

ORIGINAL

Decision No. 28834

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
MOTOR TRANSIT COMPANY,)
a corporation, for an order authoriz-)
ing it to issue evidences of indebt-) Application No. 20532
edness.)

Frank Karr and C. W. Cornell, for applicant.

BY THE COMMISSION:

O P I N I O N

Motor Transit Company asks permission to issue evidences of indebtedness in the amount of \$136,999.64 to acquire motor stage equipment.

The company proposes to purchase 15 standard Mack Model B.C. 125 H.P. interurban type bus chassis, equipped with specially designed bodies of the coach type, having a maximum capacity of 29 passengers, as well as six permanent aisle seats, giving a maximum capacity of 35 passengers. The total purchase price of the equipment is reported at \$152,545.50 less a special discount of \$323.86, leaving a net price of \$152,221.64. Of the net price, \$15,222.00 is to be paid in cash upon delivery of the vehicles, and the balance, \$136,999.64 is payable in 60 monthly installments, 59 being in the sum of \$2,283.00 each and one in the sum of \$2,302.64. The installment payments begin one month after the date of the delivery and acceptance of the equipment. The company must pay interest at the rate of 6% per annum, payable monthly on the entire unpaid balance of the purchase price, at the date of each installment payment.

The new equipment will be used in the main on the Los Angeles-Santa Ana line and on the service from Los Angeles to Riverside, San Bernardino and Redlands. The equipment now being used on those lines will be held in reserve for extra service.

O R D E R

Motor Transit Company having asked permission to execute evidences of indebtedness in the sum of not exceeding \$136,999.64, the Commission having considered applicant's request and being of the opinion that this is not a matter on which a public hearing is necessary, that the money, property or labor to be procured or paid for by the execution of said evidences of indebtedness is reasonably required for the purposes herein stated and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income and that this application should be granted as herein provided, therefore,

IT IS HEREBY ORDERED that Motor Transit Company be, and it is hereby authorized to issue evidences of indebtedness in the sum of not to exceed \$136,999.64, in the form and under the terms set forth in the agreement filed in this proceeding as Exhibit "A", and use the proceeds to pay in part for the equipment mentioned in said agreement.

IT IS HEREBY FURTHER ORDERED that Motor Transit Company shall within thirty(30) days after the execution of the agreement filed in this proceeding as Exhibit "A" file with the Commission a true and complete copy of such agreement.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Motor Transit Company has paid the fee pre-

scribed by Section 57 of the Public Utilities Act, which fee is One Hundred and Thirty-seven(\$137.00) Dollars.

DATED at San Francisco, California, this 23rd day of May, 1936.

W B Lewis
Leon Whitely
W A Cunn
James P. Devlin
Commissioners.

