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Decision No. [illegible]

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of MINARETS AND WESTERN RAILWAY COMPANY for an order authorizing the issue of stock.	Application Number 7995

ORIGINAL

Goudge, Robinson and Hughes,
by Herbert J. Goudge, for Applicant.

BY THE COMMISSION :

SECOND SUPPLEMENTAL OPINION

MINARETS AND WESTERN RAILWAY COMPANY, in its second supplemental petition filed in the above entitled matter on December 29, 1923, asks permission to issue and sell at par for cash $950,000.00 of stock, in addition to the $50,000.00 of stock heretofore authorized by the Commission, and to use the proceeds for the purpose of financing in part the cost of its line of railway.

The record in this proceeding shows that applicant has built and has placed in operation a standard gauge steam railroad beginning at or near the station at Friant in Fresno County and extending thence in a northeasterly direction to the vicinity of Crane Valley Dam in Madera County and also from Pinedale Junction, a station on the Clovis Branch of the Southern Pacific, to a point in or near the townsite of Pinedale.

The Railroad Commission heretofore by Decision Number 10726, dated July 19, 1922, and by Decision Number 11825, dated March 21, 1923, authorized the company to issue and sell at par $50,000.00 of its capital stock and to issue and sell at 97 $2,500,000.00 of its first mortgage serial six per cent bonds for the purpose of financing the cost of constructing the line of railway.

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Applicant's engineer heretofore estimated the cost of the railroad, together with the equipment, at $2,623,803.00. The actual cost is now reported at $3,417,564.04 including about $90,000.00 worth of construction material on hand. The increased cost was caused by delays in grading, changes in plans and by the use of heavier locomotives than was at first contemplated. In order to take care of this increased cost and provide itself with some working capital, the company asks permission to issue and sell at par an additional $950,000.00 of its common stock.

SECOND SUPPLEMENTAL ORDER

MINARETS AND WESTERN RAILWAY COMPANY having applied to the Railroad Commission for permission to issue and sell $950,000.00 of stock, a public hearing having been held before Examiner Fankhauser, and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue, is reasonably required by applicant, and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that MINARETS AND WESTERN RAILWAY COMPANY be, and it is hereby, authorized to issue and sell at not less than par $950,000.00 of its capital stock and to use the proceeds for the purpose of paying indebtedness and of financing the cost of its line of railway and for the purpose of providing itself with working capital.

The authority herein granted is subject to further conditions as follows :-

1. Minarets and Western Railway Company shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file

on or before the 25th. day of each month a verified report as required by the Railroad Commission's General Order Number 24, which order in so far as applicable, is made a part of this order.

2. The authority herein granted to issue stock will become effective upon the date of this order and will expire on September 30, 1924.

DATED at San Francisco, California, this 2nd day of February, 1924.

C. L. Seavey

H. W. Brundige

Irving Martin

Egerton Shore

J. L. Whittier

Commissioners.