

ORIGINAL

Decision No. 79920

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of  
BUFORD L. SMITH, an individual, doing  
business as SMITH'S CHARTER BUS SERVICE,  
for authority to adjust certain fares,  
suspend-abandon certain service and  
extend passenger stage service from  
United Air Lines Maintenance Base to  
include Cupertino, San Jose, Sunnyvale,  
Santa Clara, Milpitas, and Redwood City.

Application No. 52871  
(Filed September 20, 1971;  
Amended January 18, 1972)

O P I N I O N

Applicant Buford L. Smith is a passenger stage corporation as defined by Section 226 of the Public Utilities Code of the State of California. Applicant is engaged in the business of transporting exclusively the employees of Alameda Naval Air Station, in Alameda and Lockheed Aircraft Company in Sunnyvale from their homes located in Fremont, California, pursuant to authority granted in Decision No. 66776, dated February 11, 1964, in Application No. 45892. Applicant is also engaged in the transportation of passengers and their baggage between the United Air Lines Maintenance Base located at South San Francisco, California, and the Cities of Newark, Fremont, Union City, and Hayward, including all points and places within a radius of three air miles of the corporate limits of any of said cities pursuant to authority granted in Decision No. 76683, dated January 20, 1970, in Application No. 51450.

By this application, applicant seeks authority to expand his operations, abandon a portion of his operations and increase certain fares.

With respect to expansion of service applicant seeks authority to transport employees of Fairchild located at Sunnyvale from and to their homes in the areas of Fremont and Newark. The

application states that applicant has had numerous requests for this service from employees of Fairchild and that there is no service available to said employees at the time of day needed. Applicant proposes a biweekly fare of \$10.00 for said service.

Applicant is also requesting authority to extend its service area to include Cupertino, San Jose, Sunnyvale, Santa Clara, Milpitas, and Redwood City, on the one hand, and the United Air Lines Maintenance Base, on the other hand, transporting exclusively employees of this plant directly to and from the vicinity of their homes.

The application states that the employees of United Air Lines Maintenance Base have requested applicant on numerous occasions to institute this service, that there is no service available to these employees at this time of day to United Air Lines Maintenance Base. Service from this same general area is performed by West Valley Charter Lines. However, West Valley operates at different times than proposed by applicant. West Valley does not oppose this application providing the proposed time schedule is observed. Applicant proposes a biweekly fare of \$13.00 between Cupertino, San Jose, Sunnyvale, Santa Clara and Milpitas, on the one hand, and United Air Lines Maintenance Base, on the other hand. Between Redwood City and United Air Lines Maintenance Base a biweekly fare of \$11.00 is proposed.

Applicant further requests authority to extend its service areas to include the Lockheed Plant at Sunnyvale, transporting exclusively employees of said plant directly to and from the vicinity of their homes in Hayward, Union City, and Fremont areas. Applicant avers he has had numerous requests for this service from employees of Lockheed and that there is no service available to these employees at the time of day needed. Applicant proposes a biweekly fare of \$10.00 for said service.

Applicant seeks authority to abandon that portion of its operation between Fremont and Alameda Naval Air Station. Said service was authorized by Decision No. 66776 dated February 11, 1964 in Application No. 45892. The application states that since that

time there has been a steady and drastic decline in the number of revenue passengers and that applicant was finally forced to gradually reduce the number of schedules according to public demand and at present is not operating any schedules to Alameda Naval Air Station.

Applicant also seeks authority to increase its round trip fares between United Air Lines Maintenance Base, on the one hand, and Hayward, Union City and Fremont/Newark area, on the other hand, from \$4.00, \$4.50 and \$5.00 weekly, respectively, to \$11.00, \$12.00 and \$13.00 biweekly, respectively. Applicant states that its present fares, for which an increase is sought herein, became effective when applicant's predecessor Golden Gazelle Lines began its operations on July 29, 1968. Applicant adopted these rates on March 21, 1970 under authority granted by Decision No. 76683, in Application No. 51450. In applicant's desire to maintain predecessor's operations with as little disruption as possible, applicant did not request authority to increase fares under Application No. 51450. Due to economic conditions which have set in, and with the inflationary years which have caused expenses to rise sharply, it is no longer economically feasible for applicant to keep these fares. Exhibit E attached to the application is a summary of estimated earnings under present and proposed rates for a twelve-month period commencing December 1, 1971. The exhibit estimates losses of \$6,053 under present fares and a profit of \$2,047 under proposed fares.

