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Decision No. 50798

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Petition of The CITY OF SACRAMENTO to have fixed the just compensation to be paid for the bus transportation system of SACRAMENTO CITY LINES existing within and adjacent to the boundaries of said city.

Application No. 35805

Everett M. Glenn, Reginald L. Vaughan, Vaughan, Paul & Lyons, for City of Sacramento; Harry B. Seymour, George H. Hook, Downey, Brand, Seymour & Rohwer, for Sacramento City Lines; R. B. Cassidy, for the Commission Staff.

### ORDER AUTHORIZING AMENDMENT OF PETITION

On September 23, 1954 City of Sacramento filed a petition under Section 1403 and related Sections 1401 through 1421 of the Public Utilities Code, requesting that the Commission fix and determine the just compensation to be paid for certain lands, property, and rights described therein, and setting forth the intention of the City to acquire the same under eminent domain proceedings. As required by the statute, the Commission thereupon issued its order directing the owner and claimant named in the petition (hereinafter called respondent) to appear and show cause, if any it had, why the Commission should not proceed to hear the petition and to fix such just compensation.

The record shows that all procedural requirements concerning service which are contemplated by the statute were completed prior to the return date of the order to show cause. Hearing on such order was had before Commissioner Craemer and Examiner Cline at Sacramento on October 28, 1954. Respondent filed a written answer consenting to the determination by the Commission of the amount of just compensation to

be paid, provided that all of respondent's properties (other than money in bank and cash on hand) employed in the operation of its transportation system in Sacramento and adjacent areas, be included in the proceeding. Petitioner indicated an intent to apply for leave to amend the petition, and hearing in the proceeding was adjourned to December 13, 1954 at Sacramento.

On November 24, 1954 petitioner filed an application for leave to amend the petition in certain respects set forth in detail in said application. On the same day respondent filed its consent to the granting of such petition.

The Commission having considered said application and good cause appearing,

IT IS ORDERED that City of Sacramento is hereby authorized to amend Application No. 35805, and said petition is hereby amended in the manner and to the extent specified and requested in said application for leave to amend, a certified copy of which is attached hereto and made a part hereof.

Dated at San Francisco, California, this Colday of November, 1954.

Commissioners

COPY BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CHLIFORNIA PUBLIC UTILITIES COMMISSION STATE OF CALIFORNIA NOV 2 4 1954 In the Matter of the Petition of The CITY OF SACRAMENTO to have SAN FRANCISCO OFFICE fixed the just compensation to be paid for the bus transportation system of SACRAMENTO CITY LINES Application No. 35805 NO.existing within and adjacent to the boundaries of said city. APPLICATION FOR LEAVE TO AMEND PETITION The petition of The CITY OF SACRAMENTO respectfully shows that: I. Pursuant to Section 1410 of the Public Utilities Code of the State of California, petitioner requests that the Commission authorize petitioner to amend its petition filed herein on September 23, 1954, as follows: 1. Paragraph numbered "IV" of said petition is to be amended to read as follows: "IV\_ The Company operates as a passenger stage corporation under and pursuant to certificates of public convenience and necessity issued to the Company by the Public Utilities Commission of the State of California and under and pursuant to Franchises granted by the petitioner by Sacramento City Ordinance No. 992, Fourth Series, effective November 30, 1943, Sacramento City Ordinance No. 1005, Fourth Series, effective May 30, 1944, and Sacramento City Ordinance No. 1006, Fourth Series, effective May 30, 1944. A copy of each of said Ordinances is contained in Exhibit "A" hereto attached and hereby made a part hereof. A list of the decisions of the Public Utilities Commission of the State of -1-

California evidencing the presently effective operating rights granted to the Company by the said Commission, together with a map showing and describing the routes operated by the Company, are contained in Exhibit "B" hereto attached and hereby made a part hereof." 2. Paragraph numbered "X" of said petition is to be amended to read as follows: "X..

The lands, property and rights petitioner seeks to acquire are those described in Exhibits "A" and "B" hereinabove referred to and those described in Exhibit "D" hereto attached and hereby made a part hereof, the intent of petitioner being to acquire all property of the Company used and useful in the operation of a bus transportation system for the public transportation of passengers."

- 3. Exhibit "A" to said petition is to be amended by adding thereto a printed copy of Sacramento City Ordinance No. 1006, Fourth Series, effective May 30, 1944, a copy of which Ordinance No. 1006 is attached hereto, made a part hereof and marked "Attachment 1".
- 4. Paragraph numbered "II" of Exhibit "D" to said petition is to be amended to read as follows:

#### "II. Improvements on Lands

All improvements on the lands described in paragraph I above, consisting of such improvements as buildings, fences, paving, wood bumpers, incinerators, fuel tanks, and oil tanks."

