

Decision No. 42356

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FORREST MILES SNELL for certificate)
of public convenience and necessity)
to operate bus service, as a common) Application No. 30499
carrier, between the Victorville)
Army Air Base and Victorville, and)
San Bernardino.)

In the Matter of the Application of)
SHERMAN T. MARQUAND and WILLIAM M.)
MONTGOMERY, copartners, doing busi-)
ness under the firm name and style)
of M AND M TRANSPORTATION LINE, for) Application No. 30552
certificate of public convenience)
and necessity to operate a passen-)
ger service, as a common carrier,)
between Victorville, California,)
and Victorville Air Force Base.)

Forrest M. Snell for self in Application No. 30499,
protestant in Application No. 30552. J. L. King for applicant in
Application No. 30552, protestant, in part, in Application No.
30499. Frederick A. Jacobus for Santa Fe Transportation Company
and The Atchison, Topeka & Santa Fe Railway Company; R. E. Thomas
and W. R. May for Pacific Greyhound Lines; A. H. Segretti for
Los Angeles-Trona Stages; Edward C. Renwick for Interstate Transit
Lines; Richard Glasscock for San Bernardino Valley Transit Lines;
interested parties.

O P I N I O N

The above-entitled matters were heard in Los Angeles, on
September 20, 1949, before Examiner Chiesa. Evidence having been
adduced, the applications were submitted for decision.

In Application No. 30499, Forrest M. Snell requests a
certificate of public convenience and necessity authorizing him to
establish and operate a passenger stage service between San
Bernardino and the Victorville Army Air Base, serving also an

adjacent housing project, and between Victorville and said air base.

In Application No. 30552, Sherman T. Marquand and William M. Montgomery, copartners, doing business as M and M Transportation Line, seek authority to operate a passenger stage service between Victorville and the Victorville Army Air Base and the adjacent housing project.

Both applicants having agreed to restrict their operations to the transportation of passengers, or passengers, baggage, and express, originating at, or destined to, the Victorville Army Air Base, or the housing project adjacent thereto, all of the parties who had entered appearances as protestants withdrew their objections, and they are listed hereinabove only as interested parties.

The evidence of record clearly shows that, within the next thirty to sixty days, there will be a public need for the transportation service as proposed by applicants. Several witnesses testified that the construction of two housing projects will begin within the next several weeks. One project, to be located in the community of Victorville, will have approximately 250 units, and the other, to be located at the air base, will have about 450 units⁽¹⁾. The testimony shows, also, that the Government plans to reactivate the Victorville Army Air Base and that several thousand persons will be stationed there. First, a need will arise for the transportation of civilian construction workers, and later, for the military and for civilians connected with the base. The housing

(1) The housing projects will be referred to as the Air Base Housing Project, situated immediately east of the air base, and the Victorville Housing Project, situated about one mile south and west of Victorville.

projects are being constructed for air force personnel.

The record shows that each of the applicants is experienced in the business of transporting persons by bus and is financially responsible to the extent necessary to conduct the proposed operations.

Only one of the applicants seeks to perform the service between San Bernardino and the air base, and, as the record shows a need therefor, this portion of Forrest Miles Snell's application will be granted. The distance between said points is approximately 40 miles. Proposed fares are \$1.10 one way and \$1.75 round trip. The service will be performed "on call" until such time as scheduled operations are in demand, when a schedule will be filed with the Commission. At the beginning, the operation will be performed with two used conventional-type, 25-passenger, buses meeting the required standards.

As each of the applicants seeks to perform the transportation service between the air base and Victorville, and as there is no apparent need for two operations, the Commission, upon the evidence of record, is of the opinion that the public interest will best be served by authorizing M and M Transportation Line to perform this service.

The evidence shows that the partners in M and M Transportation Line have lived in Victorville for many years and are familiar with the territory and the transportation need between said air base and Victorville, one of said partners having conducted a similar operation during the recent war years of 1940 to 1945. Both partners will be active in the operation of the proposed service. Several Victorville businessmen testified for these applicants.

Forrest Miles Snell, on the other hand, has not heretofore operated in the vicinity of Victorville. He is a resident of, and former operator in, the City of San Bernardino.

