After our meeting with the parties involving leases of mobile truck cranes, it was decided only those cranes which were capable of moving substantial distances at highway speeds would be regarded as mobile transportation equipment.

One particular crane in question met these criteria. Accordingly we are proceeding to take that case to the Board. In view of the uncertainty as to how the Board may feel on this matter, it is advisable to wait until the Board hears and decides this particular petition case. This should occur within the next month or month-and-a-half. Accordingly, I would suggest that we hold-off making a final determination on the mobile water-chilling unit until after the Board hearing.

However, if it is necessary to complete your present audit prior to this date, we should conclude such units are mobile transportation equipment.
Memorandum

To: Downey – Principal Auditor (GS)  
From: Headquarters – Legal (GLR)  
Subject: Mobile Water-Chilling Units

This is in furtherance to my memo of April 5, concerning the above subject.

In view of the fact that the unit does not require special vehicle plates, is designed to move substantial distances, including interstate travel, and the highway speeds of the unit is the maximum allowed by state law, it is our opinion the unit is properly classified as mobile transportation equipment.

GLR:po

Cc: Robert Nunes  
    Donald Brady  
    T. P. Putnam  
    W. E. Burkett
You ask whether certain trailer mounted water purification units are to be considered to be mobile transportation equipment.

These units are mounted on trailers solely so that they can be transported readily to the place where the water purification units are needed. The cost of the trailers is less than 18 percent of the cost of the completed units. However, the trailer units are licensed with DMV as trailers and apparently are capable of being moved at highway speeds for long distances.

My initial reaction was that these items might not be mobile transportation equipment. However, I now find that certain comparable items -- cement mixers, air compressors, vehicle engine hoists, and mobile water chilling units -- have been ruled to be mobile transportation equipment. See attached letters dated June 17, 1977 and April 5, 1977 by Glenn L. Rigby. To be consistent, I think the units described in your memorandum of January 23 should be classified as mobile transportation equipment.

cc: Mr. Donald F. Brady
    Mr. T. P. Putnam
    Mr. W. E. Burkett
    Mr. Philip R. Dougherty
    all w/attachments