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Decision No. 89555 OCT 17 1978

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of: )  
 )  
 RAYMOND E. SKAGGS, an individual, )  
 and GERALDINE N. SKAGGS, an )  
 individual, for authority to )  
 control FRANK E. HICKS TRUCKING, )  
 INC., a California corporation, )  
 and for FRANK E. HICKS TRUCKING, )  
 INC. to encumber its public )  
 utility property pursuant to )  
 Sections 851-854 of the Public )  
 Utilities Code. )

Application No. 58327  
(Filed August 31, 1978)

O P I N I O N

By this application, Raymond E. Skaggs and Geraldine N. Skaggs, husband and wife, propose to control Frank E. Hicks Trucking, Inc. (Hicks Trucking) and Hicks Trucking proposes to encumber its property to secure payment of a note.

Hicks Trucking is a California corporation which operates under a cement carrier certificate acquired by its predecessor proprietorship by Decision No. 79858, dated March 28, 1972, and transferred to Hicks Trucking, the corporation, by Decision No. 88099, dated November 8, 1977. The cement carrier authority of Hicks Trucking extends throughout the counties of Contra Costa, El Dorado, Sacramento, and San Francisco. The company also operates as a radial highway common carrier and a dump truck carrier under statewide permits, and in addition it possesses interstate operating rights issued by the Interstate Commerce Commission.

Raymond E. Skaggs is a sole proprietor operating as a cement carrier pursuant to a certificate issued in Decision No. 84753, dated August 5, 1975. He also operates as a dump truck carrier and a radial highway common carrier under statewide permits.

Mr. and Mrs. Skaggs presently own 117 shares of the 240 shares of issued and outstanding stock of Hicks Trucking. They possess an option to purchase the remaining 123 shares, and plan to exercise the option upon approval by this Commission. The agreed purchase price for the 123 shares is \$93,583.51, to be evidenced by a promissory note payable in monthly installments over a period of ten years and bearing interest at the annual rate of 9.5%.

In support of the proposed transfer of control, the applicants state that the purchasers have been involved continuously in the transportation of cement for the last ten years, and that Mr. Skaggs has assumed certain of the managerial functions of Hicks Trucking. The sellers of the stock, Frank E. Hicks and Ona Sue Hicks, have operated Hicks Trucking since its inception and now desire to retire from the trucking business. No significant operational changes, service reductions, or tariff changes are contemplated as a result of the change in ownership.

The purchasers' performance is to be secured by a pledge of the shares of stock and a security agreement encumbering all vehicles, equipment, and supplies of the corporation. A copy of the proposed encumbrance document is attached to the application as Exhibit D.

After consideration the Commission finds that control of Hicks Trucking by Raymond E. Skaggs and Geraldine N. Skaggs and the proposed Security Agreement would not be adverse to the public interest, and concludes that the application should be approved. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the capital stock of Hicks Trucking.

O R D E R

IT IS ORDERED that:

1. Raymond E. Skaggs and Geraldine N. Skaggs may control Frank E. Hicks Trucking, Inc.
2. Frank E. Hicks Trucking, Inc. may execute and deliver a Security Agreement in substantially the same form as Exhibit D attached to the application.
3. The effective date of this order shall be thirty days after the date hereof.

Dated at San Francisco, California, this 17<sup>th</sup> day  
of OCTOBER, 1978.

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President  
*William Squaw*  
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*Vernon L. Sturgeon*  
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*Robert W. Grobe*  
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*Clara T. Dredlich*  
Commissioners

Commissioner Robert Batimovich, being necessarily absent, did not participate in the disposition of this proceeding.