The application and amendments thereto were served in accordance with the Commission's procedural rules. There are no protests; however, West Valley Charter Lines by letter dated March 4, 1972, advised the Commission that it also serves the areas set forth in applicant's proposed Routes 7 and 14. (Routes 5 & 10

in Appendix A attached hereto.) West Valley Charter Lines does not oppose the granting of the authority as to proposed Routes 7 and 14 so long as said routes are restricted to the proposed times set forth in the application. The authority herein granted will provide that operations for Routes 5 and 10 shall be conducted so that arrival times for said routes at United Air Lines Maintenance Base are between 7:15 a.m. and 7:45 a.m. Applicant and West Valley Charter Lines are agreeable to such a restriction.

After consideration the Commission finds that:

1. Public convenience and necessity require that applicant's operating authority be extended, amended and restated as hereinafter set forth.

2. The operating authority for proposed Routes 7 and 14 (Routes 5 and 10 in Appendix A attached hereto) should be restricted as set forth in Appendix A attached hereto.

3. The increases in fares as proposed in the application are reasonable and justified.

4. Under existing federal guidelines the proposed increases would appear to be consistent with the Federal Government's economic stabilization program. Data for the Federal Price Commission are shown in Appendix B.

5. A public hearing is not necessary.

The Commission concludes that the application should be granted.

The order which follows will provide for the revocation of the certificates presently held by applicant and the issuance of a new certificate in appendix form to applicant.

Buford L. Smith is hereby placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business over a particular route. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Buford L. Smith, authorizing him to operate as a passenger stage corporation, as defined in Section 226 of the Public Utilities Code, between the points and over the routes and subject to the conditions particularly set forth in Appendix A attached hereto and made a part hereof.

2. In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to comply with and observe the safety rules of the California Highway Patrol, the rules and other regulations of the Commission's General Order No. 98-A and insurance requirements of the Commission's General Order No. 101-C.
- (b) Within one hundred twenty days after the effective date hereof, applicant 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 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-A.
- (e) Applicant shall maintain his accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of his operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede all existing certificates of public convenience and necessity authorizing the transportation of passengers and their baggage heretofore granted to or acquired by Buford L. Smith and presently possessed by him, which certificates

are revoked effective concurrently with the effective date of the tariff filings required by paragraph 2(b) hereof.


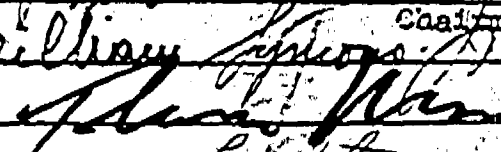
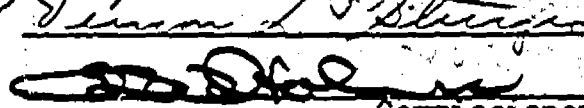
4. Buford L. Smith is authorized to establish the increased fares proposed in Application No. 52871. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than thirty days after the effective date hereof on not less than thirty days' notice to the Commission and to the public.

5. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

6. In addition to the required posting and filing of tariffs, applicant shall give notice to the public by posting in its buses and terminals a printed explanation of its fares. Such notice shall be posted not less than five days before the effective date of the fare changes and shall remain posted for a period of not less than thirty days.

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

Dated at San Francisco, California, this 11<sup>th</sup>  
day of APRIL, 1972.

