

**ORIGINAL**Decision No. 73148

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's  
own motion into the rules, regu-  
lations, operations, services,  
facilities, equipment, and equip-  
ment safety of NORTHGATE TRANSIT  
COMPANY, INC. }

Case No. 8495

In the Matter of the Application  
of NORTHGATE TRANSIT CO., INC.,  
for authority to increase fares. }

Application No. 45492

SUPPLEMENTAL ORDER

On June 27, 1967, the Commission entered Decision No. 72661 in the above-entitled matters. That decision, among other things, found that in order for Northgate Transit Company, Inc. (hereinafter referred to as Northgate), to provide safe, proper, adequate and efficient service, it was necessary for Northgate to do certain enumerated acts, including hiring a qualified mechanic and setting up a special fund with an account for each driver, whereby each driver would be required to contribute at least \$60 each month to the account and the mechanic's salary would be paid by charging to each account the requisite amount chargeable for repairs and maintenance on the buses owned by the respective drivers. The accounts are subject to periodic adjustments.

On July 17, 1967, Northgate, in the absence of its attorney, who was away on vacation, filed a letter asking for additional time in which to act on Decision No. 72661 until the attorney's return. We treat the letter as a petition for rehearing or modification. Thereafter, on August 16, 1967, Northgate's attorney filed

an extensive Petition for Modification, which we treat as a supplement to the original petition.

Northgate's Petition for Modification asks the Commission to modify Decision No. 72661 in two respects: (1) Northgate asks that the requirement for hiring a full-time mechanic be modified so that if there is not sufficient work for the mechanic he can perform other duties, and (2) Northgate asks that the monthly amount the drivers are required to contribute to their special funds be changed from \$60 to \$30.

The Petition for Modification indicates that Northgate does not believe that the repair and maintenance of its buses will keep a mechanic occupied full time. It represents that the use of such an employee would impose a severe financial burden on Northgate's driver-bus owners. Northgate proposes that the requirement for the hiring of a full-time mechanic be modified to permit the use of a mechanic who, when not occupied with mechanical duties could also drive a bus and help generate revenue. The record indicates that presently one Albert Bickham is one of Northgate's owner-drivers and is a qualified mechanic. He presently does the inspection on Northgate's buses. He would be available to act as a mechanic to repair and maintain Northgate's equipment. When not acting as a mechanic, he would be available to drive one of Northgate's buses. In the circumstances, the requested modification relating to the provisions of Decision No. 72661 dealing with the hiring of a mechanic is warranted.

Northgate also asks that the provisions of Decision No. 72661 requiring a monthly contribution by each driver to a special account to pay for mechanical repairs be changed from \$60 to \$30. The Petition for Modification represents that the required

monthly contribution of \$60 places too harsh a financial burden on Northgate's owner-drivers. In the light of the modification heretofore authorized, it appears that Northgate's cost for a mechanic may be less than previously contemplated. Furthermore, the special account is subject to periodic adjustment, which means that the owner-drivers will have to make up any debits which may occur. The Commission is of the opinion that Decision No. 72661 should be modified to provide for a minimum contribution to the owner-drivers' special accounts of \$30 instead of \$60.

The Commission has reviewed the entire record in this matter and finds that the findings, conclusions and order in Decision No. 72661 should be modified as hereinafter set forth.

IT IS ORDERED that:

1. Finding of Fact 9b of Decision No. 72661 is hereby deleted and in its place is substituted the following Finding of Fact 9b:

"b. Obtain the services of a qualified mechanic who shall maintain and repair all of the buses operating under Northgate's operating authority."

2. Finding of Fact 9c of Decision No. 72661 is hereby deleted and in its place is substituted the following Finding of Fact 9c:

"c. Set up a special fund with an account for each driver, and require each driver operating a bus under Northgate's operating authority to contribute at least \$30 per month to his account in the fund. The mechanic's charges should be paid by charging to each account the requisite amount chargeable for repairs and maintenance performed on and to the buses owned by the respective drivers. Periodic adjustments should be made with respect to each account."

3. Conclusion of Law 2 of Decision No. 72661 is hereby deleted and in its place is substituted the following Conclusion of Law 2:

"2. Northgate should be ordered to obtain the services of a qualified mechanic who shall maintain and repair all the buses operating under its operating authority."

4. Conclusion of Law 3 of Decision No. 72661 is hereby deleted and in its place is substituted the following Conclusion of Law 3:

"3. Northgate should be ordered to set up a special fund and require each driver to contribute at least \$30 per month to the fund in order to pay the charges of the mechanic Northgate is required to obtain. The special fund shall have an account for each driver, and the mechanic's charges should be paid by charging to each account the requisite amount chargeable for repairs and maintenance done to the buses owned by the respective drivers. Periodic adjustments should be made with respect to each account."

5. Ordering paragraph 2 of Decision No. 72661 is hereby deleted and in its place is substituted the following ordering paragraph 2:

"2. Within thirty days after the effective date of this order Northgate Transit Co., Inc., shall obtain the services of a qualified mechanic who shall maintain and repair all the buses operating under its operating authority."

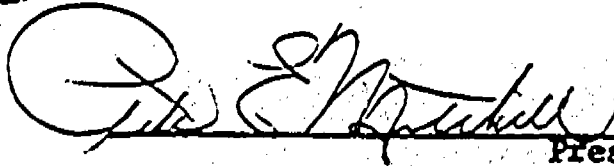
6. Ordering paragraph 3 of Decision No. 72661 is hereby deleted and in its place is substituted the following ordering paragraph 3:

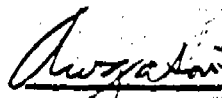
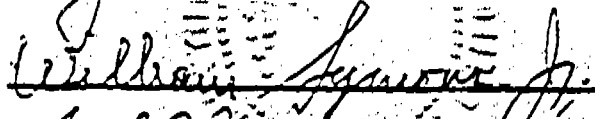
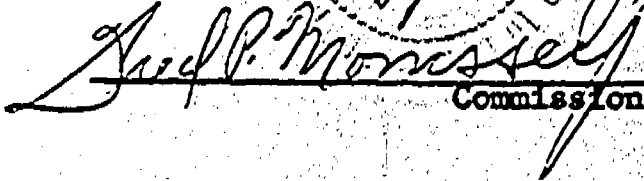
"3. Within thirty days after the effective date of this order Northgate Transit Co., Inc., shall set up a special fund and require each driver to contribute at least \$30 per month to the fund in order to pay the charges of the mechanic Northgate is required to obtain. The special fund shall have an account for each driver, and charges should be made to each account for the requisite amount chargeable for repairs and maintenance to the buses owned by the respective drivers. Periodic adjustments should be made with respect to each account."

7. In all other respects Decision No. 72661 shall remain in full force and effect.

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

Dated at Los Angeles, California, this 3rd day of OCTOBER, 1967.

  
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President

  
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Commissioners

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