

Decision No. 38674

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
CALTRANSIT LINES, a California Cor- )  
poration, for a certificate of public )  
convenience and necessity to operate )  
a passenger stage service as a common )  
carrier in Watsonville, California: )  
and the vicinity thereof. )

**ORIGINAL**

Application No. 27189

HERBERT CAMERON, for applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding, Caltransit Lines, a corporation, seeks a certificate of public convenience and necessity under Section 50½, Public Utilities Act, authorizing the establishment of a passenger stage service, over various routes, in the nature of a local bus operation, within the city of Watsonville, and between Watsonville and Pajaro, Freedom, Corralitos and other districts immediately adjoining Watsonville on its northeastern and southwestern boundaries, respectively. Pajaro is southeast of and adjoining Watsonville; and Freedom and Corralitos are situated 3 and 7 miles, respectively, northwest of Watsonville. The matter was submitted at a public hearing had before Examiner Austin at Watsonville. No one opposed the granting of the application; prior to the hearing both Pacific Greyhound Lines and Southern Pacific Company advised the Commission they had no objection to this proposal.

Applicant's president, A. J. Chapin, described in detail the nature of the operation sought to be certificated. In support of its proposal, applicant called some 13 public witnesses,

including representative business men and public officials, as well as residents of the areas effected. Among them were the City Clerk and a member of the Board of Aldermen of Watsonville.

In the western and the southern districts of Watsonville, and in adjoining areas on the west and south, are located various packing sheds, warehouses and other industries, devoted principally to the processing and storage of agricultural products. The Southern Pacific shops and other facilities, as well as its passenger station, are situated at Pajaro (a station designated by the railroad as Watsonville Junction). Many of those employed in these establishments, it was shown, reside in Freedom and Corralitos. Other residents of these communities are employed in stores and offices. The station at Watsonville Junction serves rail passengers travelling to and from Watsonville.

This matter affects a substantial portion of the public. Within the Watsonville city limits, it was shown, are some 10,000 residents, and many more are found within the surrounding trading area. Freedom and Corralitos, the record shows, have populations of 3,000 and 1,500, respectively. A substantial number of those residing in the two latter communities are employed in Watsonville and in the adjacent districts, including Pajaro.

To meet the requirements of those residents of the communities mentioned, who may be employed in Watsonville and in the adjoining districts, a public transportation service, so the record abundantly establishes, is urgently needed. No such service now exists. Although through stages of Pacific Greyhound Lines operate between Watsonville and Freedom, the schedules are not adapted to the demands of a local transportation service.

Moreover, that carrier does not serve Corralitos, situated some 2 miles east of the old Santa Cruz Highway, which passes through Freedom. Residents of both Freedom and Corralitos are thus compelled to rely upon private automobiles or upon taxi cabs for transportation to and from their work. The high taxi cab fares, it was shown, effectively prohibit the general use of this means of transportation.

The record indicates a need for the establishment of bus operations over the routes proposed. This includes the service contemplated between Watsonville and the Southern Pacific station at Watsonville Junction.

To provide the service applicant will commence operations with 7 new 1945 Ford Transit Buses, each having a seating capacity of 27 passengers. Additional equipment will be supplied as needed. At the outset, buses would operate in Watsonville on a 20 minute headway; between Watsonville and Freedom, on a 30 minute headway; and between Watsonville and Corralitos on an hourly schedule between 7 and 9 a.m. and 4 and 6 p.m., and at other times on a 1½ hour schedule. Within Watsonville itself, and between Watsonville and adjacent territory, including the intersection of Green Valley Road and the old Santa Cruz Highway, a single one-way fare of 10¢ will be established; between Watsonville and points beyond this junction, including Corralitos, the single one-way fare would be 15¢. All fares include free transfer privileges over applicants lines.

Applicant's proposal, it appears, has been sanctioned by the Watsonville city authorities. A member of the city Board of Aldermen, as well as the City Clerk, so testified. The schedules,

fares and method of operations, the record shows, have met with their approval. Under a license issued by the Board of Aldermen, applicant now operates over those portions of the suggested routes which lie within the city limits.

