

ORIGINALDecision No. 57499

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 COAST TRANSIT CORP. for certificate)
 of public convenience and necessity)
 to operate passenger service between)
 Pacifica City, in San Mateo County)
 north of Skyline Boulevard at West-)
 view, to Westlake and Stonestown,)
 part of which is the City and County)
 of San Francisco, south at Westview)
 to the subdivisions of Rollingwood,)
 Crestmoor (1 & 2) to San Bruno City)
 in San Mateo County.)

Application No. 40324

Thomas N. Holm, for applicant.
James E. Young, for Pacifica Transportation
 Company; Mayor Jean Fassler, for City of
 Pacifica; Harry N. Grover, for Northgate
 Transit Co.; protestants.
Russell Bond, for Western Greyhound Lines,
 interested party.
Charles E. Bridgett and Sidney J. Webb, for
 the Commission's staff.

O P I N I O N

Coast Transit Corporation requests authority to operate a passenger stage service between San Bruno, Pacifica, Daly City and San Francisco. It also requests authority to issue stock in the amount of \$15,000.

A public hearing was held before Examiner Thomas E. Daly on September 23, 1958, at Sharp Park.

The record discloses that applicant was incorporated on August 12, 1957, at the instance of its president, Murrell R. Anderson. Mr. Anderson is presently employed as a grocer. His previous transportation experience consisted of driving and dispatching heavy equipment for a period of five years while in the Army. After leaving

the Army he spent some time driving a school bus. He has had no local transit experience.

On May 15, 1956, Mr. Anderson and his wife filed Application No. 38027 in the name of North Coastside Bus Lines, Inc., requesting authority to operate a passenger stage service between Pedro Point, Linda Mar, Edgemar and Westview. The application was dismissed on June 4, 1958, by Decision No. 56784 for lack of prosecution.

Applicant proposes to operate three circuitous routes. Route No. 1, covering a distance of 17 miles, would commence at Linda Mar and end at Westview, subdivision areas within the City of Pacifica. Route No. 2, an extension of Route No. 1 and covering a distance of four miles, would commence at Westview, operate along the Skyline Boulevard, through the residential area of Westlake and end at Stonestown in the City of San Francisco. Route No. 3, covering a distance of 12 miles, would commence at the Rollingwood subdivision area, located west of Junipero Serra Boulevard, and end in the City of San Bruno. Routes Nos. 1 and 3 would be operated every hour and Route No. 2 every other hour.

On Routes Nos. 1 and 2 applicant proposes a minimum fare of 20 cents and a maximum fare of 40 cents, with fare zones located between the Cities of Pacifica and San Francisco. A 20-cent fare is proposed for Route No. 3. School children would be charged 10 cents and children under five years would be transported without charge.

Applicant owns a 1949, 33-passenger International bus for which it paid \$1,550 and which it records on its books at \$4,500. It assertedly has access to a 1941, 45-passenger bus, which it records as an asset valued at \$3,150, although the bus was actually purchased

by a certain charter company for \$1,800 and is presently being operated by said Charter Company. It also records as an asset valued at \$7,400 a 1957, 21-passenger GMC bus upon which applicant has an option to purchase. It proposes to purchase two 1958, 21-passenger GMC buses if the authority herein sought is granted. According to applicant's president only the 1957 and 1958 GMC buses would be used in the proposed operation.

As of July 8, 1958, applicant's books recorded assets in the amount of \$17,367.50. With the exception of cash on hand (\$895), and money expended for maps (\$47.50), application fee (\$50), proposed legislation (\$850), incorporation (\$475), the remainder (\$15,050) consists of the aforementioned buses. For the same date applicant records liabilities, consisting of notes due, in the amount of \$5,104.

Six public witnesses testified on behalf of applicant. In brief, they stated that they would use applicant's service if authorized.

At the beginning of the hearing applicant amended its application to provide that it would not pick up or discharge passengers along those portions of Coast Highway and Skyline Boulevard traversed by the Western Greyhound Lines.

The City of Pacifica protested the application on the ground that the proposed service would jeopardize the operations of the Pacifica Transportation Company, a jitney service performed entirely within the city limits of Pacifica. The owner of said company stated that he purchased the operation in March of this year and since that time has worked hard to develop a successful operation. He further stated that through the use of a 10-passenger Volkswagen

bus he transported 1,145 passengers during the month of August and realized a total revenue of \$191.50. He asserted that he provides an adequate local service designed to connect with the intercity operations of Western Greyhound Lines.

No protest was directed toward applicant's Route No. 3. Attached to the application is a letter from the city manager of the City of San Bruno recommending approval of the application.

Applicant also seeks authority to issue stock in the amount of \$15,000. According to its president \$13,000 of said amount would be used for the purchase of the 1958 buses and \$2,000 for working capital. During the course of hearing it was brought out that applicant's president received a sum of \$5,000 from an individual with the understanding that the individual was to receive stock. Since that time said individual brought civil suit and was awarded judgment. Applicant's president admitted that if authorized, part of the \$15,000 stock issue would be used to satisfy the \$5,000 judgment.

After consideration the Commission is of the opinion and finds that the circuitous service as proposed is economically unfeasible and further finds that applicant possesses neither the necessary experience nor financial ability. The application will be denied.

O R D E R

Application having been filed and the Commission being informed in the premises,

IT IS ORDERED that Application No. 40324 is hereby denied.

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

Dated at San Francisco, California, this 21st day of October, 1958.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners