Decision No. 50872

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation by the Commission on its own motion into the operations and practices of highway carriers transporting property between San Francisco and south to and including San Mateo, on the one hand, and East Bay points, on the other hand.

Case No. 5535

APPEARANCES

Marvin Handler, for F. J. Burns Draying, Inc., Adams (Commercial Draying Co.), M. S. Dodd and Moniz and Corcoran (Coast Line Moving & Storage);

Edward M. Berol, Bertram S. Silver and Thomas P. Brown, for John McCarthy & Son, C. A. Worth & Co., D'Onofrio (D'Onofrio Draying Record Express), Joseph D. Sheedy Draying, Thompson Bros., Inc., G. A. Hutchinson & Son, R. E. Ellis Draying Co., California Special Messenger Service. Gonzales Drayage Co., A. M. Devincenzi Co. Service, Gonzales Drayage Co., A. M. Devincenzi Co.,
B. C. Lawson Drayage Co., and Frank Nolan Draying;

Willard S. Johnson, for J. Christenson Co., and Alfred
J. Olmo Draying Co.;

Frank Loughran, for Chichester Transportation Co.,

Peninsula Delivery Service, Inc., Boland & Carlson,
Chas. J. Worth Draying Co., C. N. Bates and L. & S. Draying; Meinhold and Frederick E. Fuhrman, for Pacific Motor Trucking Co.; Douglas Brookman, for Merchants Express Corp., Vic Adelson Drayage, United Transfer, Carley & Hamilton, Inc., Interurban Express Corp., Beckman Express and Warehouse Co., and M. & L. Trucking; Vaughan, Paul & Lyons, for J. A. Clark Draying Co., San Francisco Warehouse Co., and Farnsworth & Ruggles; Daniel W. Baker, for Jack Hemsath Draying, Walton Drayage & Warehouse Co., W. A. Fraser Trucking Co., Commercial Drayage Co., Alta Freight & Transfer, Morris Draying Co., and A & B Garment Delivery of S.F.; Preston W. Davis and Roger Ramsey, for United Parcel Service;
Arthur D. Nearon, for Budgit Truck Lines;
Wm. E. Shuholm, for West Berkeley Express and Draying Co.; Martha A. Safnauer, for Shippers Transport and Spence Trucking;

Marquam C. George, for Leigh C. Hunt, Colma Drayage,

Scannell Bros. Draying, Alves Service Transportation,
Del Carlo Trucking Lines and Lou-Jak Trucking Service, respondents. Russell Bevans, for Draymen's Association of San Francisco; Maurice A. Owens, for Draymen's Association of Alameda

County;

Natalie Gail, for Gail Messengers;
Norman R. Moon, for Loretz & Co.;
Roger W. Anderson, for Hayward Area Chamber of Commerce;
Edward J. Maurer, for Delivery and Messenger Services
Association of San Francisco, interested parties;
William R. Roche, for the Commission staff

OPINION

This investigation was instituted by the Commission on March 23, 1954, following the filing of an unprecedented number of applications for certificates of public convenience and necessity by carriers operating in the San Francisco-East Bay area. Its objects, among others, were to determine (1) whether the public interest would be served by the certification of additional highway common carriers, (2) what considerations should govern the granting of certificates in a metropolitan drayage area, and (3) whether it would be in the public interest to grant certificates to serve between all fixed termini over all available routes therein. Before entering upon a general discussion a preliminary matter will be disposed of.

The City of Hayward and the Hayward Chamber of Commerce were concerned over possible rate discriminations against their city, and requested opportunity to present more material at a later hearing. However, rates are not involved in this proceeding. Hayward's purpose can best be accomplished by participating in Case No. 5441 which will consider questions of Bay area rates.

The first of the numerous applications referred to above was filed on November 10, 1953. By March 1, 1954, 27 had been filed. They were filed by draymen on both sides of the Bay who also engage in transbay operations. It appeared that broad regulatory problems and the public interest in its wider aspects were involved. Accordingly, the Commission instituted this investigation on March 23, 1954, rather than proceed solely on the applications themselves.

