

Decision No. 62897

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF APPLICATION OF  
V. M. McDONALD AND JOHN D. HANSEN  
DBA SAN PEDRO TRANSIT LINES AS  
TRANSFEROR AND GAYLORD M. ANDERSON  
AS TRANSFEREE FOR AUTHORITY TO  
TRANSFER THE OPERATING RIGHTS OF  
(1) ONE LINE KNOWN AS THE LA RAMBLA  
LINE IN THE CITY OF SAN PEDRO,  
(LOS ANGELES), PURSUANT TO SEC.  
851-853 OF THE PUBLIC UTILITIES CODE.

Application No. 43672

O P I N I O N

By this application, filed on August 10, 1961, the applicants V. M. McDonald and John D. Hansen, doing business as San Pedro Transit Lines, and Gaylord M. Anderson request permission to transfer the line known as the La Rambla Line in San Pedro, County of Los Angeles (Decision No. 59275 dated November 17, 1959), to Gaylord M. Anderson of San Pedro, California.

The route of the line to be transferred is as follows:

Beginning at the intersection of Knoll Drive and Harbor Boulevard, in the San Pedro District, thence along Harbor Boulevard, 6th Street, Pacific Avenue, 5th Street, Cabrillo Avenue, 3rd Street, Bandini Street, Santa Cruz Street, Hanford Avenue, Santa Cruz Street, Patton Avenue, Summerland Avenue, Bandini Street, Elberon Avenue, Grand Avenue, MacArthur Avenue, Gaffey Place, Gaffey Street, 5th Street, Pacific Avenue, 6th Street, and Harbor Boulevard to Knoll Drive.

The full amount to be paid by Gaylord M. Anderson for the La Rambla Line is the sum of \$12,771.67, of which the sum of \$3,277.55 is for franchise operative rights, insurance, and other deposits.

The transferee Gaylord M. Anderson has for the past five years been a part owner of the Point Fermin Bus Line which operates in San Pedro under authority of a franchise issued by the City of Los Angeles. Mr. Anderson, however, is purchasing the La Rambla Line as an individual. There will be no connection between the two operations, except that certain personnel may be jointly employed.

According to the application, V. M. McDonald and John D. Hansen agree to turn over to Gaylord M. Anderson all equipment, deposits, and operating rights of said La Rambla Line. The inventory and value of all equipment to be transferred consists of parts inventory, deposits for franchise, insurance and others, shop equipment and tools, office equipment and rolling equipment, consisting of five Ford transit buses and two GMC transit buses, of a total value of \$12,771.67. Gaylord M. Anderson agrees to pay \$1,500 in cash to clear all indebtedness, plus inventory of gasoline in tank at time of transfer, assume responsibility for \$9,871.67 owed to Robert Landier on a long-term note, to be paid off at \$100 or more per month, and for \$1,400 owed to Guiseppi Rainaut on one 1951 TDH 3101 GMC transit bus, to be paid off at \$100 per month, including interest. An insurance deposit of \$487 is to be divided with 46 percent going to San Pedro Transit Lines to cover the balance of San Pedro Transit Lines operations. Gaylord M. Anderson also will assume responsibility for the operation of the garage at 363 West 5th Street, San Pedro, and rent to San Pedro Transit Lines a space for two buses and garage facilities. The balance sheet of the transferee shows total capital assets of

\$14,095.03. Gaylord M. Anderson proposes to continue present fares, routes, and schedules.

After consideration, the Commission finds and concludes that the proposed transfer would not be adverse to the public interest. A public hearing is not deemed necessary. The application will be granted.

Gaylord M. Anderson is hereby placed on 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, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State which is not in any respect limited as to the number of rights which may be given.

#### O R D E R

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

#### IT IS ORDERED:

1. That within one hundred twenty days after the effective date of this order V. M. McDonald and John D. Hanson, may sell and transfer, and Gaylord M. Anderson may purchase and acquire the good will, operative rights, and property referred to in the application in accordance with the terms and conditions of the agreement of sale attached thereto and with the foregoing opinion, and may assume the payment of the long-term indebtedness referred to in said agreement.

2. That within thirty days after the consummation of the transfer herein authorized, Gaylord M. Anderson shall notify the Commission, in writing, of that fact, and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. That on not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, applicants shall amend or reissue the tariffs and timetables on file with the Commission, naming rates, rules and regulations governing the operations here involved to show that V. M. McDonald and John D. Hansen, have withdrawn or canceled, and Gaylord M. Anderson has adopted or established as his own, said rates, rules and regulations. The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Orders Nos. 79 and 98.

4. That a certificate of public convenience and necessity be and it hereby is granted to Gaylord M. Anderson conditioned upon the consummation of the transfer within the time set forth in paragraph 1, to operate a service for the transportation of persons as a "passenger stage corporation", as defined in Section 226 of the Public Utilities Code, between the points and over the routes more particularly set forth in the Appendix A bearing the caption Gaylord M. Anderson attached hereto and made a part hereof.

5. That a certificate of public convenience and necessity be and it hereby is granted to V. M. McDonald and John D. Hansen conditioned upon the consummation of the transfer within the time set forth in paragraph 1, authorizing them to establish and operate a service for the transportation of persons as a "passenger stage

corporation ", as defined in Section 226 of the Public Utilities Code, between the points and over the routes more particularly set forth in the Appendix A bearing the caption V. M. McDonald and John D. Hansen doing business as San Pedro Transit Lines attached hereto and made a part hereof.

