

ORIGINAL

JUL 31 1979

Decision No. 90603

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of RANDALL L. WARD
and VIRGINIA M. WARD and BOBBIE
WARNIX for the sale of stock of
BAY RAPID TRANSIT COMPANY, IN-
CORPORATED

Application No. 58837
(Filed May 2, 1979)

O P I N I O N

In this application Bobbie A. Warnix (Buyer) requests authority to control Bay Rapid Transit Company, Incorporated (Bay) through purchase of all its issued and outstanding common stock from Randall L. Ward and Virginia M. Ward (Sellers).

Authority is sought pursuant to Section 854 of the Public Utilities Code. Notice of the filing of the application was published on the Commission's Daily Calendar of May 4, 1979.

Bay, a California corporation conducts business as a passenger stage corporation (PSC-360) pursuant to a certificate of public convenience and necessity granted in Decision No. 84395 dated May 6, 1975 in Application No. 53998. Bay also is a charter party carrier of passengers (Class A certificate No. T C P 69-A) operating a charter bus service in and near the cities of Monterey and Carmel in Monterey county and charter bus trips to Lake Tahoe and Reno, Nevada pursuant to Certificate No. MC 143336, authorized by the Interstate Commerce Commission.

Bobbie A. Warnix, an individual, proposes to control Bay through the purchase of all its outstanding common stock consisting of 700 shares owned by Randall L. Ward and Virginia M. Ward. A copy of the agreement for sale and transfer of the stock, attached to the application as part of Exhibit C, indicates that Buyer shall deliver to Sellers a certified or cashier's check in the amount of \$20,000 and a promissory note for \$55,000

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or a total consideration of \$75,000, in payment of the stock which had a negative book value of (\$42,621) on December 31, 1978. As part of the transaction, a claim in the amount of \$70,221.75 representing loans made by the Seller shareholders are expressly waived by Sellers, in accordance with the terms of the agreement (Exhibit C).

Sellers desire to transfer all the issued and outstanding stock because they want to retire from the business. Buyer desires to acquire control of Bay by the purchase of the outstanding stock because she has the financial capacity and views it as a sound investment. Buyer's son and daughter-in-law have operated and managed Bay for the last three years as well as having substantial proprietary experience operating other charter carriers and will continue to operate Bay in conjunction with Buyer. Buyer has regularly provided Bay with accounting services and is familiar with its operations and finances. Buyer is financially stable and responsible as indicated by her personal financial statement attached to the application as Exhibit D.

The Revenue Requirements Division's review of the annual report and Bay's income statement for the twelve months ended December 31, 1978 shows operating revenue of \$291,335 and ordinary income of \$17,534.

The Transportation Division has reviewed the application and has no objection to granting the authority requested.

The action taken herein shall not be construed as a finding of the value of the stock of Bay. By letter applicant's attorney requests that the order be made effective upon the date of signing, because Buyer's wish to assume the operations and responsibilities as soon as possible.

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Findings of Fact

1. Bay is a certificated carrier under the jurisdiction of this Commission.
2. Buyer requests authority to acquire control of subject passenger stage corporation through purchase of all its outstanding common stock.
3. The proposed transfer of control would not be adverse to the public interest.
4. There is no known opposition and no reason to delay granting the authority requested.
5. Buyer's attorney requests that the order be made effective on the date issued.

Conclusions of Law

1. The application should be granted to the extent set forth in the order which follows.
2. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Bobbie A. Warnix may acquire control of Bay Rapid Transit Company, Incorporated by purchasing all 700 shares of its issued and outstanding common stock from Randall L. Ward and Virginia M. Ward.

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2. Within sixty days after the actual transfer of control Bay Rapid Transit Company, Incorporated shall notify the Commission, in writing, of the date upon which the transfer of control was consummated.

The effective date of this order is the date hereof.

Dated JUL 31 1979, at San Francisco, California.

John E. Berglund
Richard L. Steyer
Charles D. Howell
Philip J. Pedrick
Samuel M. Jones
Commissioners