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Decision No. 56183

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of AZTEC BUS LINES, INC., to extend bus service in the City of Imperial Beach; to remove restrictions on pickup and discharge of passengers; to establish tariffs and schedules.

Application No. 39491

Leslie Phillips and Evelyn Phillips, for applicant.

Lindley, Lazar & Scales, by <u>Leon W. Scales</u>, for San Diego Transit System, protestant.

John F. O'Laughlin, for the City of Imperial Beach, interested party.

William F. Hibbard for the Commission staff.

$\underline{O P I N I O N}$

The Aztec Bus Lines, Inc., a California corporation, by Decision No. 54908, dated April 22, 1957, in Application No. 38736, was granted a certificate of public convenience and necessity to conduct operations as a passenger stage corporation for the transportation of persons between the intersection of Palm Avenue and Silver Strand Boulevard in Imperial Beach, California, on the one hand, and the U. S. Naval Air Station situated on North Island in the County of San Diego, on the other hand. This authority was subject to the following restriction:

> Applicant shall not pick up and discharge any passenger, in either direction, between a point one-quarter of a mile south of the southernmost entrance to the Amphibious Training Base situated on the Coronado Strand, and the intersection of Fourth Street and F Street, both points inclusive.

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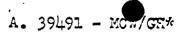
In the instant application, as clarified by the testimony at the hearing, it is proposed to enlarge the existing operations by adding a route in the City of Imperial Beach.

A public hearing was held before Examiner Grant E. Syphers in San Diego on December 4, 1957, at which time evidence was adduced and the matter submitted. It now is ready for decision.

The testimony discloses that the principal purpose of applicant's present and proposed service is to transport workers to the U. S. Naval Air Station at North Island and, incidentally thereto, to transport workers to the Amphibious Training Base which 18 SOUTH OF THE U, S. NAVAL AIR Station, as Well as to the City of coronado.

The applicant presently owns and operates nine buses, two of which are used in the service heretofore described, and all of which are used in charter service for trips to football games and other places and events. Under the proposed operations the same two buses would be used, namely, a 37-passenger 1944 Aeroceach and a 25-passenger 1929 Yellow ceach. Two drivers are employed in the operation, each of whom is an employee of the North Island Air Station. Buses presently leave 9th Street and Palm Avenue in Imperial Beach at 6:15 and 6:40 a.m. on each weekday, each arriving at North Island at 3:45 and 4:10 p.m., respectively, each arriving at Imperial Beach 25 minutes later. The present route is approximately 10 miles in length and the proposed loop in Imperial Beach will add an additional two miles. The addition of this extra mileage would increase the running time by about ten minutes.

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Under the proposal the same two buses would leave 10th Street and Palm Avenue in Imperial Beach at 6:05 and 6:30 a.m., respectively. In the afternoon they would leave North Island at 3:45 and 4:10 p.m.

The drivers who now receive four dollars per day each would continue to receive the same pay, and the fares which are 25 cents one way and 45 cents round trip would remain the same.

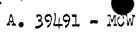
The only change in the proposed operation would be that the bus would make the two-mile loop in Imperial Beach and would take ten minutes longer in over-all running time.

The applicant alleged that there was a need for this proposed change. At the present time it is hauling between three and four riders per day per bus. Obviously this is resulting in a loss. The total revonue for the months from June to October, inclusive, amounted to \$175. The out-of-pocket expenses, including only gas, oil and the driver's salary, according to the applicant, amount to approximately \$34.57 per week per bus. It was the applicant's contention that the riders it transports are workers at the naval base and, that because of being limited to one stop in Imperial Beach, many people who might ride are not willing to walk to this bus stop. If applicant is permitted to operate around the proposed loop additional riders might be obtained not only for the air base but also for the Amphibious Training Base and for the City of Coronado.

The application was supported generally by the City Attorney of Imperial Beach who testified that the City Council of that city had approved the application. The principal interest of this city was to prevent a turnaround on Palm Avenue which is a heavily trafficked street.