5. Paragraph numbered "III" of Exhibit "D" to said petition is to be amended to read as follows:

> "III. Motor Coachos All of the following motor coaches:

Number of Coaches	Company Coach Numbers	<u>Year</u>	<u>Make</u>	Seating Capacity
8	5501-5508	1947	GMC	45
8	5509-5516	1940	GMC	45
45	5601-5645	1946	GMC	36

Number of Coaches	Company Coach Numbers	Year	Make	Seating Capacity
12	5646-5657	1948	GMC	36
3	5658-5660	1947	GMC	36
6	5674 <b>-</b> 5679	1940	GMC	36
9	5680 <b>-</b> 5688	1940	GMC	36
8	5690 <b>-5</b> 697	1940	GMC	36
1	5664	1947	GMC	36 #

6. Paragraph numbered "V" of Exhibit "D" to said petition is to be amended to read as follows:

#### "V. Fare Boxes

Ninety-five Johnson Reg-Lock fare boxes

Other fare boxes

Inserts for fare boxes

Pedestals, stanchions, and fare box repair parts."

7. Paragraph numbered "VI" of Exhibit "D" to said petition is to be amended to read as follows:

#### "VI. Shop and Garage Equipment

All shop and garage tools, machines and equipment such as, but not limited to:

Car washer

Machinery

Work benches

Compressor and tank

Metal lockers

Wood shelving

Fire extinguishers

Motors, pumps and filters

Hose reels for air and lubricants

Hack saw machine

Drinking fountains Space heaters Paint spray fan and equipment Tire rack Pump for fuel oils in manhole at sidewalk Parts and supplies for shop and garage" 8. Paragraph numbered "VII" of Exhibit "D" to said petition is to be amended to read as follows: "VII. Furniture and Office Equipment All furniture and office equipment such as, but not limited to, desks, chairs, file cabinets, electric fans, electric heaters, card files, waste baskets, business machines, typewriters, office supplies, safes and money counting, sorting and packaging machines." 9. Paragraph numbered "VIII" of Exhibit "D" to said petition is to be amended to read as follows: "VIII. Miscellaneous Equipment All miscellaneous equipment not heretofore classified such as, but not limited to, radio equipment, telephone equipment, supplies of tokens, tickets and transfers." WHEREFORE, petitioner prays that the Public Utilities Commission of the State of California authorize petitioner to amend its petition herein as above described. Dated at Sacramento this 19th day of November, 1954. CITY OF SACRAMENTO By: H. H. HENDREN Mayor EVERETT M. GLENN City Attorney of the City of Sacramento REGINALD L. VAUGHAN JOHN G. LYONS Attorneys for Petitioner VAUGHAN. PAUL & LYONS Of Counsel -4STATE OF CALIFORNIA )

County of Sacramento )

H. H. HENDREN, being first duly sworn, deposes and says:

That he is Mayor of the City of Sacramento; that he signs and verifies the foregoing Application for Leave to Amend Petition on behalf of said City of Sacramento; that he has read the foregoing Application and knows the contents thereof; that the same is true of his own knowledge except as to matters therein stated on information and belief, and as to those matters he believes it to be true.

H. H. HENDREN

Subscribed and sworn to before me this 19th day of November, 1954.

EVERETT M. GLENN (SEAL)

NOTARY PUBLIC In and for the County of Sacramento, State of California

> SOIL SECRETARY, PUBLIC UTILITIES COMMISSION STATE OF CAUFORNIA

ORDINANCE NO. 1006
FOURTH SERIES
An Ordinance Granting to Sucramento City Lines, a California Coeporation, its successors and Assigns, a Franchise to Establish, Maintain and Operate a Motor Couch fransportation System Over Certain streets in the City of Sucramento for the Transportation of Passengers for Hire as a Common Carrier and Fixing the Terms and Conditions Thereof
BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:
Section 1. DEFINITIONS, When

MENTO:
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used in this ordinance, the following
terms shall have the meaning herein

MENTO:
Section 1. DEFINITIONS. When used in this ordinance, the following terms shall have the meaning herein specified.

(a) The word "CITY" shall mean the City of Sacramento, a municipal corporation of the State of California, in its present incorporated form or any reorkanized, consolidated or reincorporated form.