The complete text of the order will be found in Appendix A to this decision.

Thereafter, 19 additional carriers filed making a total of 46 applications. The last one was filed on September 10, 1954. Six applicants are certificated carriers seeking enlargements of their present rights; the rest are permitted carriers.

The hearings held were of two kinds. First, there were hearings before Commissioner Verne Scoggins and Examiner John Power in San Francisco on April 29 and 30, August 12 and October 14 and 15, 1954 (hereinafter referred to as the "group" hearings) where most of the applicants joined in presenting evidence of a general nature. The other kind of hearing was that held on each individual application for the purpose of receiving evidence specifically applicable to the business of the particular applicant (hereinafter referred to as the "single" hearings). At three of these one protestant presented evidence. Protestants participated actively in all of the group hearings, but in less than half of the single hearings, by cross-examination of witnesses.

Oral argument was held before the Commission in bank on October 15, 1954 and Case No. 5535 and most of the applications were then submitted. The last application was submitted on October 18, 1954. It was ruled that all evidence in the group hearings would be considered by the Commission in deciding each application and that all evidence at both the group and single hearings would be considered in Case 5535.

The full record will be approached in the following way:
First, the history of local freight carriage or "draying" will be
sketched. Socond, the legal and regulatory problems that have arisen
will be treated. Third, current problems of the applicants, and
solutions they have proposed will be considered. Fourth, the evidence submitted by the Commission staff and protestants' suggestions
will be considered.

The applicants are listed in Appendix "B" to this decision.

The original operations of draymen in the area were largely from docks to shipper establishments. With the advent of the rail-roads, the service was extended to the rail depots. Little change in this pattern of operation took place until about 1930 when the railroads began the practice of making store-door pickups and deliveries. The draymen thereupon developed the present pool car distribution system as a means of retaining business.

Prior to the year 1916 the Commission had not assumed jurisdiction over the regulation of highway carriers of property. In that year the California Supreme Court rendered its decision in the so-called "Shortline Railroads" case. The Court held that the Commission had jurisdiction over motor carriers. The following year the Auto Stage and Truck Transportation Act was enacted by the Legislature for the purpose of regulating the new business of highway transportation. The Act introduced the requirement of a certificate of public convenience and necessity into the trucking field. Intracity operations were not, however, affected by it.

The Act extended what became known as "grandfather" privileges to intercity carriers who were in business prior to July 26, 1917. A number of the applicants might have been entitled to so-called "grandfather" rights had they filed under the 1917 Act. However, they did not choose to exercise such rights as they might have had. In 1935 the City Carriers and Highway Carriers' Acts were passed which brought most of the applicants under their provisions.

5

Western Ass'n of Shortline Railroads v. Commission 173 Cal. 802, 162 PAC. 391.

Cal. Stats. 1917, p. 330.

The exact number cannot now be ascertained because some applicants who now operate intercity were not doing so in 1917.

In the City of San Francisco the city carrier permit was at first sufficient for the operations of that city's draymen. In the East Bay area a radial permit was also necessary because the East Bay draymen conducted both intercity and intracity operations. Since 1935 few complaints have been filed against local carriers in the East Bay area for violations of the certification requirements of the Public Utilities Act. Yet, operations in that area are frequently carried on between individual cities and therefore might well require the possession of certificates of public convenience and necessity. It is obvious that the industry has considered the East Bay area to be one drayage area in spite of its several political divisions.

In 1936 the San Francisco-Oakland Bay Bridge was opened.

Prior to that time the transbay truck traffic had moved by ferry. The ferry service involved delays. Operators could not maintain the close control over drivers and equipment essential to efficient drayage 7 service. Consequently, transbay truck operations were similar to line haul operations and there were relatively few transbay truck carriers. With the opening of the bridge transbay service could be controlled and operated as a drayage service. Shippers began to use the same carriers to points on both sides of the bay. By 1946 this practice was common. It had become firmly established by 1953 when the State Supreme Court handed down a decision in the case of a San Francisco drayman.