Opposition to the proposal was presented by the San Diego Transit System, which company operates its O Line over an almost

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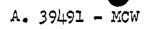
identical route to that proposed by applicant in the City of Imperial Beach. However, this O Line does not run directly to the naval base but rather runs to the City of San Diego. This protestant further contended that applicant has no chance of making a profit on the operation and that therefore the application should be denied.

A consideration of all of the evidence adduced herein leads us to the conclusion and we now find that the proposal should be granted. The operations of the San Diego Transit System are not directly competitive. Applicant's service is primarily one for workers at the naval base. The protestant does not operate over the same route nor indeed does it provide direct service between the points involved.

It is obvious from this record that the applicant is not making a sufficient return. It also appears that the present operation is not likely to become profitable. The additional routing in Imperial Beach may lead to additional passengers. This service does not appear to be one which would be injurious to the San Diego Transit System since it will be performed in the early morning hours, and even if there is a tendency, as was alleged, for local passengers to get on at one point in Imperial Beach and off at another, there seems to be little likelihood of any serious problem in this respect. The applicant will only operate two trips and each of them will leave Imperial Beach in the early morning hours. On the return trip in the afternoon, applicant need not pick up any passengers.

A representative of the Commission staff testified that the applicant has not maintained proper records as to bus maintenance and accordingly he requested that any order be conditional on a requirement that applicant set up proper maintenance records.

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The application will be granted subject to such a condition.

One further matter should be considered. The restriction on applicant's service set out in Decision No. 54908, supra, has caused some confusion and applicant requested that it be clarified. It is clear that this restriction merely describes a territory bounded on the north by Fourth and F Streets in Coronado, and on the south by a point one-quarter of a mile south of the southernmost entrance of the Amphibicus Training Base. Within this territory applicant shall provide no local service. In other words, applicant shall not haul passengers whose origin and destination are both within this territory.

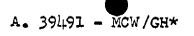
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A public hearing having been held, the Commission being fully advised in the premises, and having found that public convenience and necessity so require,

IT IS ORDERED:

(1) That a cortificate of public convenience and necessity be, and it hereby is, granted to Aztec Bus Lines, Inc., a California corporation, authorizing the establishment and operation of a service as a passenger stage corporation, as that term is defined in Section 226 of the Public Utilities Code, for the transportation of persons between the points and along the routes as set forth in Appendix A, attached hereto and made a part hereof, subject to the conditions and restrictions, if any, as set forth in said Appendix A, as an addition to and enlargement of its existing operating authority.

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

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. By accepting the certificate of public convenience and necessity herein granted, applicant is placed on notice that it will be required, among other things, to file annual reports of its operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 98. Failure to filo such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Order No. 98, may result in a cancellation of the operating authority granted by this decision.
- (b) Within sixty days after the effective date hereof, and on not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized and file in triplicate and concurrently make effective tariffs and time schedules satisfactory to the Commission.

The effective date of this order shall be twenty days

San Francisco Dated at California, <u>28</u> this day of 1958. President Commissioners

after the date hereof.

Appendix A

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Aztec Bus Lines, Inc. (a California corporation)

First Revised Page 1 Cancels Original Page 1

Aztec Bus Lines, Inc., by certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to transport persons between the City of Imperial Beach, County of San Diego, and the U. S. Naval Air Station, situated on North Island, along the routes as hereinbelow set forth and subject to the following condition and restriction:

> Applicant shall not transport any passenger whose origin and destination are both within the area described as being between a point one-quarter of a mile south of the southeramost entrance to the Amphibious Training Base situated on the Coronado Strand, and the intersection of Fourth Street and F Street, both points inclusive, nor whose origin and destination are both within the city limits of Imperial Beach.

Route:

Beginning at the intersection of Tenth Street and Palm Avenue in the City of Imperial Beach, thence via Palm Avenue, Thirteenth Street, Coronado Avenue, Connecticut Street, Elm Avenue, Third Street, Palm Avenue, Silver Strand Boulevard, Orange Avenue, Fourth Street to the entrance of the U. S. Naval Air Station situated on North Island.

Also, beginning at the intersection of Silver Strand Eculevard and Rainbow Drive, thence along Rainbow Drive, Palm Avenue to its intersection or junction with Silver Strand Boulevard.

Applicant is authorized to turn its 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.

End of Appendix A

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