

T/SEG/ARM/WPSC

Decision 93626 OCT 6 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
MADRON TRUCKING, INC., a California)
corporation to Sell and Transfer)
Properties and Operative Author-)
ities to RONNIE SMITH TRUCKING,)
INC., a California corporation.)

Application 60757
(Filed July 23, 1981)

O P I N I O N

Madron Trucking, Inc. (Seller) a California corporation, seeks authority to transfer that part of its cement carrier certificate authorizing the transportation of cement to and within the Counties of Fresno, Kern, Kings, and Tulare, to Ronnie Smith Trucking, Inc. (Purchaser), a California corporation. The Certificate of Service, filed as Exhibit K to the application, shows that copies of the application were furnished to eleven cement manufacturers and the California Trucking Association. Notice of the filing of the application appeared in the Commission's Daily Calendar of July 27, 1981. No protests have been received.

Seller presently conducts operations as a cement carrier under a certificate granted to it by Decision 82091 dated November 7, 1973 in Application 54287, authorizing it to transport cement to and within the following counties:

Fresno	Sacramento
Kern	San Bernardino
Kings	San Joaquin
Los Angeles	San Mateo
Madera	Santa Clara
Merced	Siskiyou
Orange	Stanislaus
Riverside	Tulare

Purchaser is authorized by its Articles of Incorporation to issue only one class of no par value stock in the amount of 100,000 shares. Upon approval of the application by this Commission, Purchaser will issue 650 shares of common stock at \$100 per share to Ronnie J. Smith and Melissa A. Smith, husband and wife, in return for a cash payment of \$65,000 and an unsecured loan of \$185,000. The loan is evidenced by a note specifying repayment over a period of 7 years with interest at the prevailing prime rate charged by the Bank of America as established monthly. The principal payments will be in the amount of \$2,200 per month.

By the terms of the Purchase Agreement dated June 16, 1981 as Exhibit D to the application, Seller agrees to sell the equipment, customer lists, and goodwill to the Purchaser for the sum of \$250,000 which includes the sum of \$20,000 for a covenant

for Seller not to carry on a similar business in the counties being purchased for a period of 7 years.

Seller is a party to such Western Motor Tariff Bureau tariff publications as are necessary for publication of rates and rules to cover the operations under the portion of the Seller's certificate to be transferred. Purchaser will adopt the Seller's tariffs.

Exhibit J to the application is a copy of a freight bill showing that the authority to be transferred has been exercised during the past year.

Findings of Fact

1. The proposed transfer will not adversely affect any competitor.
2. The proposed stock issue and unsecured loan would be for a proper purpose.
3. The money, property, or labor to be procured or paid for by the stock issue and the loan which are authorized, is reasonably required for the purposes specified, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.
4. The following order complies with the guidelines in the Commission's Energy Efficiency Plan.

5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. The proposed transfer is not adverse to the public interest and should be authorized. A public hearing is not necessary.

2. This authorization is not a finding of the value of the rights and properties to be transferred.

The order which follows will provide for in the event the transfer is completed, the revocation of the certificate held by Madron Trucking, Inc. and the issuance of certificates in appendix form to Madron Trucking, Inc. and Ronnie Smith Trucking, Inc.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. Madron Trucking, Inc., a California corporation, may sell and transfer the operative rights and property specified in the application to Ronnie Smith Trucking, Inc., a California corporation. This authorization shall expire if not exercised by December 31, 1981 or within such additional time as the Commission may authorize.

2. Applicants shall:

- a. File with the Transportation Division written acceptances of the certificates and a copy of the bill of sale or other transfer documents within 30 days of the transfer.
- b. Amend or reissue their tariffs. The tariffs shall not be effective before the date of transfer nor before 5 days' notice is given to the Commission.
- c. Comply with General Orders Series 100, 104, and 117, and the California Highway Patrol Safety Rules.
- d. Maintain accounting records in conformity with the Uniform System of Accounts.
- e. Comply with General Order Series 84 (collect-on-delivery shipments). If applicants elect not to transport collect-on-delivery shipments, they shall file the tariffs required by that General Order.

3. When the transfer is completed and on the effective date of the tariffs, certificates of public convenience and necessity are granted to Madron Trucking, Inc. and Ronnie Smith Trucking, Inc. authorizing them to operate as cement carriers as defined in PU Code Section 214.1 between the points set forth in Appendixes A and B, respectively.

4. The certificate of public convenience and necessity granted by Decision 82091 is revoked on the effective date of the tariffs.

5. On or after the effective date of this order but before December 31, 1981, for the purposes specified, Purchaser may issue up to 650 shares of common stock with stated value of \$100 per share. Purchaser may also issue an evidence of indebtedness in principal not exceeding \$185,000 and may execute and deliver an encumbering document.

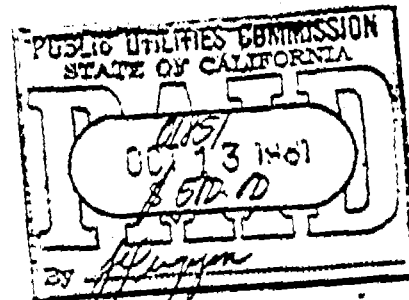
6. The authority granted by this order to issue stock will become effective when the issuer pays \$130, set by PU Code Section 1904.1. The authority granted by this order to issue an evidence of indebtedness and to execute and deliver an encumbering document,

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will become effective when the issuer pays \$370 set by PU Code Section 1904(b). In all other respects this order becomes effective 30 days from today.

Dated October 6, 1981, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners



I certify that this decision was approved by the above Commissioners today.

John E. Bryson



Madron Trucking, Inc., by the certificate of public convenience and necessity granted by the certificate noted in the margin, is authorized to conduct operations as a cement carrier as defined in PU Code Section 214.1 from any and all points of origin in the State of California to all points in the following Counties, subject to the following restriction:

Los Angeles	San Bernardino
Madera	San Joaquin
Merced	San Mateo
Orange	Santa Clara
Riverside	Siskiyou
Sacramento	Stanislaus

RESTRICTION

This certificate of public convenience and necessity shall lapse and terminate if not exercised for a period of one year.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

Decision 93625, Application 60757.

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Appendix B

RONNIE SMITH TRUCKING, INC.
(a California corporation)

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Ronnie Smith Trucking, Inc., by the certificate of public convenience and necessity granted by the decision noted in the margin, is authorized to conduct operations as a cement carrier as defined in PU Code Section 214.1, from any and all points of origin in the State of California to all points in the Counties of Fresno, Kern, Kings, and Tulare, subject to the following restriction.

RESTRICTION

This certificate of public convenience and necessity shall lapse and terminate if not exercised for a period of one year.

(END OF APPENDIX B)

Issued by California Public Utilities Commission.

Decision 93626, Application 60757.