

Decision No. 45694

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of COGGESHALL LAUNCH COMPANY for :
authority to execute note and)
preferred ship mortgage. :
-----)

Application
No. 32369

OPINION AND ORDER

Coggeshall Launch Company, applicant herein, is a corporation engaged in transporting passengers, baggage and express by vessels between Eureka and points on Humboldt Bay. Under authority granted by Decision No. 43804, dated February 14, 1950, it assumed the payment of certain indebtedness and issued notes to various individuals, in the aggregate amount of \$15,200, ⁽¹⁾ for the purpose of financing the purchase price of the tugboat "Prospector". It now reports that the indebtedness has been reduced to \$13,000 and that it desires, and in this application requests permission, to refinance the amount through the issue of a new note to Bank of America National Trust and Savings Association, Eureka Branch.

The proposed note will be in the principal amount of \$13,000, with interest on deferred balances at the rate of 6% per annum, and will be payable in monthly installments of \$400 commencing July 1, 1951, and continuing until August 1, 1953, on which date the entire balance of principal and interest then unpaid shall be due and payable. The payment of the note will be secured by a preferred ship mortgage upon the "Prospector".

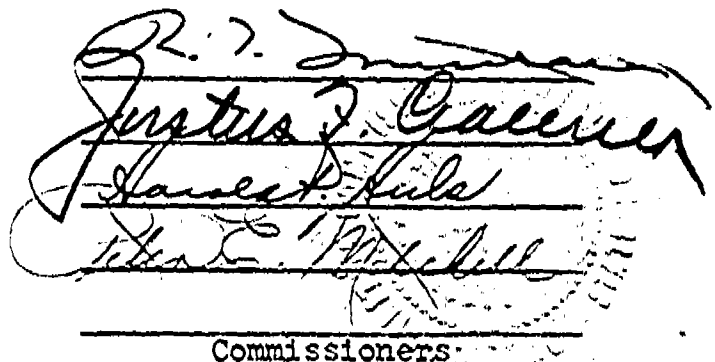
(1) The indebtedness assumed consisted of a promissory note and chattel mortgage in favor of Reconstruction Finance Corporation, in the amount of \$3,842.38, dated August 24, 1948, and payable over a period of five years with interest at the rate of 4% per annum. The notes, in the amount of \$11,357.62, payable in monthly installments aggregating \$255, with interest at 6% per annum, were issued to the seller of the boat and his associates.

The Commission has considered this matter and is of the opinion that a public hearing 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 issue of the note herein authorized is reasonably required 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. Coggeshall Launch Company, after the effective date hereof and on or before August 31, 1951, may execute a preferred ship mortgage and may issue a note in the principal amount of not exceeding \$13,000 in, or substantially in, the same form as those filed in this proceeding as Exhibit C, for the purpose of refinancing presently outstanding indebtedness.
2. Within thirty (30) days after issue of said note, applicant shall file a true copy thereof with the Commission.
3. The authority herein granted is effective upon the date hereof.

Dated at San Francisco, California, this 15th day of May, 1951.


Commissioners: