

# ORIGINAL

Decision No. 5646

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application  
of HILBORN BROTHERS, MRS. LENA  
DINKELSPIEL, A. W. McDONALD,  
DADAMI ESTATE, M. CHRISTENSEN,  
SULLIVAN AND LARSEN, and JOHN  
JOSEPH AND COMPANY, for authority  
to increase warehouse rates.

} Application No. 3912.

Edward Dinkelspiel for Mrs. Lena Dinkelspiel.  
A. W. McDonald in propria persona.  
Pauline A. Whitman for Dadami Estate.  
L. P. Larsen for Sullivan and Larsen.  
Joe R. Serpa for John Joseph and Company.

BY THE COMMISSION:

## O P I N I O N

Applicants in this proceeding seek authority to increase rates for the storage of grain in their respective warehouses located at points in Solano County, as follows:

Hilborn Brothers at Suisun.  
Mrs. Lena Dinkelspiel near Birds Landing.  
A. W. McDonald at Miens Landing.  
Dadami Estate near Collinsville.  
M. Christensen at Rio Vista.  
Sullivan and Larsen at Rio Vista.  
John Joseph and Company at Rio Vista.

A public hearing upon the application was held by Examiner Westover at Rio Vista on July 22, 1918. No appearance was entered for Hilborn Brothers nor for M. Christensen, and no testimony was presented on behalf of

either of these applicants. Subsequent to the hearing, the application, in so far as it relates to Sullivan and Larsen was withdrawn. The application will, therefore, be dismissed as to the three utilities named, and will be considered only with reference to the remaining four.

Each of the warehouses under consideration is located on navigable water upon which applicants rely for transportation. Loading from warehouse to vessel is done almost entirely by boat crews, and is not included in the charge for storage.

The reported capacity of each warehouse, the average tonnage handled annually, value of the property, net revenue per annum and the present rates at the several warehouses are shown in the table below, the average tonnage and revenue being based on operations during the last four seasons, except in the case of the Dadami Estate, in which the only figures available are those for 1917.

<u>NAMES</u>	<u>CAPACITY IN TONS OF GRAIN</u>	<u>AVERAGE TONS HANDLED ANNUALLY</u>	<u>VALUE OF PROPERTY</u>	<u>AVERAGE ANNUAL NET REV.</u>	<u>PRESENT RATES</u>
Lena Dinkel Spiel, (Birds Landing Whse.)	3500	1904	\$10,000	\$491.00	(30 ba. 50¢ ton #(Feb. 1 75¢ " (Season 1.00"
A. W. McDonald, (Miens Landing Whse.)	2000	2245	No report	**407.53	# "
Dadami Estate, (Collinsville Whse.)	1200	979	\$3,000	237.75	Oct. 1-50¢ " Season 75¢ "
John Joseph & Co. (Joe R. Serpa Whse.) Rio Vista.	2200	931	\$2,000	**260.76	(30 ba. 50¢ " (Season 75¢ "

#Includes resacking and loading out.  
\*\*Includes storage of hay.

Applicant, A. W. McDonald, leases the warehouse operated by him, including approximately 13 acres of land having an annual cash rental value of about \$2.50 per acre, and ranch house with a rental value of about \$20 per month, - for all of which he pays to the owner one-half the gross receipts from the warehouse. Each of the other warehouses is owned or controlled by the respective applicants.

The application is set forth in language more or less indefinite as to the rates desired, but indicates that a flat rate of \$1.00 per ton for storage to January 1 following deposit, and \$1.50 per ton per season would be satisfactory to applicants. However, this proposition was abandoned in view of opposition of patrons which developed at and before the hearing. Some of the patrons opposed a flat rate of \$1.00 per season. None of them expressed opposition to a rate of 75¢ for one month and \$1.00 for the season, and all of the applicants represented at the hearing expressed satisfaction with such a rate except one who favored a flat rate of \$1.00 per ton per season.

The results of operation shown in the foregoing table are based on present rates, which have been in effect a number of years, during which time operating costs have been relatively light. It appears from the testimony that labor, the principal item of operating expense, has increased in recent months approximately 60% and is somewhat less efficient than formerly. However, most of the warehouses in question are operated by small crews and in connec-

tion with other activities in the locality, so that the labor problem is not so difficult as is that in connection with other warehouses not so operated.

The general opinion of warehousemen and patrons was to the effect that owing to poor crop conditions this year and the tendency to ship grain early rather than store it, the amount stored will be comparatively small.

It is believed that the rates set forth in the order will prove to be just and reasonable under all of the surrounding circumstances.

#### O R D E R

The above named applicants having applied to this Commission for authority to increase rates for the storage of grain, a public hearing having been held upon said application, testimony having been submitted, and the matter being now ready for decision,

IT IS HEREBY FOUND AS A FACT that the rates now in effect, in so far as they differ from the rates set forth in the order, are unjust and unreasonable, and that the rates herein established are just and reasonable rates.

#### IT IS HEREBY ORDERED THAT:

MRS. LENA DINKELSPIEL, operating BIRDS LANDING WAREHOUSE, near Birds Landing on Montezuma Slough;

A. W. McDONALD, operating MIENS LANDING WAREHOUSE at Miens Landing on Montezuma Slough;

DADAMI ESTATE, operating DADAMI WAREHOUSE near Collinsville on Sacramento River; and

JOHN JOSEPH & COMPANY (Joe R. Serpa, successor) operating a warehouse at Rio Vista on Sacramento River.

be and they are hereby authorized to publish and file with this Commission within twenty (20) days from date hereof and thereafter collect rates for the storage and handling of grain in their said respective warehouses in accordance with the following schedule:

Storage for one month or less, 75¢ per ton.

Storage per season (June 1 to May 31) \$1.00 per ton.

IT IS HEREBY FURTHER ORDERED that all necessary expense incurred by applicants in resacking or overhauling commodities for the benefit of the owner shall be charged to the latter at the actual cost of labor and materials used.

IT IS HEREBY FURTHER ORDERED that the above application in so far as it relates to increase of rates at the warehouses of Hilborn Bros., M. Christensen and Sullivan and Larsen, is hereby dismissed without prejudice.

Dated at San Francisco, California, this 2<sup>d</sup>  
day of August 1918.

W. H. Ireland  
Chas. L. Gordon  
Frank P. DeLoe  
Commissioners.