

Decision No. 39840

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| In the Matter of the Application of |) | |
| BAY CITIES TRANSIT COMPANY, Santa | : | |
| Monica, California, for order |) | |
| authorizing the entering into of a | : | |
| financing agreement with the Security- |) | |
| First National Bank of Los Angeles, | : | Application |
| and agreement to purchase twenty new |) | No. 28098 |
| model 69-B Ford Transit Coaches, and | : | |
| for authority to execute necessary |) | |
| instruments in connection therewith. | : | |
| ----- |) | |

O P I N I O N

Bay Cities Transit Company is a common carrier of passengers, engaged in the operation of motor coaches in the territory which may be generally described as the Bay Cities area of Santa Monica, Venice, Ocean Park, Sawtelle and West Los Angeles. Applicant desires permission to enter into conditional sales contracts with Transit Bus Sales, Inc., for the purchase of twenty new model 69-B, 27-passenger transit type Ford motor coaches, and enter into an agreement to borrow not to exceed \$150,000 from the Security-First National Bank of Los Angeles to pay for the buses. The total cost of the coaches is reported at \$149,251.54 plus the recent increase in freight rates.

It appears from the application that the conditional sales contracts will be assigned to the Security-First National Bank of Los Angeles. Subject to the terms and conditions of the financing agreement on file in this application as Exhibit "A", the bank will, prior to June 30, 1947, purchase from Transit Bus Sales, Inc., the conditional sales contracts executed by applicant

by paying to that company the balance due under the contracts, provided that the aggregate amount of such balance does not exceed \$150,000. The conditional sales contracts to be executed by applicant shall provide that applicant pay the deferred balance due on the motor coaches in equal, or nearly equal, monthly installments over a 36-month period, with interest thereon at the rate of 3-1/2% per annum payable monthly on the deferred balances remaining from time to time unpaid. Applicant is granted the right and privilege of paying the entire or any amount of the deferred balance then unpaid on any date prior to the due date of the principal payment without any additional payment or premium for the right to make such prior payment. The payment of the conditional sales contracts is to be unconditionally guaranteed to the bank by Jesse E. Anderson and Louisa K. Anderson.

Applicant reports that it has need for the twenty new motor coaches to augment its service on some of its lines, and to improve its service on other lines by replacing old equipment.

O R D E R

The Commission has considered applicant's request and is of the opinion that this is not a matter on which a hearing is necessary, that the money, property or labor to be procured or paid for by the execution of conditional sales contracts and a financing agreement similar in form to that filed in this application as Exhibit "A" is reasonably required by Bay Cities Transit Company for the purpose herein stated, and that this application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED that Bay Cities Transit Company may, after the effective date hereof and on or before July 31, 1947, execute conditional sales contracts and a financing agreement in, or substantially in, the same form as the conditional sales contract and financing agreement filed in this proceeding as Exhibit "A" for the purpose of acquiring the motor coaches referred to in the foregoing opinion.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Bay Cities Transit Company has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is One Hundred Fifty (\$150.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the execution of said financing agreement and any conditional sales contracts, Bay Cities Transit Company shall file with the Commission a copy of said financing agreement and a copy of each conditional sales contract executed under the authority herein granted.

Dated at San Francisco, California, this 7th day of January, 1947.

Harold P. Hule
Justin F. Calver
William J. ...
Robert Powell
R. J. ...
 Commissioners