Other evidence favors the M and M Transportation Line for the Victorville service. M and M Transportation Line proposes a fare of 15 cents between the air base and the adjacent housing project, on the one hand, and Victorville and the Victorville Housing Project, on the other hand; and, a 10-cent fare between the air base and the adjacent Air Base Housing Project. At least four schedules per day will be operated. Forrest Miles Snell proposes a one-way fare of 20 cents and a round-trip fare of 35 cents between the air base and Victorville. Also, the equipment proposed to be operated by M and M Transportation Line is superior to that of Snell.

The Commission, having fully considered the evidence of record, is of the opinion and finds that public convenience and necessity require that Forrest Miles Snell be authorized to establish and operate a passenger stage service between San Bernardino and the Victorville Army Air Base, and the Air Base Housing Project, and that M and M Transportation Line be authorized to establish and operate a passenger stage service between the Victorville Army Air Base and the Air Base Housing Project, on the one hand, and Victorville and the Victorville Housing Project, on the other hand, subject to certain restrictions as hereinafter set forth. Therefore, Application No. 30499 will be granted in part and denied in part, and Application No. 30552 will be granted.

Applicant Forrest Miles Snell, and applicants Sherman T. Marquand and William M. Montgomery, copartners, doing business as M and M Transportation Line, 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 held in the above-entitled matter, the Commission being fully advised in the premises and having found that public convenience and necessity so require,

IT IS ORDERED:

I

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to Forrest M. Snell, authorizing him to establish and operate a service as a passenger stage corporation, as defined in Section 2 1/4 of the Public Utilities Act, for the transportation of persons and their baggage or express, between San Bernardino, on the one hand, and the Victorville Army Air Base and Air Base Housing Project, on the other hand, subject to the

following restriction:

All passengers and their baggage or express must either originate at, or be destined to, the Victorville Army Air Base or the Air Base Housing Project adjacent to said air base.

(2) That, in providing service pursuant to the certificate herein granted, there shall be compliance with the following service regulations:

- (a) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days after the effective date hereof.
- (b) Applicant shall, within sixty (60) days after the effective date hereof, and upon not less than five (5) days' notice to the Commission and the public, establish the service herein authorized and comply with the provisions of General Orders Nos. 79 and 80, 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.
- (c) Subject to the authority of this Commission to change or modify such at any time, Forrest Miles Snell shall conduct said passenger stage operation over and along the following described route:

Beginning at terminus near the Pacific Electric Depot, in the City of San Bernardino, thence along Second Street, Mt. Vernon Avenue, El Cajon Boulevard, U. S. Highway No. 395 to County Road south of Adelanto, thence along County Road to Air Base and Air Base Housing Project, returning via same route.

Applicant is authorized to turn his motor vehicles at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, or in accordance with local traffic rules.

(3) That, in all other respects, Application No. 30499 be, and it hereby is, denied.

IT IS FURTHER ORDERED:

II

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to Sherman T. Marquand and William M. Montgomery, copartners, doing business as M and M Transportation Line, for the transportation of persons between Victorville Army Air Base and Air Base Housing Project, on the one hand, and Victorville and Victorville Housing Project, on the other hand, subject to the following restriction:

All passengers must either originate at, or be destined to, the Victorville Army Air Base or the Air Base Housing Project adjacent to said air base.

(2) That, in providing service pursuant to the certificate herein granted, there shall be compliance with the following service regulations:

- (a) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days after the effective date hereof.
- (b) Applicant shall, within sixty (60) days after the effective date hereof, and upon not less than five (5) days' notice to the Commission and the public, establish the service herein authorized and 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.
- (c) Subject to the authority of this Commission to change or modify such at any time, Sherman T. Marquand and William M. Montgomery, copartners, doing business as M and M Transportation Line, shall conduct said passenger stage operation over and along the following described route:

Beginning at the Victorville Housing Project, thence via most appropriate street or streets to U. S. Highway No. 66, thence along Highway No. 66, thence westerly along new county road

south of, and parallel to, old road, thence continuing westerly along old county road to Air Base Housing Project and Victorville Army Air Base, returning via same route.

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

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

Dated at San Francisco, California, this 4th day of October, 1949.

R. Z. Intersman
Justus J. Casper
David L. Russell
Harold P. Kula
Herbert W. Patton
COMMISSIONERS