Chiesa and the matter having been duly submitted it is ready for decision. (1)

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(1) Applicant was permitted to file a second amended application conforming to the evidence adduced. Said amendment having been filed on August 27, 1945, the application, as finally amended, is considered herein.

Gate City Bus Line is at present an intracity carrier operating wholly within the boundaries of the City of San Bernardino. The business was established in 1916 by the husbands of the present owners. Service is now rendered between the downtown terminus in San Bernardino, at the intersection of Court Street and E Street, and the intersection of Highland Avenue and Mt. Vernon Avenue in the northwest part of said city. Applicant proposes to extend its operations into county territory in order to serve an area of several square miles situated immediately northwesterly of the City of San Bernardino, and contiguous thereto, and known as the Muscoy District, by extending its operations from said intersection of Highland and Mt. Vernon Avenues, thence along Highland Avenue, State Street, Kern Street, Macy Street, and Highland Avenue to its intersection with State Street. Applicant also proposes to enlarge its operation within the city by operating between the intersection of Base Line Street and Perris Street, thence along Base Line Street and I Street to its intersection with 6th Street.

The evidence of record shows that applicants are now rendering a satisfactory service using modern equipment consisting of four Ford transit type buses of 27 to 37 passenger capacity. The proposed service will be conducted with the present equipment.

A balance sheet filed as an exhibit to the application shows that applicants have a net tangible worth of \$42,681.89 as of May 31, 1945, and a statement of income and expense indicates that the business is being operated on a profitable basis.

One of the applicants testified that the proposed additional service can be satisfactorily and profitably performed with their present equipment; that there is need for the continuation

of the operation which has been heretofore conducted; and that by reason of the rapid growth of the Muscoy District as a residential community a bus service in said area is necessary.

No other carriers are operating in the Muscoy District and those operating in the vicinity of applicant's present city operations have either waived or withdrawn their protests. (2)

The present schedule, which is on approximately a 20-minute headway between 5:45 a.m. and 1:00 a.m., will not be changed materially. Six daily trips each way are proposed for the Muscoy line subject to change to meet public necessity. (3)

Applicant proposes to charge a one-way fare of 15 cents between the Muscoy District and the business district of San Bernardino and to establish three 6-cent fare zones with fare break points at the intersection of Highland and Mt. Vernon Avenues and the intersection of Highland Avenue and State Street. (4) Zone 1

(2) A protest was filed by San Bernardino Valley Transit Company, McKinley Transportation Company, and Air Service Transit, Inc., affiliated companies, to applicant's original and first amended application but was withdrawn upon the filing of the second amended application which changed the proposed route from E Street to I Street and restricted operations between the intersection of Base Line Street and Perris Street; along Base Line Street and I Street to its intersection with 6th Street.

(3) The Muscoy schedule as proposed:

<u>Lv. Court and E Streets</u>	<u>Lv. State and Kern Streets</u>
7:45 a.m.	8:15 a.m.
8:45 "	9:15 "
11:30 "	12:00 "
1:00 p.m.	1:30 p.m.
4:30 "	5:00 "
6:10 "	6:40 "

(4) For convenient reference the zones will be referred to as Zone 1, between the downtown terminus and intersection of Highland and Mt. Vernon Avenues; Zone 2, between the latter intersection and the intersection of Highland Avenue and State Street; Zone 3, between the latter intersection and terminus in the Muscoy District.

will have the same fare and transfer privileges to lines of other carriers in San Bernardino as now in effect, 6 cents with free transfer privilege. The proposed fare, with transfer privilege, to Colton from Zone 1 will be 10 cents. A 3-cent transfer charge will be made for transportation between Zones 2 or 3, on the one hand, and points on lines of other carriers in the City of San Bernardino, on the other hand. The transfer charge between Zones 2 or 3 and Colton will be 7 cents.

Applicant shall file its tariff establishing fares not higher than those above set forth.

A director of the Muscoy District Improvement Association testified in behalf of the members of said district that in excess of 600 families now reside in said district and immediate vicinity; that no public transportation to San Bernardino is now available; that the lack of transportation facilities is causing a great inconvenience to workers, housewives, and others who must now depend on friends and neighbors for transportation; that the residents of this district must now walk from one to two miles to the nearest bus line at the intersection of Highland and Mt. Vernon Avenues. Five additional witnesses, residents of Muscoy, corroborated his testimony. Approximately fifty additional persons, all residents of Muscoy, appeared at the hearing in support of this application.

Upon consideration of the record in this proceeding we find that public convenience and necessity require the establishment of a bus service as herein proposed. Therefore, an order will be entered granting the application.

Elizabeth Schilling and Gladys Porter are hereby placed upon notice that operative rights, as such, do not constitute a

class of property which may be capitalized or used as an element of value in rate-fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. 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 had herein and the Commission now being fully advised, and it having been found that public convenience and necessity so require,

IT IS ORDERED as follows:

(1) That a certificate of public convenience and necessity be, and it is hereby, granted to Elizabeth Schilling and Gladys Porter, authorizing the establishment and operation of a service as a "passenger stage corporation", as defined in Section 2½ of the Public Utilities Act, for the transportation of persons between the intersection of Court Street and E Street in the City of San Bernardino and the intersection of State Street and Kern Street, in the Muscoy District situated in San Bernardino County lying immediately northwesterly of and adjoining said City of San Bernardino, subject to the following restrictions:

- (a) That no passengers shall be carried having both origin and destination between the intersection of Base Line Street and Perris Street and the intersection of I Street and 6th Street. No passengers shall be carried on inbound schedules whose origin is between said intersections. No passengers shall be carried on outbound schedules whose destination is between said intersections.

(2) That in providing service pursuant to the certificate herein granted, Elizabeth Schilling and Gladys Porter shall comply with and observe the following service regulations:

- (a) Applicants shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days from the effective date hereof.
- (b) Applicants shall comply with the provisions of General Order No. 79 and Part IV of General Order No. 93-A by filing, in triplicate, and concurrently making effective, tariffs and time schedules satisfactory to the Commission, within sixty (60) days from the effective date hereof and on not less than one (1) day's notice to the Commission and the public.
- (c) Subject to the authority of this Commission to change or modify the route at any time by further order, applicants shall conduct operations over and along the following streets, highways, or routes, or any combination thereof:

Beginning at the intersection of F Street and 5th Street, thence along 5th Street, E Street, Court Street, F Street, 6th Street, I Street, Base Line Street, Mt. Vernon Avenue, Highland Avenue, State Street, Kern Street, Macy Street, Highland Avenue to its intersection with State Street; also beginning at the intersection of I Street and 6th Street, thence along 6th Street, Mt. Vernon Avenue to its intersection with Base Line Street; also beginning at the intersection of Base Line Street and Perris Street, thence along Perris Street, Evans Street, Massachusetts Avenue, Highland Avenue to its intersection with Mt. Vernon Avenue.

Applicants are authorized to turn their motor vehicles at termini or intermediate points by operating around a block in either direction, contiguous to such intersection or in accordance with local traffic rules.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 18<sup>th</sup> day of September, 1945.

David Radner  
Justice F. Casper  
Richard L. Baker  
Thomas C. Carr  
Walter H. Sowell  
COMMISSIONERS