  
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William J. Lyons, Chairman  
  
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Buford L. Smith  
  
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Commissioners

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Appendix A

BUFORD L. SMITH  
DBA  
SMITH'S CHARTER BUS SERVICE

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CERTIFICATE  
OF  
PUBLIC CONVENIENCE AND NECESSITY

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Showing passenger stage operative rights, restrictions, limitations,  
exceptions, and privileges applicable thereto.

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All changes and amendments as authorized by  
the Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.

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Issued under authority of Decision No. 79920  
dated APR 11, 1972, of the Public Utilities Commission,  
of the State of California, on Application No. 52871.



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SECTION 1. GENERAL AUTHORIZATIONS, RESTRICTIONS, LIMITATIONS  
AND SPECIFICATIONS.

The certificate hereinafter noted supersedes all operative authority heretofore granted to Buford L. Smith, dba Smith's Charter Bus Service, or its predecessors.

Buford L. Smith, dba Smith's Charter Bus Service, is authorized to transport passengers and their baggage between United Air Lines Maintenance Base at or near San Francisco International Airport, on the one hand, and the Cities of Newark, Fremont, Union City, Hayward, Redwood City, Milpitas, Sunnyvale, Santa Clara, San Jose and Cupertino, including all points and places within a radius of three (3) air miles of the corporate limits of the Cities of Newark, Fremont, Union City and Hayward, on the other hand; and between Lockheed Aircraft Plant at Sunnyvale, on the one hand, and the Cities of Newark, Fremont, Union City and Hayward, on the other hand; and between Fairchild at Sunnyvale, on the one hand, and the City of Fremont, on the other hand, over and along the routes hereinafter described, subject, however, to the authority of this Commission to change or modify said routes at any time and subject to the following provisions:

- (a) Motor vehicles may be turned at termini and intermediate points, in either direction, at intersections of streets or by operating around a block contiguous to such intersections, in accordance with local traffic regulations.
- (b) When route descriptions are given in one direction, they apply to operation in either direction unless otherwise indicated.
- (c) All points and places located within the unincorporated areas referred to hereinabove shall take the same fare as the closest city.
- (d) Service shall be restricted to persons originating at or destined to United Air Lines Maintenance Base at or near San Francisco International Airport or Lockheed Aircraft Plant at Sunnyvale or Fairchild at Sunnyvale.

Issued by California Public Utilities Commission.

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## Appendix A

BUFORD L. SMITH  
doing business as  
Smith's Charter Bus Service

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- (e) Operations for Routes 5 and 10 shall be conducted so that arrival times at the United Air Lines' Maintenance Base are all between 7:15 a.m. and 7:45 a.m. Revision to this requirement may only take place if authorized by the Commission. Timetables filed with the Commission shall state this requirement. ✓

## SECTION 2. ROUTE DESCRIPTIONS.

Route No. 1

Commencing at the intersection of Glenview Drive and Mowry Avenue in the City of Fremont; thence continuing along Mowry Avenue to Farwell Drive; thence along Farwell Drive to Paxton Court and continuing along Farwell Drive to Keystone Drive; thence continuing along Farwell Drive to Southwood to Central Avenue; thence along Central Avenue to Dusterberry Way to Thornton Avenue; thence along Thornton Avenue to Fremont Blvd.; thence along Fremont Blvd. to Nicolet Avenue; thence along Nicolet Avenue to Anshome Street; thence continuing along Nicolet Avenue to Cabrillo Drive; thence continuing along Cabrillo Drive to Ardo Street; thence continuing along Cabrillo Drive to Vincent Street; thence continuing along Cabrillo Drive to Nimitz Freeway (State Highway No. 17); thence along Nimitz Freeway (State Highway No. 17) and along appropriate streets to United Air Lines Maintenance Base and return via the same routing.

