

ORIGINAL

Decision No. 35461

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In The Matter of the Petition
of WELLS TRANSPORTATION, INC.,
a corporation, to borrow money
and give a note and trust deed
upon its real property to
secure the same.

Application No. 25020

BY THE COMMISSION:

OPINION AND ORDER

Wells Transportation, Inc., a California corporation, is engaged in the transportation of property for hire as a common carrier under the authority granted by Decision No. 32673, dated December 19, 1939, in Application No. 22467. Its operating revenues for 1941 are reported at \$194,871.39.

Wells Transportation, Inc., hereinafter sometimes referred to as applicant, asks permission to issue to Bank of America National Trust & Savings Association its note for the principal sum of \$6,000, and to secure the payment of the note by the execution of a deed of trust. A copy of the note and a copy of the deed of trust are on file in this proceeding.

The note bears interest at the rate of 6% per annum, payable monthly. The principal is payable in monthly

installments of \$125.

Applicant desires permission to use the proceeds realized through the issue of the note to pay indebtedness in the amount of \$2,786.91 and to use the remaining proceeds to reimburse its treasury because of income expended for the construction and improvement of its facilities. It is of record that between October, 1941 and March, 1942, applicant expended \$4,004.22 from income and working capital in building an addition to its office; \$3,352.16 in building an addition to its warehouse, and \$608.88 in building an additional truck shed.

It is reported that the deed of trust securing the payment of the note will be a lien on applicant's real property on which its offices, warehouse, truck sheds and machine shops are located. The cost of the real property is reported at \$5,000 and the present value of the improvements at \$15,757.36.

The Commission having considered applicant's request and it being 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 applicant through the issue of said \$6,000 note is reasonably required by applicant for the purposes herein stated, and that this application should be granted subject to the provisions of this order, therefore

IT IS HEREBY ORDERED that Wells Transportation, Inc. be, and it is hereby, authorized to issue to Bank of America National Trust & Savings Association its note for the sum of \$6,000, and to execute a deed of trust to secure the payment

of said note, said note and said deed of trust shall be in substantially the same form as the note and deed of trust on file in this proceeding, provided that the authority herein granted to execute a deed of trust 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 deed of trust as to such other legal requirements to which said deed of trust may be subject.

IT IS HEREBY FURTHER ORDERED that Wells Transportation, Inc. shall use \$2,786.91 of the proceeds realized through the issue of said note to pay indebtedness of a like amount and shall use the remainder of the proceeds to reimburse its treasury because of income expended for the construction and improvement of its facilities.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the payment by Wells Transportation, Inc. of the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five (\$25.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the issue of the note herein authorized, Wells Transportation, Inc. shall file with the Commission a statement showing the purposes for which it expended the proceeds realized through the issue of said note, together with a true and correct copy of the note and a true and correct copy of the deed of trust executed under the authority herein granted.

Dated at San Francisco, California, this 9th day
of June, 1942.

Justus J. Galloway
Ray H. Piny
H. H. ...

Richard ...
Commissioners.

