

Decision No. 52009

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 JOSEPH ROCCO VIRACOLA for a certifi-)
 ficate to operate an auto passenger)
 service between Arcata and Eureka)
 and intermediate points, Humboldt)
 County, under Section 1036 of the)
 Public Utilities Code.)

Application No. 37214

In the Matter of the Application of)
 WALTER E. MENDENHALL and WILBUR N.)
 MENDENHALL, partners doing business)
 as MENDENHALL TRANSPORTATION CO.,)
 for a certificate to extend their)
 operations as a passenger stage)
 corporation in the vicinity of)
 Eureka and Arcata.)

Application No. 37500

Joseph Rocco Viracola in propria persona and
Louis M. Davis, Jr., for applicant, in
 Application No. 37214, protestant in
 Application No. 37500.
J. Richard Townsend, for Mendenhall Transportation
 Co., applicant in Application No. 37500,
 protestant in Application No. 37214.
Douglas Brookman, for Pacific Greyhound Lines,
 protestant in Application No. 37214, interested
 party in Application No. 37500.
Charles W. Overhouse, for the Commission staff.

O P I N I O N

Joseph Rocco Viracola (hereinafter called Viracola) filed the earlier of these two applications on August 15, 1955. By it he seeks authority to serve Eureka, Arcata and other Humboldt County areas on and near Humboldt Bay. He proposed routes from Arcata, the apparent base of his operations, to (1) Eureka on the east shore of the bay, (2) to Samoa and the Mutual Plywood plant on the west side of the bay, (3) to McKinleyville, a community north of

Arcata on U. S. Highway 101 and (4) to Humboldt State College and several subdivisions in the neighborhood of Arcata. He proposed to conduct these operations with three buses operating over six actual routings.

The Viracola application proposed service in and between Eureka, Sunny Brae, Arcata and McKinleyville and therefore comes into conflict with the applicant in Application No. 37500, with Pacific Greyhound Lines, and to some extent with both. The two latter operators will be called "Mendenhall" and "Greyhound" for convenience. As a result both protested the Viracola application. The Mendenhall protest was first made by letter on September 15, 1955.

On November 21 Mendenhall filed an application of its own (Application No. 37500). In this it is alleged in substance that the Viracola routes are in part a duplication of its own services and in part are new. It seeks the benefit of Section 1032 of the Public Utilities Code¹ both for its established routes and by offering to serve the new areas at comparable rates.

A hearing was held in Arcata before Examiner John Power on November 29, 1955. Greyhound appeared as an interested party in the Mendenhall application. At the conclusion of the hearing both applications were submitted and both are ready for decision.

Viracola testified in his own behalf and presented an accounting witness and five public witnesses. A Mendenhall partner,

¹ That section reads in part as follows:
". . . The Commission may, after hearing, issue a certificate to operate in a territory already served by a certificate holder under this part only when the existing passenger stage corporation or corporations serving such territory will not provide such service to the satisfaction of the Commission."

a taxicab operator, who also manages the Greyhound Station at Arcata, and a previous owner of certain Mendenhall operating rights testified for protestants.

The record reveals that Viracola has some experience as a driver and dispatcher of buses. He has no experience in the commercial side of motor coach operation. He has neither funds nor equipment to institute the proposed service. He testified that he had arranged to borrow the necessary funds and to purchase three Ford coaches. There was a conflict in the evidence between Viracola's estimates of probable cost and the protestant witnesses' testimony based on their own experience.

The five public witnesses included two members of the Arcata City Council. Occupations represented included a real estate broker of McKinleyville, an airport manager, a logger and a lumber buyer. They cited certain points of need. Among these were lack of adequate parking facilities at Humboldt State College, lack of late schedules between Arcata and neighboring points and difficulty experienced by people in outlying areas when they wish to shop in Arcata. There are many loggers and mill workers in this area. Many of them have only one car. It is a common practice for some of these men to stay on the job from Monday until Friday, thus leaving their families without a car.