(b) The word "CRANTEE" shall mean the Sacramento City Lines, a California corporation, and its lawful successors or assigns.

(c) The word "COUNCIL" shall mean the present governing body of the City or the incumbents of any office or board hereafter created by law performing similar functions.

(d) The words "MOTOR COACH" shall mean any trackless, self-propelled vehicles, designed and used for the conveyance of passengers

(e) The term "CITY MANACER" shall men the City Manager of the City of Sacramento, or any person performing the functions of that office in the absence of the City Manager.

Section 2. NATURE OF GRANT. The authority, right, privilege and franchise is hereby granted to Grantee, its successors and assigns, for the period commencing on the date fixed in Section 21 hereof and expiring November 30, 1968, to establish, maintain and operate a motor coach transportation system for the transportation of passengers for hire over, upon and along the streets designated by Council in the manner provided for herein, all in accordance with the terms and conditions hereinafter set forth, Grantee shall have the right to carry newspapers and United States mail on any and all of its motor coaches provided the public shall not be inconvenienced thereby.

Section 3. ROUTE. Regular motor coach transportation service shall oceatablished operated and maintained over, upon and along the voute irrovided for herein. In the event of interference caused by the physical constitution of such route or part thereof, then a convenient alternate coute selected by Grantee with the approval of City Manager shall be used until the obstruction is removed;

From 8th and M Streets, at the

point of connection of the avaiem of CENTRAL CALIFORNIA TRACTION COMPANY with the system of SACRAMENTO NORTHERN RAILWAY, thence northerly along 8th Street to "I" Street; thence easterly along "I" Street to 15th Street; thence northerly along 15th Street to D Street; thence easterly along D Street to a point midway between 18th and 19th Streets; thence in a northerly direction to C Street; thence easterly along C Street to Alhambra Boulevard thence southerly along Alhambra Boulevard to O Street and return over the same route.

The grantee is hereby further

C Street to Alhambra Boulevard thence southerly along Alhambra Boulevard to O Street and return over the same route.

The grantee is hereby further granted the right to turn its motor coaches at termini or intermediate points on any route operated hereunder either in the intersection of the streets or by operating around the block contiguous to such intersections in either direction.

Section 4. CHANOE OF ROUTE. The route herein described may be altered or extended and new notes may be added from time to time to meet public necessity and convenience, in any manner agreed upon by Council and Grantee. Any alteration, extension or addition shall be made by Ordinance except as hereinafter provided, and shall be subject to such applicable rules and regulations as may now or hereafter be promulgated by the Railroad Commission of the State of California.

Section 5. TEMFORARY ROUTES. Council by resolution may authorize operations over temperary routes agreed upon by Council and Grantee for a period not to exceed ninety days. If a temporary route brovides substitute transportation for any other route then a temporary suspension of service over the route for which the substitution is made may be authorized in like manner. No temporary route shall become permanent until authority has been granted therefor in accordance with the provisions of Section 4. Occasional service desirable for some legitimate purpose may be authorized by Council resolution for a limited period.

Section 6. SCHEDULES. The hours of service and headways shall be such as will provide adequate transportation service on each route. Grantee from time to time may increase. decrease or so alter the hours of service and headways on any route so as to provide adequate transportation service on each route or routes upon which they are operated Said motor coaches shall be maintained properly, serviced and kept in a safe, dependable and sanitary condition and shall be painted uniformly.

Section 8. EXCENSION BY AN NEXATION. Upon the annexation of any territory

ORDINANCE No. 1253

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# CORRECTION

THIS DOCUMENT

HAS BEEN REPHOTOGRAPHED

TO ASSURE LEGIBILITY

ordinance within which to file a written acceptance of this franchise with the City Clerk of the City of Sacramento and no rights shall be conferred hereby until the acceptance

Mection 21. EFFECTIVE DATE. This Ordinance shall take effect from and after sixty (60) days from its final passage. The term hereof shall commence on the effective date of the decision of the Railroad Commission of the State of California authorizing the operations contemplated hereby. provided the effective date thereof is subsequent to the date of the acceptance provided for herein. Otherwise

the term hereof shall commence on the date of acceptance PASSED March 31, 1944 EFFECTIVE May 30, 1944 TOM B. MONK, Mayor.