Route No. 2

Commencing at the intersection of Blacow Road and Grimmer Blvd. in the City of Fremont; thence via Blacow Road to Omar, to Hilo, to Stevenson Blvd., to Coco Palm Drive; thence continuing on Blacow Road to Mowry Avenue; thence along Mowry Avenue to Farwell Drive; thence via Mowry Avenue, Nimitz Freeway (State Highway No. 17), Decoto Road, Alvarado-Niles Road to "H" Street; thence continuing along Alvarado-Niles Road to Baker Road (Westview Estates); thence along Nimitz Freeway (State Highway No. 17) to West Jackson Street; thence along West Jackson Street to Hesperian Blvd.; thence via the most appropriate and direct route to United Air Lines Maintenance Base and return via the same routing.

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## SMITH'S CHARTER BUS SERVICE

Route No. 3

Commencing at the intersection of Mintwood Street and Doane Street in the City of Fremont; thence via Doane Street, Mayfair Park Avenue, Seneca Park Avenue, Yellowstone Park, Butano Park Drive, Omar Street, Stevenson Blvd., Farwell Drive, Coco Palm Drive, Blacow Road, Mowry Avenue, Farwell Drive to Nimitz Freeway (State Highway No. 17); thence via the most appropriate and direct route to United Air Lines Maintenance Base and return via the same routing.

Route No. 4

Commencing at Bryant Street and Lemarc Street in the City of Fremont; thence via Jerome Avenue, Washington Blvd., Palm Avenue to Mission Blvd.; thence continuing along Mission Blvd. to West Tennyson Road; thence via West Tennyson Road, Whitman Street, Harder Road, Santa Clara Street, Winton Avenue, Hesperian Blvd., Depot Road, Gettysburg to State Highway No. 92; thence via the most direct and appropriate route to the United Air Lines Maintenance Base and return via the same routing.

Route No. 5

Commencing at the intersection of Saratoga Avenue and Prospect Road in the City of San Jose; thence via Prospect Road, Miller Avenue, Bollinger Road, Blaney Avenue, Merritt Drive, Greenleaf Drive, Hollenbeck Avenue, Homestead Road, Mary Avenue, Fremont Avenue, Bernardo Avenue to El Camino Real (State Highway No. 82); thence along El Camino Real (State Highway No. 82) to Stevens Creek Freeway (State Highway No. 85); thence along Stevens Creek Freeway (State Highway No. 85) to Bayshore Freeway (United States Highway No. 101); thence via Bayshore Freeway (United States Highway No. 101) to the United Air Lines Maintenance Base and return via the same routing.

Issued by California Public Utilities Commission.

Decision No. 79920; Application No. 52871.

Route No. 6

Commencing at the intersection of Camino Del Rey and Caliente Way in the City of San Jose; thence via Lucena Drive, Capitol Avenue, Cropley Avenue, Camargo Court, Capewood Lane, Merrill Avenue, Park Victoria Drive to Interstate Highway No. 680; thence via Interstate Highway No. 680 to its intersection with Mission Blvd.; thence continuing on Interstate Highway No. 680 (Mission Blvd.) to Nimitz Freeway (State Highway No. 17); thence via Nimitz Freeway (State Highway No. 17), Tennyson Road, Hesperian Blvd., Sleepy Hollow, Industrial Blvd. to State Highway No. 92; thence via the most direct and appropriate route to United Air Lines Maintenance Base and return via the same routing.

Route No. 7

Commencing at the intersection of Roberts Avenue and Blacow Road in the City of Fremont; thence via Blacow Road, Stevenson Blvd., Farwell Drive, Mowry Avenue, Blacow Road, Thornton Avenue, Cabrillo Drive to Lido Faire; thence via the most appropriate and direct route to the United Air Lines Maintenance Base and return via the same routing.

Route No. 8

Commencing at the intersection of El Camino Real (State Highway No. 82) and Pastoria Avenue in the City of Sunnyvale; thence via El Camino Real (State Highway No. 82), Mary Avenue, Fremont Avenue, Grant Road, Cuesta Drive, Miramonte Avenue, Castro Street, Bailey Avenue, Stierlin Road, Middlefield Road, Colorado Avenue, Louis Road, Embarcadero Road to Bayshore Freeway (United States Highway No. 101); thence over and along Bayshore Freeway (United States Highway No. 101) to the United Air Lines Maintenance Base and return via the same routing.