Mendenhall's evidence showed that it had equipment available for further services. Operations appear to have been successful. Mendenhall is now serving the regional airport with a limousine service. It desires to have its right to do this made clear. This airport is located just west of U. S. Highway No. 101 and a short distance north of the Mad River bridge on that highway.

It is thus a short distance north of Arcata and a considerable distance north of Eureka. However, it apparently serves the whole region.

The evidence indicates that public convenience and necessity may require some additional service in the area. The record, however, is not conclusive on the point. Mendenhall will be granted temporary authority to serve the Samoa peninsula from Arcata. Certain additions to service and certain reports will be required. If patronage justifies the new services, they can be retained.

In conclusion the Commission is of the opinion and finds the applicant in Application No. 37214 has failed to establish the requisite experience and financial ability to perform the services proposed by him. The Commission further finds that a test should be made to ascertain whether sufficient patronage exists for service between Arcata and points on the Samoa peninsula and that the public interest further requires that an experiment be made as to the feasibility of night service between Arcata and Eureka.

O R D E R

Applications having been filed, public hearings held, the matters having been submitted and now being ready for decision and the Commission basing its decision on the findings and conclusions contained in the foregoing opinion; therefore,

IT IS ORDERED:

1. That Application No. 37214 be, and it hereby is, denied.
2. That a certificate of public convenience and necessity is hereby granted to Walter E. Mendenhall and Wilbur N. Mendenhall, partners doing business as Mendenhall Transportation Co., to establish and operate a service as a passenger stage corporation

as defined in Section 226 of the Public Utilities Code, for the transportation of passengers, baggage and packages of express weighing 100 pounds or less on passenger carrying vehicles only, between Arcata, Samoa, Mutual Plywood plant and intermediate points to be an extension of and consolidated with the existing passenger stage operating rights of applicants.

3. That the authority granted by paragraph 2 of this order shall expire three months after the commencement of service thereunder unless extended by further order of the Commission.

4. That Walter E. Mendenhall and Wilbur N. Mendenhall shall establish at least one additional schedule to be a night schedule between Eureka and Arcata via Bayside and Sunny Brae and operate said schedule for three months unless authorized, by further order of the Commission, to discontinue said schedule prior to the expiration of said three months' period.

5. That Walter E. Mendenhall and Wilbur N. Mendenhall shall file with the Commission a report on or before the twentieth day of each calendar month and covering operations under the authority and requirement of paragraphs 2 and 4 hereof and showing the number of round trips operated, number of revenue passengers, revenue, bus miles operated, revenue per bus mile, expenses (or an estimate thereof), system expense per bus mile, and expense per bus mile on the routes covered by the report.

6. That a certificate of public convenience and necessity as a passenger stage corporation as defined in Section 226 of the Public Utilities Code is hereby granted to Walter E. Mendenhall and Wilbur N. Mendenhall authorizing service to and from the off-route point of Arcata-Eureka airport to be an extension of and consolidated with the present operating authority of said grantees.

7. That in providing service pursuant to the certificate granted herein, applicants shall comply with and observe the following service regulations:

- a. Within thirty days after the effective date hereof, applicants shall file a written acceptance of the certificate herein granted.
- b. Within sixty days after the effective date of this order and on not less than five days' notice to the Commission and to the public, applicants shall establish the service herein authorized and file in triplicate, and concurrently make effective, appropriate tariffs and timetables.

8. That Walter E. Mendenhall and Wilbur N. Mendenhall shall file the rates proposed by them in Application No. 37500 for the service authorized by paragraph 2 hereof. Applicants shall file routings for such service which when established may be changed only upon five days' notice to the Commission and the public.

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

Dated at San Francisco, California, this 17th day of February, 1956.

Walter E. Mendenhall
President

Justin J. Cisneros

Walter Mendenhall

Walter J. Hardy

Commissioners

Commissioner Rox Hardy, being necessarily absent, did not participate in the disposition of this proceeding.