

Decision No. 27843

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
HUNT-HATCH TRANSPORTATION COMPANY)
and THE RIVER LINES(The California)
Transportation Company, Sacramento)
Navigation Company, and Fay Trans-)
portation Company) and NAHUM FAY,)
Trustee, for an order authorizing)
the sale of certain engines and)
machinery and also authorizing a)
mortgage on the vessel KENT.)

ORIGINAL

Application No. 19868

McCutchen, Olney, Mannon & Greene, and Allan P.
Mathew and F. W. Mielke, for applicants.

BY THE COMMISSION:

OPINION

In this application the Railroad Commission is asked to make an order authorizing Hunt-Hatch Transportation Company to sell to Nahum Fay, Trustee, certain engines and machinery now installed in the vessel "Kent", and authorizing Nahum Fay, Trustee, to execute a chattel mortgage to secure the payment of indebtedness of \$5,000.00 payable by The River Lines to Hunt-Hatch Transportation Company.

The application shows that at one time Hunt-Hatch Transportation Company was engaged in business as a common carrier by water on San Francisco, San Pablo and Suisun Bays and on the Sacramento and San Joaquin Rivers and their tributaries, but that it discontinued such service on June 30, 1933, having leased all of its transportation properties, franchises and operating rights, with an option to purchase, to The River Lines, this transaction having been authorized by the Commission by Decision No. 24790, dated May 23, 1932, in Application No. 18094. (Vol. 37, Opinions and

Orders of the Railroad Commission of California, page 522.)

The lease and option agreement referred to in the preceding ~~opinion~~ opinion, which was dated May 2, 1932, provided for a total purchase price of \$65,000.00, payable part in cash, or properties, and part in monthly installments. We are advised that at present there remains unpaid \$28,450.00 which is being paid at the monthly rate of \$666.67. Among the properties covered by the agreement were three vessels, the "Oakland", the "Suisun City" and the "Surprise". It appears that subsequent to the commencement of operations by The River Lines the "Surprise" was deemed unsuitable for its service and it was dismantled, its engines and machinery being installed in another vessel, the "Kent", and its hull being sold. The "Kent" thereupon was documented with the United States Collector of Customs in the name of Nahum Fay, Trustee.

The three vessels to be purchased by The River Lines from Hunt-Hatch Transportation Company originally were covered by a chattel mortgage to First National Bank in Oakland. In order that new security might be substituted in lieu of the "Surprise", arrangements have been made for the transfer of title to the engines and machinery formerly installed in the "Surprise" to Nahum Fay, as trustee, and for the execution by him of a new chattel mortgage on the "Kent" and the equipment, to secure the payment of \$5,000.00, next due and payable by The River Lines under the agreement of May 2, 1932. A copy of the proposed mortgage has been filed in this proceeding as Exhibit "B" and appears to be in satisfactory form.

An order accordingly will be entered.

ORDER

Application having been made to the Railroad Commission for an order authorizing the transfer of property and the execution of

a chattel mortgage, and the Commission being of the opinion that this is not a matter in which a public hearing is necessary, and that the application should be granted, as herein provided,

IT IS HEREBY ORDERED that Hunt-Hatch Transportation Company be, and it hereby is, authorized to sell to Nahum Fay, Trustee, the engines and machinery formerly installed in the vessel "Surprise" but now installed in the vessel "Kent", such sale to be in accordance with the quitclaim bill of sale, a copy of which is filed as Exhibit "A" attached to the application herein.

IT IS HEREBY FURTHER ORDERED that Nahum Fay, Trustee, be, and he hereby is, authorized to execute a chattel mortgage on the vessel "Kent" and its equipment to secure the payment of \$5,000., such chattel mortgage to be substantially in the same form as that filed in this application as Exhibit "B", provided that the authority herein granted to execute a chattel mortgage is for the purpose of this proceeding only, and is granted only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said mortgage as to such other legal requirements to which it may be subject.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 25th day of March, 1935.

Leon Arthur

W. A. Cunn

W. B. Cunn

James R. Cunn

Commissioners.