

ORIGINAL

Decision No. 42652

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BELVEDERE TRANSIT, INC., a California
corporation, for authority to execute
and issue a Conditional Sales Contract
for the purchase of bus equipment.

Application
No. 30133

OPINION AND ORDER

In this application, Belvedere Transit, Inc. seeks authority to execute a conditional sales contract, evidencing the purchase of 16 Ford Transit 27 passenger buses now operated by applicant under lease. A copy of the contract is on file in this application as Exhibit "B".

The application shows that Belvedere Transit, Inc. is a motor stage corporation operating in the East Los Angeles-Montebello area pursuant to certificates of public convenience and necessity granted by this Commission. (1)

Applicant reports that it owns one bus and is leasing 16 buses from Crown Body & Coach Corporation on the basis of a per diem rate ranging from \$3 per day to \$5 per day. It proposes to acquire the 16 buses at a cost of \$3,000 each plus 2 1/2% California sales tax. The total purchase price is \$49,200. Applicant will make a down payment of \$12,000, leaving unpaid a balance of \$37,200 which, together with interest at the rate of 4% per

(1) Applicant reports operating revenues of \$246,477.34 for the year 1948, and net profit from operations of \$8,334.16.

annum for three years, amounts to \$41,664. The conditional sales contract, which applicant proposes to execute, provides for the payment of the \$41,664. in 36 equal consecutive monthly installments of \$1,157.33.

Applicant alleges that the approval and issuance of the conditional sales contract is desirable and necessary to both the public and itself due to the fact that its monthly expense will be thereby reduced, that at the end of the 36 months it will own the 16 buses, and that any value thereafter will accrue to the financial advantage and benefit of it rather than to the financial advantage of the lessor.

The Commission has considered this application and is of the opinion that a public hearing thereon is not necessary, that the request of applicant should be granted, as herein provided, that the money, property or labor to be procured or paid for through the execution of said conditional sales contract is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Belvedere Transit, Inc., after the effective date hereof and on or before June 30, 1949, may execute a conditional sales contract in, or substantially in, the same form as that filed in this proceeding as Exhibit "B", providing for deferred payments of not exceeding \$41,664, for the purpose of acquiring said sixteen (16) buses.

2. Within thirty (30) days after the execution of said conditional sales contract, applicant shall file with the Commission an exact copy thereof as actually executed.

3. The authority herein granted will become effective when Belvedere Transit, Inc. has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is forty-two (\$42.00) dollars.

Dated at San Francisco, California, this 29th day of March, 1949.

R. Z. Johnson
Justice J. C. ...
Grant ...
Harold P. ...
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
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W. H. Klapp