H. G. DENTON, City Clerk. By M. F. MAIG, Deputy.

ORDINANCE NO. 1006 FOURTH SERIES

An Ordinance Granting to Succumento City Lines, a California Corporation, Its successors and Assigns, a Franchise to Establish Maintain and Operate a Motor Coach frameportation system Over streets in the City of Sacramento for the Transportation of Passengern for Hire as a Common Carrier and Fixing the Terms and Conditions Thereof

BE IT ENACTED BY THE COUN-IL OF THE CITY OF SACRA-MENTO:

Section 1. DEFINITIONS. used in this ordinance, the following terms shall have the meaning herein specified.

(a) The word "CITY" shall mean the City of Sacramento, a municipal corporation of the State of California, in its present incorporated form or any reorganized, consolidated or reincorporated form.

(b) The word "GRANTEE" shall mean the Sacramento City Lines, a California corporation, and its lawful

auccessors or assigns.
(c) The word "COUNCIL" shall mean the present governing body of the City or the incumbents of any office or board hereafter created by law performing similar functions.

(d) The words "MOTOR COACH" shall mean any trackless, self-propelled vehicles, designed and used for

the conveyance of passengers
(e) The term "CITY MANAGER"
shall mean the City Manager of the City of Sacramento, or any person periorming the functions of that office in the absence of the City Manager.

Section 2. NATURE OF GRANT. The authority, right, privilege and franchise is hereby granted to Grantee, its successors and assigns, for the period commencing on the date fixed in Section 21 hereof and ex-piring November 30, 1968, to estab-lish, maintain and operate a motor coach transportation system for the transportation of passengers for hire over, upon and along the streets designated in Section 3 and any other atreets designated by Council in the manner provided for herein, all in accordance with the terms and conditions hereinafter set forth. Grantee shall have the right to carry newspapers and United States mail on any and all of its motor coaches provided the public shall not be inconvenienced thereby

Section 3. ROUTE. Regular motor coach transportation service shall oc established operated and maintained over, upon and along the route pro-vided for herein. In the event of in-terference caused by the physical condition of such route or part thereof, then a convenient alternate route selected by Grantee with the approval of City Manager shall be used un'll the obstruction is removed:

From 8th and M Streets, at the

point of connection of the system of CENTRAL CALIFORNIA TRACTION COMPANY with the system of SAC-RAMENTO NORTHERN RAILWAY. thence northerly along 8th Street to "I" Street; thence easterly along "I" Street to 15th Street; thence northerly along 15th Street to D Street; thence easterly along D Street to a point midway between 18th and 19th Streets, thence in a northerly direction to C Street; thence easterly along C Street to Alhambra Boulevard thence southerly along Alhambra Boulevard to C Street and return over the same route.

The grantee is hereby further granted the right to turn its motor coaches at termini or intermediate points on any route operated here-under either in the intersection of the streets or by operating ground the block contiguous to such intersections in either direction.

Section 4. CHANGE OF ROUTE. The route herein described may be altered or extended and new routes may be added from time to time to meet public necessity and conven-ience, in any manner agreed upon by Council and Grantee. Any alterntion, extension or addition shall be made by Ordinance except as herein-after provided, and shall be subject to such applicable rules and regula-tions as may now or hereafter be promulgated by the Railroad Com-

mission of the State of California.
Section 5. TEMPORARY ROUTES.
Council by resolution may authorize operations over temporary routes agreed upon by Council and Grantee for a period not to exceed ninety days, if a temporary route provides. substitute transportation for any other route then a temporary suspansion of service over the route for which the substitution is made may be authorized in like manner. No temporary route shall become permanent until authority has been granted therefor in accordance with the provi-sions of Section 4 Occasional serv-ice desirable for some legitimate pur-

pose may be authorized by Council resolution for a limited period.

Section 6. SCHEDULES. The hours of service and headways shall be such as will provide adequate transportation service on each route, Grantee from time to time may increase, decrease or so alter the hours of service and headways on any route so as to provide adequate service on

such route.
Section 7. EQUIPMENT, All motor coaches operated by Grantee hereunder shall be of such size and seating capacity as may be adequate from time to time to meet the needs of the patrons of the route or routes upon which they are operated Said motor coaches shall be maintained properly, serviced and kept in a safe. dependable and sanitary condition and shall be painted uniformly.

Section 8, EXTENSION BY AN NEXATION. Upon the annexation of any territory to City, the portion of

ORDINANCE No. 1 2 5 3 3



ORDINANCE No. 1 2 5 4 ..

any of the transportation system operated by Grantes that may be located within such annexed territory shall thereafter be subject to all of the terms of this grant as though it were an extension hereunder,

Section 9 AUDITING BOOKS. Orantce at all times during usual business hours shall make available to City all books, accounts, or records pertaining to its operations hereunder for such examination as may be germane to the interests of City.