Prior to this decision many carriers felt that their radial permits authorized them to perform the same service in the immediate

For example, the overwhelming majority of local shipments from Emeryville move to other cities as is shown by the single hearing traffic exhibits.

The operating statements introduced in the single hearings show the almost universal practice is to have the driver call in when an assignment is completed thus placing himself and the truck at the disposal of the dispatcher.

Nolan v. Commission (1953) 41 Cal. 2d, 392.

Witnesses for applicants testified at the group hearings concerning the growth of the area involved. Among them were a professor of business statistics at Stanford University, a transportation accountant, the manager of the Industrial Department of the San Francisco Chamber of Commerce, and a representative of the San Leandro Chamber of Commerce. The evidence was augmented by the detailed testimony of the applicants and the numerous public witnesses at the single hearings.

Shipper testimony confirmed that, if a San Francisco or Oakland drayman offered to serve beyond the limits of his home city, he would be faced with offers of daily shipments to the other of those ll two cities. Daily service is, of course, forbidden under the rule of the Nolan decision. The carriers found themselves in the position where, if they offered transportation to points outside their home city, they would probably be asked to go daily. If they went daily they would violate the Nolan case rule. If they refused to go out of town at all they would lose business.

The applicants have proposed a solution to this problem by asking for highway common carrier certificates or for the broadening

The carriers' position was not entirely untenable, having some justification in <u>Ben Moore</u> (1925) 27 C.R.C. 388; writ denied sub nom. <u>Harm</u> v. <u>Commission</u>. Sup. Ct. S. F. No. 11972 (Mar. 1,1926)

The Court's decision said nothing about regular, but less than daily service. That question was not raised in the Nolan case.

See Exh. No. 2, Tables C, E. G & I pp. 9, 11, 13, 15. Also Exh. No. 2-A, Tables 1-A and 2-A. See also as to number of shippers Exh. 19a and 19b (Oakland), 19b and 19c (San Francisco). The difficulty arises from the predominance of San Francisco-Oakland traffic. But the same situation often arises between other cities as well.

Many of the public witnesses stated that they consider the Bay Area one community and that they prefer each carrier to serve all the area. Many receive ladings by ship from the Eastern states and desire to be free to have cargo unloaded on either San Francisco or Oakland docks.

of the certificates they now hold. They cite a number of factors in support of their several applications. One is population growth. A second is physical expansion. A third is the lack of significance of political boundaries in the San Francisco-East Bay area from the standpoint of transportation economics. Finally, they point to a public need for a continuance of the services they have rendered.

The population growth in this area is a matter of common knowledge. Examples in tabular form follow:

In Thousands

County	Pop. 1940	Pop. 1950	% Gain 1940-1950	Est. Pop. 1960	% Gain 1940-1960
San Francisco	635	775	22.0	8 <i>5</i> 0	33.8
Alameda	513	740	44.2	960	87.1
San Mateo	112	236	110.7	373	233.0
Contra Costa	101	299	196.0	445	341.0

With respect to physical or geographical expansion Professor Spurr in Exhibit No. 1 states the rule of growth thus:

"In the first place, cities generally tend to grow in a concentric fashion. Rather than piling up more skyscrapers downtown, population and industry alike push out beyond the old political boundaries of the city to find the needed space. This revolution of urban life has been made possible to a large extent by the development of the automobile and the motor truck," (p. 18)

An excellent example of the effect of this rule was given by the witness from the City of San Leandro. He testified that in 1947 there were 27 plants costing \$20,000,000 and employing 2,913 persons in that city, as compared with a 1953 total of 213 plants costing \$97,000,000 and employing 11,623 persons.

Six applicants now have certificates in this area subject to various limitations.

The single hearings were replete with evidence of such growth patterns. There were shipper witnesses whose firms moved into the Bay Area only recently. Still other firms had been in the area for many years but had moved from San Francisco or Oakland to the outer reaches of the area. Many of these witnesses gave such reasons as getting plant operations on one level, parking space, truck loading facilities, yard storage and room for plant expansion for selecting their present locations. Many examples were given of draymen following customers from downtown locations to new sites in the outer areas. So far as transport operations are concerned, city boundaries appear to have become completely meaningless in the Bay Area. On the west side there is a continuous urban settlement extending along the bay littoral from San Francisco to points beyond San Mateo broken only by such things as parks, cemeteries and golf courses. Similarly there is an unbroken sweep of urban settlement from just north of Richmond to just south of Hayward on the eastern shore of the Bay. Within these urbanized areas applicants operate with the same type of equipment and in the same manner as they would within any single city.

