

Decision No. 79457

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Oliver B. Pitman and George M. Graffort, a partnership dba Red Top Bus Lines, for a certificate of public convenience and necessity to operate as a passenger stage service in the Concord, Walnut Creek, Martinez area.

Application No. 52815
(Filed August 18, 1971)

Oliver B. Pitman and George M. Graffort, for themselves, applicants.

Richard E. Twining, for Sierra Lines, and Eugene R. Boswell, for County Transit Lines, Inc., protestants.

M. G. (Skip) House, for Skips Jitney Service, and Mark L. Kermit, for Contra Costa County, interested parties.

Sean A. Mahon, for the Commission staff.

O P I N I O N

Applicants have applied for authority to operate a single 20-passenger bus on five round trip schedules, Monday through Friday, excluding holidays, between Walnut Creek, Concord and Martinez. They intend to start the first schedule about 7:30 A.M. and the last about 4:30 P.M. Neither applicant has ever held any operating authority from this Commission.

A public hearing was held on October 12, 1971, in Concord, before Examiner Fraser. Sierra Lines and County Transit Lines, Inc., protested the application.

Graffort testified that applicants have purchased one 1963 Ford 20-passenger military bus and can commence operating on a week's notice, over one route; starting from the vicinity of the Red Rooster Restaurant in Concord, along Oak Grove Road to Sun Valley Shopping Center, then to Diablo Valley College, thence along Vine Hill to Martinez and the County Hospital; returning over the same route. He

testified he will be the only regular driver although two standby drivers are available if he should suddenly become ill and unable to report for work. He noted that the bus is paid for, is covered by adequate insurance and has passed the safety inspection of the California Highway Patrol. He testified the route is divided into nine zones about a mile and a half apart. The proposed minimum fare is 40 cents, plus a ten cent per zone increase. He testified he has not made any survey to determine the ratio of projected income to expense, but driver's wages will be \$4.00 an hour and he estimates operating costs will total \$10.00 or \$12.00 a day, excluding wages, for a total of \$44.00 a day. He stated the route is about 12½ miles long and 12 bus stops are planned. He estimated that round trips will usually require from 90 minutes to two hours, including waiting periods. The bus will be parked every weekend in Walnut Creek, where it can be checked as required by an auto mechanic. Forms will be completed by the driver on each day's operation, in which the operation of the steering, brakes, lights, engine, clutch, transmission and tires will be noted. Any deficiencies will be referred to the mechanic.

Graffort further testified that he has lived in Contra Costa County for years and is familiar with local transportation problems. He is aware that a number of people need occasional or frequent transportation to hospitals, shopping centers and county or municipal buildings. Applicants will start providing this service with a single bus to keep expenses down. If business develops as expected more equipment will be purchased as needed. He advised that passenger stage corporations have failed in Contra Costa County due to people starting with so much equipment and personnel that a slowly developing business could not pay the operating expenses. He and his partner have therefore started small and hope to keep expenses down until expansion is justified by increasing business.

A jitney operator from Concord testified his business is doing well and customers frequently ask if transportation to Walnut Creek, Pleasant Hill or Martinez can be provided. He is supporting the application because the operation proposed will complement and extend his service. Applicants presented five letters from business and church leaders requesting that the application be granted.

Protestants requested that the application be denied. It was noted that no members of the public testified to show public convenience and necessity and that no financial statement was filed by applicants. It was further noted that applicants have no transportation experience of any kind and have only their own opinion on what expenses will be. County Transit Lines, Inc. still holds a passenger stage certificate with authority to operate in the area, but the certificate has been suspended at the request of the holder thereof. Sierra Lines, Inc. provides some service in Contra Costa County, but not in the vicinity of Walnut Creek. The County representative did not oppose the application, but he advised a study has been started to determine how to transport commuters to the Bay Area Rapid Transit Stations. When the study is completed the recommendations made will undoubtedly be adopted by the County and private bus operators may find they are competing with the transit system adopted by the County.

Discussion

Applicants would not serve sufficient people with one bus on five schedules to justify the grant of a certificate. The lack of public testimony is revealing, since past experience indicates very few will ride with sufficient frequency to support the operation. In addition, it is likely that the imminence of the Bay Area Rapid Transit System, with its parking lots and possible service buses, will not provide much of a future for a small local operator, who would be fortunate to earn drivers' wages. Most of the homes in the area applicants seek to serve have at least two family cars. Public transportation is seldom used by the residents. It has been argued that the proposed service will be used by the elderly, those who are ill and

the poor, who cannot afford taxis. It is logical to assume, however, that a single vehicle operating in a restricted area would serve only a few elderly or ill patients, who live near the bus stops, and are willing to compete for one of the available seats in the bus.

Findings and Conclusion

1. Applicants have applied for authority to operate five schedules a day, with a single bus, Monday through Friday, excluding holidays, between Walnut Creek, Concord and Martinez.
2. No testimony was adduced from members of the public to show a need for the proposed service.
3. Applicants would not serve sufficient people with one bus on a single route to justify the grant of a certificate.
4. Past surveys show that typical homes in the area applicants seek to serve have at least two cars per family and that residents do not use local transit systems.
5. Applicants have provided no financial statement and have failed to provide estimates of anticipated income and expense.
6. Public convenience and necessity do not require the proposed service.

It is concluded that the application should be denied.

O R D E R

IT IS HEREBY ORDERED that Application No. 52815 is denied. The effective date of this order shall be twenty days after the date hereof.

Dated at Los Angeles, California, this 14th day of DECEMBER, 1971.

J.P. Robinson
Chairman

William H. Brown

Raymond

James L. Stinson

Commissioners