

ORIGINAL

Decision No. 69137

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 ORA B. SMITH and CHESTER R. SMITH,)
 dba Santa Cruz Transit Company for)
 authority to discontinue service on)
 certain routes, reroute its opera-)
 tions, discontinue Saturday service)
 and increase fares.)

Application No. 46971
 Filed September 11, 1964

Chester R. Smith, for applicants.
Henry J. Faltz, Assistant County Counsel, for
 County of Santa Cruz; Donald O. May, City
 Attorney, for City of Capitola; Alice Earl
Wilder and Mae Scriver, protestants.
Elmer J. Sjostrom, for the Commission staff.

O P I N I O N

A duly noticed public hearing was held in Santa Cruz before Commissioner Peter E. Mitchell and Examiner Power on November 19, 1964 and the matter was submitted.

Applicant Chester R. Smith testified in support of the application. Three staff witnesses were presented. The City of Capitola had a witness and there was one public witness. Five exhibits were presented.

Applicants presently operate four buses over five routes in Santa Cruz, Capitola, Seabright, Soquel and adjacent areas of Santa Cruz County. Two buses working together operate on the Mission and Seabright routes, one serves the Capitola route and a fourth serves the County Hospital, de Laveaga Park and Beach routes. All routes are operated Monday through Friday. Only the Mission, Seabright and Capitola routes operate on Saturday and there is no Sunday service.

Headways on the Mission-Seabright operation are thirty minutes, on all the other runs, one hour. The Capitola Saturday service consists of four round trips only.

Applicants propose to eliminate all Saturday service. They further propose total abandonment of the Laveaga-Beach and County Hospital routes.

The City of Capitola protested the elimination of Saturday service on the Capitola line but did not object to the rerouting proposed. The County of Santa Cruz protested the route eliminations generally with emphasis on elimination of the County Hospital route.

At the end of the hearing the presiding Commissioner ordered Smith to prepare and file a report. This report was to include schedules for maintaining all of the present routes with less frequent service.

On January 23, 1965, Smith reported in writing that he was unable to submit alternate schedules.

On March 25, 1965, Smith, in conversation with a member of the Commission staff, supplied the information sought. His proposal of that date would keep all five routes and some Saturday service. The Mission-Seabright realignment proposed would be authorized. Thirty-minute headways would be kept on weekdays with sixty-minute headways on Saturdays.

The sought realignment of the Capitola route would be authorized and the frequency of service would be unchanged.

Operation of the other three routes would be continued but operated only from 10 a.m. to 4 p.m., instead of the present service hours of 7:20 a.m. to 5:40 p.m. This would free an employee part-time for other work which applicants have available.

It appears to the Commission that the proposal has virtues that suggest the propriety of adopting it. They are:

1. It will keep some service on all present routes and no present patrons will be totally deprived of transportation.

2. It will help preserve an operation which is presently unremunerative.

Applicants' fare structure consists of a 20¢ cash fare, tokens at 3 for 50¢ and school tokens at 10 for \$1. Their proposal is to cancel both token fares and retain only the straight 20¢ cash fare.

Staff Exhibit No. 2 estimates that in the test year 1965, applicants' common carrier services would produce a net loss at present fares. After Smith's proposal of March 25, a staff engineer prepared an estimate of results of operation at the fares referred to in finding No. 5, below, and for the alternate service. These results were as follows:

Estimated Results of Operation Under
Alternate Fares for the Year Ending 12-31-65

<u>Item</u>	<u>Charter Service</u>	<u>Alternate Service</u>	
		<u>Common Carrier</u>	<u>Total Operation</u>
Revenue	\$67,000	\$58,840	\$125,840
Expense	58,560	53,860	112,420
Net Before Income Taxes	8,440	4,980	13,420
Income Taxes	1,740	1,110	2,990
Net Income	6,700	3,870	10,430
Operating Ratio	90.0%	93.4%	91.7%

The operating ratio of 93.4 percent shown for the common carrier service is not unreasonable and will be adopted.

The Commission finds that:

1. Public convenience and necessity do not require applicants to render service in excess of the alternate plan of service indicated in the foregoing opinion.

2. Applicants' Mission-Seabright and Capitola routes should be realigned as proposed in the application.

3. Applicants should be authorized to reduce headways on their Mission-Seabright run to sixty minutes on Saturdays, only.