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The record is clear that the applicants in total represent an important factor in the daily economic life of the San Francisco-East Bay area. Thirty-four of the applicants averaged 520 shipments amounting to approximately 1436 tons per day. Thirty of them are serving 245 firms in the City of Alameda, 301 in Richmond, 190 in San Leandro, 112 in Hayward, 167 in South San Francisco, 2264 in 144 San Francisco, 1988 in Oakland, and 439 in Berkeley.

Many of the applicants have had very rapid individual growth. Fleet expansions have been the rule rather than the exception in the last five years. Gross revenue has been rising due

¹⁴ Exhibits 19a, 19b, 19c.

This is the period covered by financial data in the single hearing exhibits. The gross revenue figures for 36 show in Exhibit 5, Case 5535.

applicants experienced 1953 gross revenues in excess of \$200,000 each; below \$50,000. All but a very few showed a good profit; only one applicant seemed to be in any real financial difficulty. These operating results reflect rising revenues in part from the business of more recently acquired accounts. Applicants have been able to expand their facilities and personnel to match the added traffic.

Before turning to a discussion of the protestants' case it is necessary to refer to the staff presentation in order to make the protestants' argument fully intelligible.

Through its assistant director of transportation the depicting the limits which the Commission's staff presented a map staff considered proper ones for a San Francisco-East Bay Cartage Zone. Included with it was a metes and bounds description for the suggested area. The territory marked on the map and so described included West Bay points from San Francisco to San Mateo and East Bay points from San Pablo and Richmond to Hayward and Mt. Eden.

This area thus selected and defined represents, the witness stated, the collective thinking of the Commission's transportation division. It takes into account industrial trends and growth and was selected after careful investigation and study by the staff. Other

16

Exhibit No. 20.

The term "cartage" is preferred over "drayage" to avoid confusion with the language used in the Commission's minimum rate tariffs.

staff witnesses testified concerning cost, service, safety, enforcement and traffic data within this area. Their testimony indicated that the transportation characteristics of the traffic handled within this area are the same for intercity and intracity hauling. The same equipment and personnel are used and the same operating methods are employed.

Protestants conceded the existence of a practical problem arising from the multiplicity of political boundaries in the San Francisco-East Bay area. Counsel for some of the protestants proposed that the problem be solved by the Legislature and that the Commission sponsor the necessary legislation. He then went on to oppose the extension of the drayage area southward beyond South San Francisco and to urge that commodity restrictions be imposed. He expressed some doubt as to the Commission's power to extend certificates beyond the requests of the applicants. Another protestant confined his remarks to support of the first speaker, to four applications in which his company was specifically interested, and to questions of rates not relevant here.

It is significant to note that protestants concede that applicants need relief. The argument that relief should come from the Legislature recommends a postponement not a prompt solution of the problem. The remaining suggestions and recommendations were that the area described by the staff is too inclusive and that applicants should be limited as to commodities. With respect to area, protestants appear to object only to a small sector between South San Francisco and San Mateo. Counsel raised questions both as to Commission authority to grant certificates beyond the area sought and to the wisdom of such grants. No applicant has raised either question.

The exception to Commission jurisdiction is not well taken.

18

The Commission has ample authority under Section 1064 of the Public

Utilities Code to attach to the grant of a certificate such conditions as it may find to be required by the public convenience and necessity.

The United States Supreme Court in construing similar statutory

language has reached a similar conclusion. Any question of notice that might arise is disposed of by the language of the order instituting investigation in this case.