Section 10. FREE TRANSPORTA-TION. All policemen and firemen of the city, while in the actual dis-charge of their duties, and while going to and from work, and United States Mail Carriers in uniform while going to aid from work, shall be allowed to ride in and on the street cars and motor craches of Orantee within the boundaries of the City, without paying fare therefor, and with all the rights of other pas-SOLUTER.

Section 11 SECURITY FOR PAITHFUL PERFORMANCE. Frantee shall within ten (10) days siter the pussage of this Ordinance file a bond running to the City, to be approved by the City Council, in the penal sum of ONE THOUSAND AND NO/100 (\$1,000,00) DOLLARS conditioned that Orantee shall well and truly observe and faithfully perform each and every term and condition

of this franchise.
Section 12. INDEMNIFICATION.
Crantoe shull indemnify and save
City harmless of and from all calins for a damage of every kind and dascription caused by Grantee in the exercise of the rights and privileges conferred hereby. Grantee reserves the right, however, to join in the delense of any action arising hereun-

Section 13. COMPETITION, This franchise shall not be construed to be an exclusive grant except as to the route herein specified or as the same may be changed as provided herein, City shall not grant a franchise to a competing carrier on any route paralleling within one-half (14) mile of any route that Grantee is authorized to operate hereunder, No franchise shall be granted to a carries other than Grantee within City until a public hearing to determine the public convenience and necessity for it franchise to such other carrier has been held before Council after at least fifteen (15) days' notice thereof to Orantee. In the event City proposes to grant a franchise to any carrier other than Grantee, the same shall not be done for a period of aixty (60) days after written action to that effect has been given to Orantee during which time Orantee shall have the option of exercising the same rights to be manted such other carner. If Grantos elercises such option within said period of mixty (60) days, no tranchise shall be granted to such other carrier. Nothing herein contained shall be construed as prohibiting ("ity from granting franchises for the operation of taxi-cabs within the City so our as said taxi-cabs within City do not operate on routes between fixed cer-

PROVIDED. HOWEVER, that nothing hersin contained shall be construed to prevent City from granting a franchise to any public carrier for any intercity operation not competing with Grantee as hereinabove pro-

Section Section 14. ASSIGNMENT OR TRANSPER. Grantee shall not assign, lease or otherwise alienate this franchise without the express consent of City given by ordinance No dealings on the part of City with any burchaser, lessee or assignee to require the performance of any act or payment of any compensation by the purchaser, issue or assignee, anill be deemed to operate as consent, pro-vided that nothing herein contained shall be construed to prevent Cirantee from including this franchise in a Mortgage or Deed of Trust executed for the purpose of obtaining money

for corporate objects.
Section 15. COMPLIANCE. A wilful failure or neglect to comply with any of the terms or conditions of this franchise, or of any ordinance now in force or nerentter adopted by City, in the exercise of its police power, which continues for thirty (30) days after written demand for the performance thereof, shall entitle City to forfeit this franchise, or, at its option, to take such other action as may be appropriate for the enforcement thereof.

Section 16. ABANDONMENT OF PRESENT OPERATED STREET ELEC-TRIC RAILWAY LINES. It is hereby understood and agreed that the granting of a franchise to the Grantee hereunder to maintain and operate a motor coach system over certain streets in the City of Sacramento for the transportation of passengers for hire as a common carrier is with the express condition that Grantee will abandon such electric street railway passenger operations as are now conducted by SACRAMENTO NORTH-ERN RAILWAY and Will substitute motor coach operations therefor as soon as appropriate governmental authority can be obtained for such abandonment and for the purchase of the necessary motor coach equipment. Contemporaneously with such abandonment, Orantee shall (a) remove or cause to be removed the trolley and span wires presently situated on 8th Street from the point of connection of the system of CEN-TRAL CALIFORNIA TRACTION COMPANY with the system of SAC-RAMENTO NORTHERN RAILWAY at M Street northerly to "I" Street; on "I" Street from 8th Street to 15th Street from "I" Street to "D" Street; on D Street from 15th Street from 15th Street to SACRAMENTO NORTHERN RAILWAY'S freight line at the inter-

section of D Street and the west line of 17th Street in said City and (b) pay or cause to be paid to City the sum of Fourteen Thousand Three Hundred Thirty-five Dollars (\$14. 335.00) in full payment, satisfaction and discharge of any and all obligation of Grantee and its predecessors in interest to remove the rails and other track material presently situated on 8th Street from the point of connection of the system of CENTRAL CALIFORNIA TRACTION COMPANY with the system of SACRA-MENTO NORTHERN RAILWAY at M Street to "I" Street; on "I" Street from 8th Street to 15th Street; on 15th Street from "I" Street to D Street: on D Street from 15th Street to SACRAMENTO NORTHERN RAIL-WAY'S freight line at the intersection of D Street and the west line of 17th Street in said city, and repave the area in the street affected by such removal. Jpon such abandonment and payment, title to said rails and other track material shall vest in the City.

