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Decision No. 6035.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF
THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
THE RODEO VALLEJO FERRY COMPANY,)
a corporation, for leave to issue)
capital stock.)

Application Number 4152.

tum Suden & tum Suden by Otto tum Suden, for applicant.

EDGERTON, Commissioner.

O P I N I O N.

The Rodeo Vallejo Ferry Company asks the Railroad Commission to make its order authorizing and approving the issue of \$200,000 of capital stock for the purposes herein enumerated.

The Rodeo Valley Ferry Company was incorporated on or about March 23, 1918. The corporation has an authorized stock issue of \$200,000, divided into 2000 shares of \$100.00 each. The corporation is organized to operate ferries and other vessels on the Bay of San Francisco and on rivers tributary thereto; to acquire by purchase or lease lands or wharves; to build, construct and operate ships, yards, ways, wharves and vessels, and to incur a bonded indebtedness in that behalf and to engage in a general shipping, freighting and forwarding business.

Applicant reports that on September 30, 1918, it owned the following assets:

Steamer "Issaquah",	\$80,081.46
Wharves and Slips,	92,725.17
Furniture and Fixtures,	156.75
Steamer restaurant,	764.72
General equipment and labor account,	3,362.52
Franchise and organization account,	3,863.95
Inventory and stores,	677.84
Insurance, prepaid,	2,938.30
Advertising, -pro rated,	400.00
Notes Receivable,	1,050.00
Cash in bank and on hand,	<u>958.02</u>
Total,	\$186,978.74

The record shows that applicant on July 4, 1918, began to operate a ferry between Rodeo and Vallejo. Prior to that date, applicant issued at par \$170,000 of stock without authority from the Railroad Commission. The Commission is advised that applicant will call in its outstanding stock certificates and issue new certificates pursuant to the authority granted by the Commission.

The record shows that applicant has expended \$55,000 to purchase the "Issaquah", a ferry boat which it is now operating between Rodeo and Vallejo; \$25,081.46 to bring the boat from Lake Washington to the San Francisco Bay region and refitting and reconstructing the boat so as to be suitable for ferry service; \$50,000 to acquire the wharf at Rodeo together with a lease of the Lemon Street wharf at Vallejo; \$42,725.17 to reconstruct the Rodeo wharf and fit it, as well as the Lemon Street wharf at Vallejo, with proper slips, aprons and other appliances. The proceeds from the sale of the stock have been used to acquire and reconstruct the properties just referred to.

Applicant also asks permission to issue at par \$30,000 of its common capital stock and use the proceeds to liquidate indebtedness and secure funds to pay in part for an additional ferry boat. The indebtedness which applicant intends to pay from the proceeds of the stock is reported as follows:-

Balance due on promissory note to O.X.Klatt,.....	\$2,000.00
Anderson Steamboat Company, balance due on construction account,.....	800.00
Barnes & Tibbets, dry dock charges,.....	1,307.78
George E. Billings, insurance,.....	1,700.00
Duncan, Barrelson & Company, balance due on wharf construction,.....	<u>2,006.73</u>
Total,.....	\$7,814.51

The testimony shows that applicant will have no difficulty in disposing of the entire \$30,000 of stock at par. The balance remaining after the payment of the foregoing indebtedness should be deposited in a special fund and expended only for such purposes as the Railroad Commission may authorize in a supplemental order.

I herewith submit the following form of Order.

O R D E R.

THE RODEO VALLEJO FERRY COMPANY having applied to the Railroad Commission for authority to issue \$200,000 of capital stock at par, a public hearing having been held, 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 for the purpose or purposes specified in the order and that the expenditures for such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that The Rodeo Vallejo Ferry Company be, and it is hereby, granted authority to issue, at not less than par, \$200,000 of its common capital stock upon the following conditions and not otherwise:

1.--- Stock in the amount of \$170,000 may be issued in lieu of the \$170,000 of stock heretofore issued without an order from the Railroad Commission provided that prior to the issue of the stock herein authorized, applicant will call in and cancel all stock certificates issued without an order from the Railroad Commission.

2.--- The proceeds from the sale of \$7,814.51 of stock may be expended for the payment of the following indebtedness:--

Balance due on promissory note to C.K. Klatt,.....	\$2,000.00
Anderson Steamboat Company, balance due on construction account,.....	800.00
Barnes & Tibbets, dry dock charges,.....	1,307.78
George E. Billings, insurance,...	1,700.00
Duncan Barrelson & Company, balance due on wharf construction,.....	<u>2,006.73</u>
Total,.....	7,814.51

3.--- Any proceeds remaining after the payment of the foregoing indebtedness shall be deposited in a special fund and expended only for such purposes as the Railroad Commission may hereafter authorize in a supplemental order or orders.

4.--- The Rodeo Vallejo Ferry Company shall keep a true and accurate record of the issue of the stock herein authorized and shall on or before the twenty-fifth day of each month until all of said stock has been issued and the proceeds expended, file with the Railroad Commission a verified report as required by the Commission's General Order Number 24, which order, in so far as applicable, is made a part of this order.

5.--- The authority herein granted shall apply only to such stock as may be issued on or before June 30, 1919.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 30th day of December, 1918.

Edwin O. Edgerton
H. D. ...
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Commissioners.