The Commission is convinced of the desirability of defining the cartage area in the manner suggested by the staff. Protestants leave out many important considerations. First, they propose to omit San Francisco International Airport, one of the two great airports in the area. They point to no evidence and give no reason for this exclusion. A modern airport is as essential a part of a city's life and function as its docks and rail yards. Also disregarded was Exhibit I and the inescapable conclusion from that exhibit that the geography of the Bay region tends to push growth to the south. Finally, protestants also overlooked the photographic evidence revealing the fact that all the cities from San Francisco to beyond San Mateo are contiguous and overlooked the fact that San Mateo County is the second fastest growing of the five counties of the Bay Area. The staff exhibit will be the basis of our decision. An alphabetical list of the points enclosed by the boundary should be appended to the metes and bounds description.

<sup>18
1064.</sup> The Commission may, with or without hearing, issue the certificate as prayed for, or refuse to issue it, or issue it for the partial exercise only of the privilege sought, and may attach to the exercise of the rights granted by the certificate such terms and conditions as, in its judgment, the public convenience and necessity require. (Former Sec. 50 3/4(c), 3d sent.)

Civil Aeronautics Board v. State Airlines (1950) 338 U.S. 572; 94 L. ed. 353; 70. S. Ct. 372; 84 P.U.R. (NS) 387.

See Appendix "A".

See Table, p. 7, supra.

22

Protestants final contention was that commodity limitations should be imposed upon applicants involved in this proceeding. The record shows that all but two of the applicants have been carrying and are offering to carry general commodities. The majority of the applicants have therefore been operating as carriers of general commodities under their present permits. The record further reveals that the diversity of commodities being handled by the applicants would present a serious problem of classification should it be determined that commodity restrictions be imposed. It is noted that applicants in this proceeding are not new in the business and have been rendering service to shippers in the area for some time. The imposition of new restrictions in regard to commodities which they may handle might have a disturbing effect on both the free movement of commodities in the area and the financial health of the applicants themselves. The public interest in this proceeding imposes upon the Commission the duty of seeing that there be no undue interference with the movement of freight in the area or unnecessary financial losses on the part of the carriers.

For all the reasons set forth in our foregoing opinion and restricting our consideration to the area covered by our order instituting investigation herein, we find and conclude:

- 1. That the public interest would be served by the certification of additional carriers therein.
- 2. That different considerations should govern the granting of certificates within such area than those applicable generally.

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This evidence is in the individual application hearings.

3. That it is desirable and consistent with public convenience and necessity to grant certificates to operate as highway common carriers within the entire "San Francisco-East Bay Cartage Zone" described and delineated in Appendix "C" to this opinion, which appendix is made a part hereof by this reference.

It should be borne in mind that any carrier certificated following this proceeding must have presented to the Commission a complete report of company history, financial resources, facilities, equipment, experience and personnel. Certificated carriers operating in the area but possessing operative rights less broad than those encompassed in the staff boundary map herein approved may seek an expansion of their service area rights by filing an application requesting rights conforming with the territory described in certificates issued as a result of this proceeding.

No additional proceedings in Case No. 5535 are contemplated at the present time. Dismissal will be postponed, however, until the associated proceedings have been completed. No order is presently necessary in this proceeding and none will be issued.

Dated at Saufrancisco, California, this 14th

C-5535 GH APPENDIX "A" Order Instituting Investigation It appearing that highway carrier service between San Francisco and south to and including San Mateo, on the one hand, and East Bay points within an area extending generally from San Pablo on the north to Hayward on the south, on the other hand, is being provided by numerous highway common and highway permit carriers;
It further appearing that a sufficient number of applications for highway common carrier operative rights is now pending before the Commission to indicate that an inquiry into this matter is necessary; and
It being the opinion of the Commission that an investigation should be instituted into the following matters: 1. The extent to which, if at all, public interest would be served, the full and unrestricted flow of traffic secured and the full benefit and use of the public highways consistent with the needs of commerce preserved for the public by the certification of additional highway common carriers; and 2. Whether different considerations should govern the granting of a certificate of public convenience and necessity to operate as a highway common carrier within a metropolitan drayage area com-prising two or more cities and contiguous territory than the granting of such a certificate to operate in other territory; and Whether it is feasible, desirable and consistent with public convenience and necessity to grant certificates of public convenience and necessity to operate as highway common carriers within such a metropolitan drayage area between any and all fixed termini and over any and all available routes therein. IT IS HEREBY ORDERED that an investigation be and it is hereby instituted by the Commission upon its own motion into the operations and practices of highway carriers of property, for compensation, between San Francisco and south to and including San Mateo, on the one hand, and East Bay points, on the other hand. IT IS HEREBY FURTHER ORDERED that public hearing in said investigation shall be held before such Commissioner or Examiner as may be designated and at a time and place hereafter to be set. Dated at San Francisco, California, this 23rd day of March, 1954. R. E. Mittelstaedt President Justus F. Craemer Kenneth Potter Peter E. Mitchell® Verne Scoggins Commissioners

