

ORIGINALDecision No. 68998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 MORRIS DRAYING COMPANY, a corpora-)
 tion, for an order granting a)
 limited suspension of a part of its) Application No. 47520
 certificate of public convenience)
 and necessity authorizing highway)
 common carrier service.)

O P I N I O N

Applicant is a highway common carrier, as that term is defined in Section 213 of the California Public Utilities Code, authorized to transport general commodities, with limited exceptions, between all points on and within 20 miles of specified routes extending from Salinas and Kingsburg, on the south, to San Francisco and Redding, on the north. Such certificate was granted by Decision No. 60077, dated May 9, 1960, in Application No. 41777, as amended by Decision No. 60275 and No. 62226.

Applicant requests an order suspending, for a period of five months, its highway common carrier authority to transport "Prefabricated buildings on low bed equipment, except transportation of such freight from Newark, on the one hand, to San Leandro and Fresno, on the other hand."

The effect of the proposed suspension will be that applicant will transport the excepted traffic under its permitted authorities during the period of suspension rather than under its highway common carrier authority.

In 1963, Modulux, Inc., was organized for the purpose of manufacturing and selling or leasing modular, relocatable, permanent

buildings. Its principal plant is located at Newark, California, where these buildings are prefabricated. The prefabricated buildings are transported on specially designed and constructed truck-tractors and low-bed 35-foot semitrailers to the construction sites. At the construction sites the modules or units are unloaded from trailers, placed on concrete or wooden piers, and bolted together. Weather proofing, sealing and mullion strips are applied to the assembled modules as required, plumbing, electrical and other services are connected to these units, and they are then ready for use. As examples of the sizes of fully assembled buildings, one module can be made into a 10-foot by 32-foot classroom and two end modules and one center module can be assembled into a 30-foot by 32-foot classroom.

Transportation and erection of these units have been performed by Modulux utilizing its own equipment and personnel since the inception of its operation. For this work, it has designed and had constructed the special equipment previously described and has employed driver-installers that are particularly trained to load, unload and otherwise handle and to assemble and finish the construction of these units at the jobsites. Because the work of these employees is so dissimilar to that of any other teamster employee, the Teamster Union has entered into a contract covering such employees that is distinct from any other contract the Union has previously negotiated in this area. Driver-installers, under the contract, have jurisdiction not only to drive vehicles, but they can and must perform such work as affixing tie-down clips, applying sealer strips on roofs, bolting units together, leveling foundations, affixing mullion strips to lock or hold units together, and many other duties required to assemble and complete these buildings.

When a unit or units are being transported to a jobsite to be erected, one or two driver-installers will be accompanied by two, four or more driver-installers, as may be required, that will assist in assembling the units.

Applicant, Morris, has been selected by Modulux to take over the transportation-installation work for a test period of 60 days from May 10, 1965. In effect, Morris will take over the equipment and personnel that are presently being utilized for the transportation to and assembly of modules at the jobsites for 60 days. During this period, operations will be conducted on a basis whereby Morris will be reimbursed for its direct and indirect operative costs and be given a reasonable profit for its service. Cost and operational studies will be made to determine reasonable rates for transportation, assembling, finishing, and all other services involved in this work. At the end of the test, Morris will be required to propose rates and operative procedures to the shipper. If they are satisfactory to Modulux, Morris will be given a long-term contract under which it will continue this service. If a mutually acceptable agreement is not reached, the shipper will resume its proprietary operation.

The equipment and driver-installers used by Morris will be devoted to and engaged exclusively in serving Modulux. Transportation and assembling services to be performed under this arrangement are characteristic of a contract motor carrier operation and are not services which can be obtained from a certificated carrier. The types of services to be rendered are not the same as those embraced by the Commission's minimum rate tariffs and special studies must be made and rates determined as a result thereof that will be satisfactory to the carrier and shipper. The basic units or modules that

will be transported on low-bed trailers are 10 feet by 32 feet by 10 feet in size. Certain models of these units have 5-foot roof overhangs, are up to 42 feet long, and weigh between 7,500 and 15,000 pounds. On low-bed trailers, these units extend 14 feet 3 inches above the roadbed and, being over height and over width, a special permit must be obtained from the California Highway Patrol to transport any of the prefabricated modules. This traffic being of abnormal size and weight and requiring use of low-bed equipment for its transportation is exempt from the rates and rules in the Commission's Minimum Rate Tariff No. 2 (Item No. 40). Applicant knows of no other minimum rate tariff of the Commission or other tariff that provides charges for the transportation of this traffic.

Initially, the service will involve 16 truck-tractors and 18 trailers. Product projections of Modulux, however, will require the acquisition of 20 additional specially designed tractors and a similar number of trailers within the ensuing two to three months.

There is no motor carrier that possesses the equipment and driver-installers necessary to perform this service. As no motor carrier or carriers can be affected by this application, none has been served with a copy of same. A copy of the application has been sent to the California Trucking Association and Modulux, Inc.

The Commission finds that the granting of this request will not be adverse to the public interest and will not adversely affect any other highway common carrier. The request should be granted without public hearing.

O R D E R

IT IS ORDERED that Morris Draying Company, a corporation, is authorized to suspend for a period of five months its highway common carrier authority to transport prefabricated buildings on low-bed equipment, except transportation of such freight from Newark, on the one hand, to San Leandro and Fresno, on the other hand.

The effective date of this order shall be May 10, 1965.

Dated at San Francisco, California, this 4th day of May, 1965.

Frederick B. Holdstock
President

George T. Trover

Agata

William A. Bennett
Commissioners