The evidence clearly indicates a need for the establishment of the proposed service. Applicant, it was shown, is qualified financially and by experience to provide the service. Accordingly, the application will be granted.

Caltransit Lines is 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.

#### ORDER

Application having been made as above entitled, a public hearing having been had, 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 hereby is granted to Caltransit Lines, a corporation, authorizing the establishment and operation of service

as a passenger stage corporation as defined by Section 27, Public Utilities Act, over and along the following described routes and between the points and places hereinafter mentioned, including intermediate points, viz:

Route 1.

Between Main St. and Bridge St. (Watsonville) and Corralitos: Main St., Old Santa Cruz Highway, Green Valley Rd., East Corralitos Rd. to Corralitos.

- A. Beginning at the intersection of Green Valley Rd. and Old Santa Cruz Highway, Old Santa Cruz Highway to Larkin Valley Rd.
- B. Beginning at the intersection of Old Santa Cruz Highway and Roache Rd., Roache Rd. to Watsonville Airport, making loop via unnamed street to Roache Rd.

Route 2.

Beginning at the intersection of East 3rd St. and Main St. (Watsonville), East 3rd St., Lincoln St. to intersection of Lincoln St. and Old Santa Cruz Highway.

- A. Beginning at the intersection of Lincoln St. and Prospect St., Prospect St., Monte Vista Ave., Stanford Ave. to Lincoln Ave.
- B. Beginning at the intersection of Lincoln St. and California St., California St., Brewington Ave., Rodgers Ave., Washington St., Tuttle Ave., Tharp Ave., Palm Ave., Brewington Ave., to California St.
- C. Beginning at the intersection of Lincoln Ave. and Palm Ave., Palm Ave., Brenhan St., East 5th St. to Main St.
- D. Beginning at the intersection of Alexander and East 3rd St., Alexander, East Lake Ave. to Coleman St.
- E. Beginning at the intersection of Lincoln St. and East 3rd St., East 3rd St., Beck Ave., McKenzie St., Hall Ave., Manor Ave. to East Lake Ave.
- F. Between East 3rd St. and East Lake Ave., via Beck Ave.
- G. Beginning at the intersection of Blackburn St. and East Lake Ave., Blackburn St., Bridge St. to Main St.

Route 3.

Beginning at the intersection of Main St. and East 3rd St. (Watsonville), Main St., Porter Dr., Monterey-Salinas Rd. to Southern Pacific Depot.

- A. Beginning at the intersection of Bridge St. and Union St., Union St., East Front St. to Main St.
- B. Beginning at the intersection of San Juan Rd. and Porter Rd. (Main St.), San Juan Rd. to a point approximately 0.5 mile from intersection.

C. Beginning at the intersection of Monterey-Salinas Rd. and Railroad Ave., Railroad Ave. to Kents Way.

Route 4.

Beginning at the intersection of Main St. and East 3rd St. (Watsonville), Wall St., Walker St., Ford St. to Main St.

- A. Beginning at the intersection of Ford St. and Walker St., Ford St. to City Limits.
- B. Beginning at the intersection of Walker St. and Kearney St., Kearney St. to City Limits.
- C. Beginning at the intersection of Wall St. and Walker St., Wall St. (Beach Rd.) to a point 0.5 mile beyond city limits.
- D. Beginning at the intersection of Rodriguez St. and Ford St., Rodriguez St., Westlake Ave., Van Ness Ave. to Wall St.
- E. Beginning at the intersection of Peck St. and Main St., Peck St., Union St. to East 3rd St.

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

- a. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed 30 days from the effective date hereof.
- b. Applicant shall comply with General Order No. 79 and Part IV of General Order No. 93-A by filing, in triplicate, amendments to its present tariffs and time tables reflecting the authority herein granted, within sixty (60) days from the date hereof and upon not less than one (1) day's notice to the Commission and the public.

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

Dated at San Francisco, California, this 13<sup>th</sup> day of February, 1946.

Harold Anderson  
James C. [unclear]  
James P. [unclear]  
Harriet P. [unclear]  
 COMMISSIONERS