4. Public convenience and necessity no longer require service on applicants' de Laveaga Park, County Hospital and Beach routes before 10 a.m. or after 4 p.m.

5. Fares of 20% for the general public and 15% for school children are fair and reasonable for this operation and present fares of applicants, insofar as they are different from the fares herein authorized, are for the future unjust and unreasonable.

6. It is reasonable that applicants be authorized to collect school fares in the forms of tokens, tickets, cash or some combination of these methods as shall from time to time prove expedient.

The Commission concludes that the application should be granted to the extent set forth in the following order.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is hereby granted to Ora B. Smith and Chester R. Smith authorizing the establishment and operation of service as a passenger stage corporation, as that term is defined in Section 226 of the Public Utilities Code, for the transportation of passengers between the points and over the routes set forth in First Revised Page 2, First Revised Page 3 and First Revised Page 4, attached hereto, as an extension and enlargement of and consolidation with, and subject to all the limitations and restrictions set forth in, the certificate granted by Decision No. 62133, as amended.

2. Appendix A to Decision No. 62133 in Application No. 43459 is amended by incorporating therein First Revised Pages 2, 3 and 4, attached hereto, in revision of Original Pages 2, 3 and 4.

3. Applicants are authorized to reduce service on their routes C-Laveaga-Beach and D-County Hospital to the hours of 10 a.m. to 4 p.m., Monday through Friday, at the present service frequency.

4. Applicants are authorized to cancel their token fares sold to the general public at three tokens for fifty cents and increase the fare to twenty cents cash and to increase their school fares to fifteen cents per one-way ride to be collected by ticket, token, cash or any combination of these methods.

5. In providing service pursuant to the certificate herein granted, 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 one hundred twenty days after the effective date hereof, applicants shall establish the service herein authorized and file tariffs and timetables, in triplicate, in the Commission's office.
- c. The tariff and timetable filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public, and the effective date of the tariff and timetable filings shall be concurrent with the establishment of the service herein authorized.

- d. The tariff and timetable filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs and timetables set forth in the Commission's General Orders Nos. 79 and 98.

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

Dated at San Francisco, California, this 25th day of May, 1965.

Peter J. Mitchell President
George H. Crover
Augusta
Commissioners

Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
Dec. 62133

ORA B. SMITH and
CHESTER R. SMITH dba
Santa Cruz Transit Company

First Revised Page 2
Cancels
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Section 2. ROUTE DESCRIPTION

Route A - Mission:

Route A - Beginning at the intersection of Pacific Avenue and Soquel Avenue, along Pacific Avenue to Mission Street, Bay Street, Lighthouse Avenue, Santa Cruz Street, Delaware Avenue, Fair Avenue, Mission Street, and Pacific Avenue to Soquel Avenue.

Issued by California Public Utilities Commission.

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Section 2. ROUTE DESCRIPTION

Route B - Seabright:

Route B - Beginning at the intersection of Pacific Avenue and Lincoln Street, along Pacific Avenue to Cathcart Street, Front Street, Soquel Avenue, Seabright Avenue, Murray Street, Lake Drive, East Cliff Drive, Seventh Avenue, return along Seventh Avenue, Eaton, Murray Street, Seabright Avenue, Soquel Avenue, Front Street, Cathcart Street, and Pacific Avenue to Soquel Avenue.

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Section 2. ROUTE DESCRIPTION

Route E - Capitola - Soquel:

Route E - Beginning at the intersection of Pacific Avenue and Lincoln Street, along Pacific Avenue to Cathcart Street, Front Street, River Street, Water Street, Soquel Avenue, Capitola Road, Seventeenth Avenue, Portola Drive, Thirtieth Avenue, East Cliff Drive, Thirty-Sixth Avenue, Portola Drive, Forty-Seventh Avenue, Capitola Road, Stockton Avenue, Capitola Avenue, Soquel Drive, Porter Street, Bay Avenue, Monterey Avenue, Stockton Avenue, Capitola Avenue, Forty-Seventh Avenue, Portola Drive, Thirty-Sixth Avenue, East Cliff Drive, Thirtieth Avenue, Portola Drive, Seventeenth Avenue, Capitola Road, Soquel Avenue, Water Street, and Pacific Avenue to Lincoln Street.

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