Section 17 VALIDITY, Each 2.3. tion of this Ordinance and each part of each section hereof is hereby declared to be an independent acction or part of section, and the holding of any section or part thereof to be unconstitutional, void, illegal or in-effective for any reason shall not affect any other section or part of sec-

tion of this Ordinance.

Section 18. CONSIDERATION. As compensation for the use of the streets by the operation of motor coaches under this franchise. Crantee shall pay to the City annually during the entire term of this franchise, a City license or franchise tax con-sisting of a percentage of Grantee's annual gross revenue derived from operations within the City of Sacramento under this franchise, as fol-

For the purpose of calculating and paying said tax, the amount of Grantee's annual gross revenue under this franchise shall be added to the amount of Grantee's simulal gross revenue derived from operations un-der the franchises in Grantee's favor. granted in and evidenced by Ordinance No. 992. Fourth Series, duly passed and adopted by the City. Council October 1, 1943, and by Ordinance No. 1005, Fourth Series duly massed and adopted by Council October 1, 1943, and by Ordinance No. 1005, Fourth Series duly massed and adopted by City Council March 31, 1944, and payment to the City by Grantee of the amount calculated on said total at the rate specified in said Ordinance No. 992, Fourth Series. shall constitute payment by Grantee in full of the annual franchise tax under all of said franchises.

Section 19 RIGHT OF CITY TO PURCHASE. There is hereby reserved to the City of Sacramento to and including December 31, 1945, the right to purchase the property of Grantee used and useful in the exercise of this franchise at a price equivalent to the cost of said property to Cran-

tee, plus ten per cent (10%), less de-preciation, "Cost," as used herein, shall be construed to be the aggregate of the purchase price paid by Orantee for said property and the actual cost to Grantee of all additions and betterments. Depreciation shall be calculated at the rate of ten per cent (10%) per annum from date of acquisition by Grantee in respect to all items of physical property of Grantee used and useful in the exerclse of this franchise, but excluding therefrom real property and the buildings situated thereon. This option shall be exercised only in the event of the contemporaneous exerevent of the contemporations exercise by the City of Sacramento of the option in favor of said City expiring December 31, 1945, contained in Section 19 of the franchise granted in and evidenced by Ordinance No. 992. Fourth Spries, duly passed and adopted by the City Council October 1, 1943, and in Section 19 of franchise granted in and evidenoed by Ordinance No. 1005, Fourth Berien, duly passed and adopted by City Council on March 31, 1944, to purchase the property of grantee used and useful under said franchises.

There is hereby reserved to the City on and after January 1, 1946. the right to purchase the property of Grantee used and useful in the exercise of this franchise at a price to be determined by the Railroad Commission of the State of California or its successors, or, on failure or refusal of such Commission or its successor to act, by three appraisers; one appointed by the Grantee, one by the City Council, and the third by the two so appointed. The cuit of the two so appointed. The cuit of zuch appraisal shall be borne by the City of Sacramento. The price at which the City may purchase said property shall be fixed as near as may be in accordance with the then existing rules of the Railroad Commission of the State of California, or its successors, but in no event shall the value of the franchise itself be included in said price. If the price so fixed be deemed satisfactory to the City Council of Sacramento, it may by ordinance purchase the said property for the City in accordance with the provisions of the City Charver of Sacramento, and upon the payment of said purchase price the right of the City of Sacramento to pur-chase said property shall be deemed exercised and the purchase completed, and the franchise, if still alive, shall terminate and the property so Dur-chased by the City shall become the property of said City; provided, however, that no ordinance providing for the purchase of any such property by the City at any price whatsoever, shall take effect within sixty (60) days after its passage, during which period it shall be subject to the referendum provisions of the City Charter of Sacramento.

Section 20. ACCEPTANCE, Grantee shall have ten (10) days from and after the effective date of this

