

**ORIGINAL**Decision No. 72768

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of  
 F and K CORPORATION dba ALPINE BUS CO.,  
 INC., a corporation, of Los Angeles,  
 for a permit to operate as a charter-  
 party carrier of passengers,  
 (File No. TCP-139).

Application No. 49245  
 (Filed February 15, 1967)

K. D. Walpert, for R. W. Russell, Chief Engineer  
 and General Manager, Department of Public  
 Utilities and Transportation, City of Los Angeles.  
Fred G. Ballenger, for the Commission staff.

O P I N I O N

The Commission was notified on March 2, 1967 that the applicant had failed to comply with the safety rules of the California Highway Patrol when its equipment was inspected in connection with the application for renewal of its charter-party carrier of passengers permit. The permit had expired on February 15, 1967. Thereafter the application herein was docketed and a hearing was held on May 1, 1967, in Los Angeles, before Examiner Fraser. The matter was submitted after the presentation of evidence by the Commission staff. There was no appearance for the applicant, although the president of the applicant corporation advised the staff representative by telephone, just prior to the hearing, that the corporation was out of business and the application should be dismissed.

A motor carrier safety specialist from the California Highway Patrol testified as follows: he first inspected the applicant's vehicles on December 7, 1965; three of the four buses checked failed to pass the safety requirements, none of the vehicles

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had the required vehicle condition report completed and respondent had no maintenance program for its vehicles; in January 1966, three buses were checked - all had minor violations - and one without operating brakes was placed "out of service"; an "out of service" vehicle is considered to be dangerous and cannot be used until it is reinspected and found to be in a safe condition; 14 buses were checked in February 1966 and one was placed "out of service"; the other vehicles were not properly maintained; in June two buses were placed "out of service"; on July 1 another bus was "out of service"; inspection of the buses revealed dirty interiors and exteriors, dents, defective lights, defective brakes and steering, loose nuts and bolts, dirty engines, leaks, loose seats, emergency exit doors jammed, excessive tire wear, speedometer not working correctly, windshield wipers not working, broken window latches, flashing lights (for school bus) on roof not working; emergency exit buzzer (warns when door unlocked) defective, defective tail lights, body damage and lack of required first aid kits, fire extinguishers and highway flares in each vehicle (Exhibit 4); a later inspection found no records and no improvement, although the representative of the applicant promised that all deficiencies would be corrected.

The witness further testified that on January 16, 1967 he was asked to complete another inspection of the applicant's equipment because of a request to renew the applicant's charter-party carrier permit. All of the buses examined on February 15, 1967 had defects due to lack of maintenance. No maintenance or vehicle records and no maintenance facilities other than a dirt parking lot and a box of hand tools were found. The witness stated that he recommended the permit not be renewed (Exhibit 1). The representative of the applicant corporation again promised to correct all deficiencies, but an inspection conducted on March 28, 1967 disclosed

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that applicant's operating equipment was in the same condition and three buses were taken "out of service" (Exhibits 2 and 3) as being too dangerous to drive on the highway. The witness testified that a Safety Compliance Report was left with the representative of the applicant on March 28, 1967; this report lists all violations found and is to be signed and returned to the California Highway Patrol as soon as the violations have been corrected; it was not returned as of the date of hearing. A California Highway Patrol traffic officer placed copies of eight citations in evidence (Exhibit 5). These were issued on November 7, 1966 (two), November 16, 1966, November 22, 1966, March 3, 1967, March 17, 1967, March 21, 1967 and March 22, 1967. The officer testified that all the citations were issued to the drivers of applicant's school buses because of violations of State law or safety provisions; the violations included such items as turn signals not working, emergency brake not holding, driver without school bus driver's certificate, school bus inspection certificate not in bus, empty fire extinguisher, inoperative safety devices, flashing red lights missing, and failure of driver to escort younger children across street as required by law. The officer further testified that no effort was made at any time to keep applicant's vehicles under surveillance. These violations were observed by the officer assigned to patrol the area while in the course of his regular duties.

A witness testified that her child attends kindergarten at Hancock Park Elementary School in Los Angeles and that the Alpine Bus Company contracted during February of 1967 to take her child to and from school for \$13.00 a month, on a four-month contract. She stated that the buses frequently appeared dirty, or rundown and during the last week in March (1967) service was discontinued without notice, at a great inconvenience to the mothers and teachers. She further

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testified that bus service was resumed and discontinued again on April 23, 1967. She testified that she was notified of the April discontinuance, but other mothers were not informed. She stated that service has not been resumed since April and other bus operators are now providing the school bus service.

The staff representative made a closing statement wherein it was noted that over 90 percent of applicant's business is the transportation of (1,000) children to eleven kindergarten and elementary schools in the Los Angeles area. The staff has received seventeen complaints on the school bus operation since September, 1966. The complaints include remarks on inadequate service, missed schedules, failure to show, and lack of supervision or ability to handle the younger children. It was further noted that the applicant had ceased operating and apparently has no intention of providing the service.

Based upon the evidence we hereby find that:

1. Applicant was transporting kindergarten and elementary school children under the authority of a charter-party carrier permit.
2. Applicant applied for a renewal of its operating permit on or about February 15, 1967.
3. Applicant's permit was not renewed on recommendation of the Motor Carrier Safety Section of the California Highway Patrol.
4. The 1966 and 1967 inspections of applicant's operating equipment revealed unsafe and improperly maintained buses.
5. Applicant does not have adequate facilities and trained personnel to properly maintain its equipment.
6. Applicant ceased operating on or about April 23, 1967.

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Based upon the above findings we therefore conclude that:

1. Applicant has failed to establish reasonable fitness to operate as a charter-party carrier of passengers.
2. Application No. 49245 should be denied.

O R D E R

IT IS ORDERED that Application No. 49245 is hereby denied.

The Secretary of the Commission is directed to cause personal service of this order to be made upon applicant. The effective date of this order shall be twenty days after the completion of such service.

Dated at San Francisco, California, this 11th  
day of JULY 1 1967.

[Signature]  
President  
[Signature]  
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Commissioners