

**ORIGINAL**

Decision No. 48781

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of Ray Withers and Andrew Byrd, a )  
copartnership doing business as and )  
under the firm name and style of )  
SAN MATEO TRANSIT,-for authority to )  
execute a promissory note and )  
chattel mortgage. )  
----- )

Application  
No. 34456

O P I N I O N

This is an application for an order authorizing Ray Withers and Andrew Byrd, a copartnership doing business as San Mateo Transit, to issue a promissory note and to execute a chattel mortgage to secure the payment of said note, for the purpose of paying or refunding outstanding indebtedness heretofore issued without the approval of the Commission.

Applicants are engaged in giving motor bus service as a common carrier of passengers within and between several communities in San Mateo County. In September, 1952, applicants purchased a new 1951 Ford F-6 passenger school bus to be used in its Hillsborough contract school bus service. Applicants did not have sufficient funds on hand to pay for the equipment and financed the purchase price through the execution of a promissory note in the amount of \$5,150.24, payable over a period of 24 months, and through the execution of a chattel mortgage on the new bus and two 1947 used buses as security for the note.

Applicants report that through inadvertence the promissory note and chattel mortgage now outstanding were executed without approval of this Commission. Applicants propose to execute a new

promissory note and chattel mortgage in place of those now outstanding. The promissory note and chattel mortgage will be in the exact form as the present instrument, except that the principal amount will be \$3,870, which was the sum due as of May 1, 1953, and the monthly payments will be \$215 and will extend over a period of 18 months. A copy of the note and mortgage of chattels is attached to the application. The note which applicants heretofore issued and the note which they now propose to issue include interest at the rate of 6% on the total amount of the obligation.

O R D E R

The Commission having considered the above entitled matter, and being of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicants for the purpose specified herein, and that such purpose, except for the interest component, is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Ray Withers and Andrew Byrd, copartners doing business as San Mateo Transit, on and after the effective date hereof and on or before September 30, 1953, may execute a chattel mortgage and issue a note in the principal amount of not exceeding \$3,870 for the purpose of paying or refunding indebtedness. The note and chattel mortgage shall be in, or substantially in, the same form as the note and chattel mortgage attached to the application in this proceeding.

2. Ray Withers and Andrew Byrd shall file with this Commission a copy of the note and chattel mortgage as actually executed, within 30 days after the date thereof.

3. The authority herein granted will become effective when Ray Withers and Andrew Byrd have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 7<sup>th</sup> day of July, 1953.

[Signature]  
President

[Signature]

[Signature]

\_\_\_\_\_  
Commissioners

KENNETH POTTER  
Commissioner ~~JUSTUS F. CRAEMER~~ being  
necessarily absent, did not participate  
in the disposition of this proceeding.

PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA  
1354  
JUL 6 - 1953  
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By [Signature]