

Decision No: 4594S

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of J. A. NEVIS doing business as JOE A. NEVIS TRUCKING for authority to issue promissory notes and execute chattel mortgage and deeds of trust.

Application No. 32236 (First Supplemental and Amendment)

FIRST SUPPLEMENTAL OPINION

By Decision No. 45547, dated April 10, 1951, J. A. Nevis, a highway common carrier of property doing business as Joe A. Nevis Trucking, was authorized to execute, on or before September 30, 1951, promissory notes, chattel mortgages and deeds of trust in the aggregate principal amount of \$431,500 for the purpose of refinancing and consolidating outstanding indebtedness and of financing in part the cost of new equipment and facilities. Applicant reports that the authority thus conferred by Decision No. 45547 has not been exercised, in whole or in part.

Applicant further reports that since April 10, 1951, he has ordered or constructed additional units of equipment at a total cost of \$27,000, and has either undertaken or completed construction of terminal property improvements at Pittsburg and Montebello, which construction will entail an expenditure of approximately \$173,000. In his first supplemental application filed in this proceeding, as amended, applicant requests that in lieu of the authority heretofore granted by Decision No. 45547 he be granted authority to issue promissory notes in the principal amount of \$499,980.81 and to execute mortgages and deeds of trust to secure payment for these notes. The notes, mortgages and deeds of trust which applicant now proposes to execute will consist of the following:

(1) A promissory note to the Bank of America National Trust and Savings Association for the sum of \$400,000.00 payable in 40 equal monthly installments, each installment to be in the amount of \$10,000.00 plus interest at the rate of 5 percentum per annum on the unpaid balance, to be secured by a chattel mortgage upon all of the equipment listed in amended Exhibit "B" and by this reference made a part hereof, said note and chattel mortgage to be substantially in the form attached to the original application in this proceeding and marked Exhibit "C".

(2) A promissory note to the Bank of America National Trust and Savings Association in the sum of \$35,000.00 payable in 120 equal monthly installments of approximately \$291.67 each, plus interest at the rate of 5 percentum per annum on the unpaid balance, to be secured by a deed of trust on "The Pittsburg Property" as described in Exhibit "A" of the original application in this proceeding, said note and deed of trust to be substantially in the form attached to the original application in this proceeding and marked Exhibit "D".

(3) A promissory note to Steve G. Bonorris and Coula Bonorris for a sum not to exceed \$19,980.81 payable in equal monthly installments over a period of approximately 112 months, each monthly installment to be in the amount of \$179.17 plus interest at the rate of 5 percentum per annum on the unpaid balance, to be secured by a deed of trust on the property described in Exhibit "A" of the original application in this proceeding as "The Montebello Property", said note and deed of trust to be substantially in the form attached to the original application and marked Exhibit "E".

(4) A promissory note to Federal Engineering Corporation, San Francisco, California, for the sum of \$45,000.00 payable in equal monthly installments over a period of 120 months, each monthly installment to be in the amount of \$375.00 plus interest at the rate of 4 percentum per annum on the unpaid balance, to be secured by a second mortgage on "The Pittsburg Property" as described in Exhibit "A" of the original application in this proceeding.

The \$499,980.81 to be secured through the issue of the promissory notes is to be used by applicant for the following purposes:

Retire existing equipment obligations	\$333,250.00
Retire existing obligations to J.R. Bundesen representing balance of purchase price on "The Pittsburg Property"	23,000.00
Pay balance of the construction cost of terminal property improvements on "The Pittsburg Property" and "The Montebello Property"	114,750.00
Pay Steve G. Bonorris and Coula Bonorris balance of the purchase price of the land described as "The Montebello Property"	19,980.81
Pay balance of the purchase price of a 1951 Kenworth motor truck described in Amended Exhibit B of this application as Car No. 42	<u>9,000.00</u>
Total	<u>\$499,980.81</u>

It appears that applicant has need for the funds to be procured through the execution of the documents referred to herein for the purposes indicated. Accordingly, an order will be entered in this matter granting his request.

FIRST SUPPLEMENTAL ORDER

The Commission having given further consideration to this matter, and being of the opinion that a public hearing thereon is not necessary; that the supplemental application should be granted, as herein provided; that the money, property or labor to be procured or paid for through the execution of the promissory notes, chattel mortgages and deeds of trust herein authorized is reasonably required by applicant for the purposes specified herein; and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Ordering paragraph No. 1 of the order in Decision No. 45547, dated April 10, 1951, hereby is vacated and set aside.

2. J. A. Nevis, doing business as Joe A. Nevis Trucking, after the effective date hereof and on or before December 31, 1951, may execute promissory notes, chattel mortgages and deeds of trust in, or substantially in, the same form as those filed in this proceeding, in the aggregate principal amount of not exceeding \$499,980.81, for the purpose of refinancing and consolidating outstanding indebtedness and of financing in part the cost of new equipment and facilities.

3. Within thirty (30) days after the execution of said promissory notes, chattel mortgages and deeds of trust, applicant shall file a copy of each with the Commission.

4. The authority herein granted will become effective when applicant has paid the additional fee required under the provisions of Section 57 of the Public Utilities Act.

Dated at San Francisco, California, this 17th day of July, 1951.

A. J. [Signature]
Justin J. [Signature]
Harold P. [Signature]
[Signature]
[Signature]
Commissioners