6. That the certificates of public convenience and necessity granted in paragraphs 4 and 5 of this order shall supersede all existing certificates of public convenience and necessity or other passenger stage operating authority heretofore granted to or acquired by V. M. McDonald and John D. Hansen, doing business as San Pedro Transit Lines, and Decision No. 59275, dated November 17, 1959, is hereby canceled and revoked, said revocation to become effective concurrently with the effective date of the tariff and timetable filings required by paragraph 3 hereof.

7. That in providing service pursuant to the certificates herein granted V. M. McDonald and John D. Hansen, and Gaylord M. Anderson 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 certificates herein granted. By accepting the certificates of public convenience and necessity herein granted, applicants are placed on notice that they will be required, among other things, to file annual reports of their operations and to comply with and observe the safety rules and other regulations of the Commission's General Order No. 93 and insurance requirements of the Commission's General Order No. 101-A. Failure to file such reports, in such form and at such time as the Commission may direct, or to comply with and observe the provisions of General Orders Nos. 93 and 101-A, may result in a cancellation of the operating authority granted by this decision.

- (b) Within one hundred twenty days after the effective date hereof, 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, tariffs and timetables satisfactory to the Commission.

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

Dated at Los Angeles, California, this ✓ 14  
day of December, 1961

Carroll B. Rose  
President

E. Lynn Fox

George G. Grover

Frederick B. Hallock

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

CERTIFICATE  
of  
PUBLIC CONVENIENCE AND NECESSITY

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Showing passenger stage operative rights, restrictions,  
limitations, exceptions, and privileges applicable thereto.

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All changes and amendments as authorized by the  
Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.

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Issued under authority of Decision No. 62897,  
dated DEC 5 1961, of the Public Utilities Commission  
of the State of California, on Application No. 43672.

Appendix A      V. M. McDonald and John D. Hansen      Original Page 2  
doing business as  
SAN PEDRO TRANSIT LINES

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.

V. M. McDonald and John D. Hansen, doing business as San Pedro Transit Lines, by the certificate of public convenience and necessity granted in the decision noted in the margin, are authorized to transport passengers and their baggage and shipments of express weighing 100 pounds or less on passenger-carrying vehicles only in regular service between points in the San Pedro and Harbor City Districts of the City of Los Angeles, serving the termini and intermediate points along the routes as hereinafter described, subject to the following provisions:

- a. Motor vehicles may be turned at termini or intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- b. When route descriptions are given in one direction they apply to operation in either direction, unless otherwise indicated.
- c. With respect to the transportation of express, the company is relieved from the minimum rate provisions of Decision No. 31606, as amended.

Issued by California Public Utilities Commission.

Decision No. 62897, Application No. 43672.



Section 2. REGULAR SERVICE-ROUTE DESCRIPTIONS

ROUTE NO.1 - SAN PEDRO-HARBOR CITY LINE

From the rear of Western Greyhound Lines' commission agency at 254 West Sixth Street, San Pedro, thence via unnamed alley, Palos Verdes Street, Fifth Street, Pacific Avenue, First Street, Western Avenue, Pacific Coast Highway (U. S. Highway 101) to Western Greyhound Lines' commission agency at Frampton Avenue, Harbor City.

Also, from the intersection of Fifth and Center Streets, San Pedro, thence via Center Street and unnamed alley to the rear of Western Greyhound Lines' commission agency at 254 West Sixth Street.

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CERTIFICATE

OF

PUBLIC CONVENIENCE AND NECESSITY

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Showing passenger stage operative rights, restrictions, limitations, exceptions, and privileges applicable thereto.

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All changes and amendments as authorized by the Public Utilities Commission of the State of California will be made as revised pages or added original pages.

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dated DEC 5 1961, 1961, of the Public Utilities  
Commission of the State of California, on Application  
No. 43672.

SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS, AND SPECIFICATIONS.

Gaylord M. Anderson, by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to transport passengers in the San Pedro District of the City of Los Angeles and the La Rambla District of the County of Los Angeles, serving the termini and intermediate points along the route hereinafter described, subject to the following conditions and restrictions:

- a. Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections in accordance with local traffic regulations.
- b. When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- c. Passengers shall not be picked up or discharged along Gaffey Street and Gaffey Place between 5th Street and Elberon Avenue.

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## SECTION 2. REGULAR SERVICE - ROUTE DESCRIPTIONS

ROUTE NO. 1 - LA RAMBLA LINE

Beginning at the intersection of Knoll Drive and Harbor Boulevard, in the San Pedro District, thence along Harbor Boulevard, 6th Street, Pacific Avenue, 5th Street, Cabrillo Avenue, 3rd Street, Bandini Street, Santa Cruz Street, Hanford Avenue, Santa Cruz Street, Patton Avenue, Summerland Avenue, Bandini Street, Elberon Avenue, Grand Avenue, MacArthur Avenue, Gaffey Place, Gaffey Street, 5th Street, Pacific Avenue, 6th Street, and Harbor Boulevard to Knoll Drive.

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