APPENDIX "B"

APPLICATIONS CONSIDERED WITH CASE NO. 5535

SUBMETTED

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34866
34872
          F. J. Burns Drg:; Inc:
Adams (Commercial Dryg: Co.)
34886
           Bates (C. N. Bates Drg.)
34889
          Hemsath (Jack Hemsath Drg.)
J. A. Clark Drg: Co., Ltd. San Francisco Whse: Co.
           Chas. J. Worth Drg: Co.
          Farnsworth & Ruggles
          Alfred J. Olmo Drg. Co.
          Pacific Motor Tkg. Co. White et al. (C: A: Worth & Co.)
          D'Onofrio (D'Onofrio Drg. Record Exp.)
          Fox Jr. et al. (John McCarthy & Son)
          Boland & Carlson (City-Wide Drg. Co.)
Moniz & Corcoran (Coast Line Mvg. & Strg.)
Fraser (W. A. Fraser Tkg. Co.)
Walton (Walton Drg. & Wise. Co.)
          Sheedy (Jos. D. Sheedy Drg.)
          Thompson Bros.; Inc.
Hutchinson, Jr. (G. A. Hutchinson & Son Drg.)
          M. S. Dodd
          Chichester Transportation Co., Inc.
          Peninsula Delivery Service; Inc.
Alexander et al. (Calif: Special Msgr. Serv. et al)
Gonzales (Gonzales Drg. Co.)
          Ellis (R. E. Ellis Drg: Co.)
          Malucchi (A. M. Devincenzi Co.)
Di Leo (L & S Dryg.)
          Lawson (B. C. Lawson Draying)
          Pearce et al. (Alta Frt. & Transfer)
          Morris Drg. Co.
          Peninsula Motor Express not included in group
          Budgit Truck Lines
Nolan, F., (Frank Nolan Drg.)
Nolan, G. D. (Colma Drg.)
Hunt (Imperial Drg. Co.)
          Brown, (A & B Garment Delivery of S.F.)
Scannell (Scannell Bros. Drg.)
35664
          Daniel Gallagher, T. M. & R. Co. Reid et al. (A. W. Reid Drg. Co.)
35665
35757
35766
          Arrow Delivery Co.
Di Salvo (Di Salvo Tkg.)
          Stewart (Stewart Drayage Lines)
35770
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NOT SUBMITTED

35553 Alves Service Transportation 35554 Del Carlo Trucking Lines 35609 Lou-Jak Trucking Service

LIVITS OF SAN FRANCISCO-EAST DAY CARTAGE TONE

San Francisco-East Bay Cartage Zone includes that area embraced by the following boundary:

Beginning at the point where the San Francisco-San Mateo County Boundary Line meets the Pacific Ocean; thence easterly along said boundary line to Lake Merced Boulevard; thence southerly along said Lake Merced Boulevard and Lynnewood Drive to So. Mayfair Avenue; thence westerly along said South Mayfair Avenue to Crestwood Drive; thence southerly along Crestwood Drive to Southgate Avenue; thence westerly along Southgate Avenue to Maddux Drive; thence southerly and easterly along Maddux Drive to a point one mile west of Highway U.S. 101; thence southeasterly along an imaginary line one mile west of and paralleling Highway U.S. 101 (El Camino Real) to its intersection with the southerly boundary line of the City of San Mateo; thence northeasterly, northwesterly, northerly and easterly along said southerly boundary to Bayshore Highway (U.S. 101 Bypass); thence leaving said boundary line and continuing easterly along the projection of last said course to its intersection with Belmont (or Angelo) Creek; thence northeasterly along Belmont (or Angelo) Creek to Seal Creek; thence westerly and northerly to a point one mile south of Toll Eridge Read; thence easterly along an imaginary line one mile southerly and paralleling Toll Bridge Road and San Mateo Bridge and It. Eden Road to its intersection with State Sign Route 17; thence continuing easterly and northeasterly along an imaginary line one mile south and southeasterly of and paralleling Mt. Eden Road and Jackson Read to its intersection with an imaginary line one mile easterly of and paralleling State Sign Route 9; thence northerly along said imaginary line one mile easterly of and paralleling State Sign Route 9 to its intersection with "E" Street, Hayward; thence casterly and northerly along "B" Street to Center Street; thence northerly along Center Street to Castro Valley Boulevard; thence westerly along Castro Valley Boulevard to Redwood Road; thence northerly along Redwood Road To William Street; thence westerly along William Street and 168th Avenue to Footmill Boulevard; northwesterly along Foothill Boulevard to the southerly boundary line of the City of Oakland; thence easterly and northerly along the Oakland Boundary Line to its intersection with the Alameda-Contra Costa County Boundary Line; thence northwesterly along last said line to its intersection with Arlington Avenue Berkeley); thence northwesterly along Arlington Avenue to a point one mile north-hasterly of San Pablo Avenue (Highway U.S. 40); thence northwesterly along an imag-inary line one mile easterly of and paralleling San Pablo Avenue (Highway U.S. 40) to its intersection with County Road No. 20 (Contra Costa County); thence westerly along County Read No. 20 to Broadway Avenue (also known as Balboa Road); thenco northerly along Broadway Avenue (also known as Balboa Road) to Highway U.S. 40; thence northerly along Highway U.S. 40 to Rivers Street; thence westerly along Rivers Street to 11th Street; thence northerly along 11th Street to Johns Avenue; thence westerly along Johns Avenue to Collins Avenue; thence northerly along Collins .venue to Norton Avenue; thence westerly along Norton Avenue to the Southern Pacific Stmpany right of way and continuing westerly along the prolongation of Morton Avenue to the shore line of San Publo Bay; thence southerly and westerly along the shore line and waterfront of San Pablo Bay to Point San Pablo; thence southerly along an imaginary line from Point San Pablo to the San Francisco Waterfront at the foot of Market Street; thonce westerly along said waterfront and shore line to the Pacific Ocean; thence southerly along the shore line of the Pacific Ocean to the point of Seginning.

The foregoing description includes the following points or portions thereof:

Avereol:
~Lameda
Alameda Pier
Altany
Baden
Bay Farm Island
Enyshore
Borkeley
sernal
Erisbane
Prondway Princkme Comp Knight Pastro Valley Colma
zirlingame
2'mp Khight
Astro Villey
Jolma -
Jaly City
Rust Oakland
El Corrito

Elmhurst
Emeryville
Ferry Point
Fruitvale
Government Island
Hayward
Lawndalo
Lomita Park
Melrose
Millbrac
Mills Field
Mt. Eden
Oakland
Onkland Municipal
Airport
-

Elleton

Oakland Pier
Ocean View
Piedmont
Point Castro
Point Floming
Point Isabel
Point Molate
roint Orient
Point Potrero
Point Richmond
Point San Pablo
Russell City
San Eruno
San Francisco
San Francisco Inter-
national Airport

San Leandro
San Lorenzo
San Mateo
San Pablo
South San Fran-
cisco
Stege
Tanforan
Treasure Island
Union Park
Visitacion
Westlake
Winehaven
Yerba Buena
Island

APPENDIX "C" (Continued)

MAP SHOWING

LIMITS OF SAN FRANCISCO - EAST BAY CARTAGE KONE