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Route No. 9

Commencing at the intersection of Fremont Blvd., and Decoto Road in the City of Fremont; thence via Decoto Road, Alvarado-Niles Road, Almaden Street, Whipple Road, Nimitz Freeway (State Highway No. 17), Tennyson Road, Hesperian Blvd., Cathy Way, Calaroga, West Jackson Street, Cryer, Industrial Blvd. to State Highway No. 92; thence via the most direct and appropriate routes to the United Air Lines Maintenance Base and return via the same routing.

Route No. 10

Commencing at the intersection of Kiely Blvd., and Homestead Road, in the City of Santa Clara; thence via Kiely Blvd., Lawrence Expressway, Duane Avenue, Fair Oaks Avenue to Bayshore Freeway (United States Highway No. 101); thence via the most direct and appropriate routes to United Air Lines Maintenance Base and return via the same routing.

Route No. 11

Commencing at the intersection of Bay Road and 9th Avenue, in the City of Redwood City (North Fair Oaks); thence via Bay Road, Woodside Road, Massachusetts Avenue, Hampton Avenue, Valota Road, Roosevelt Avenue, Hudson Street, Jefferson Avenue, Arguello Street, Brewster Avenue, Veterans Blvd. to Bayshore Freeway (United States Highway No. 101); thence via the most direct and appropriate routes to the United Air Lines Maintenance Base and return via the same routing.

Route No. 12

Commencing at the intersection of Via Almitos and Beckman Road in the City of San Lorenzo; thence via Beckman Road, Hesperian Blvd. to "A" Street; thence continuing along Hesperian Blvd. to Winton Avenue; thence continuing along Hesperian Blvd. to Jackson Street to Calaroga Avenue to Mowry Avenue and Farwell Drive; thence via the most appropriate and direct route to Lockheed Aircraft Plant at Sunnyvale and return via the same routing.

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Appendix A

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DBA  
SMITH'S CHARTER BUS SERVICE

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Route No. 13

Commencing at the intersection of Argonaut Way and Mowry Avenue in the City of Fremont; thence via Mowry Avenue, Fremont Blvd., Stevenson Blvd., Blacow Road, Fremont Blvd. to Nimitz Freeway (State Highway No. 17); thence via the most direct and appropriate routes to Fairchild in Sunnyvale and return via the same routing.

Issued by California Public Utilities Commission.

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## APPENDIX B

DATA REGARDING RATE INCREASE  
AUTHORIZED FOR  
BUFORD L. SMITH

Pursuant to provisions of Section 300.16 of the Economic Stabilization Act Amendments of 1971, the Public Utilities Commission of the State of California does hereby certify to the Federal Price Commission as follows:

(1)	<u>Between</u>	<u>Former Price</u> (Weekly)	<u>New Price</u> (Biweekly)	<u>% Increase</u>
	UAL Maintenance Base and			
	Hayward	\$4.00	\$11.00	37.5
	Union City	4.50	12.00	33.3
	Fremont/Newark	5.00	13.00	30.0

- (2) The increased rates are expected to provide increased revenue of \$8,100 yearly.
- (3) This will increase profits by 1.7 percent of its total sales.
- (4) Operating ratio for the common carrier operation is expected to be 96.8 percent as compared with 104.1 percent under present rates.
- (5) Sufficient evidence was contained in the application to determine that the criteria set forth in paragraph (d), (1) through (4) of Title 6, Chapter III, Part 300, Sect. 300.16 of the Code of Federal Regulations, as amended effective January 17, 1972, were met by the rate increase.
- (6) The increase is cost-based, and does not reflect future inflationary expectations; the increase is the minimum required to assure continued, adequate and safe service and to provide for necessary expansion to meet future requirements; the increase will achieve the minimum rate of return needed to attract capital at reasonable costs and not to impair the credit of the public utility. This Appendix to the rate decision constitutes the certification required by the Code of Federal Regulations.