

Decision No. 31239

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
C. F. QUIGGLE,
doing business as Valley Warehouse Co.,
for an order authorizing the borrowing
of moneys and the hypothecation of
utility properties.

} Application No. 22183

Homer Lingenfelter, for applicant.

BY THE COMMISSION:

O P I N I O N

This is an application by C.F.Quiggle for an order authorizing him to execute a deed of trust and to issue a promissory note in the principal amount of \$25,750.00 for the purpose of paying indebtedness and of financing the cost of additional warehouse properties.

It appears that C.F.Quiggle, doing business under the firm name and style of Valley Warehouse Co., is engaged in the business of operating public utility warehouses, primarily for the storage of grain and rice, in Oswald, Marysville and Yuba City, in the County of Sutter and Yuba. In his annual reports to the Commission, he has reported for the year 1937, total revenues of \$21,318.28 and operating expenses of \$13,818.08, leaving a balance of \$7,500.20; and for 1936 total revenues of \$14,998.54 and operating expenses of \$12,844.74, leaving a balance of \$2,153.80.

The present application shows that C.F.Quiggle has made arrangements to extend his operations through the purchase from East Nicolaus Warehouse Company, a corporation, of certain real property, situate in the Town of East Nicolaus, Sutter County, and the warehouse

ORIGINAL

building located thereon, generally known as the East Nicolaus Warehouse, for the sum of \$12,500.00. Applicant reports that the properties will be operated and known as Valley Warehouse No. 8 and will be devoted to his general warehouse and rice drying business.

Applicant reports that he is indebted to The Merchants National Bank of Sacramento in the amount of \$13,250.00, including a seven (7) percent promissory note in the principal amount of \$11,200.00,⁽¹⁾ payable in monthly installments of \$300.00, and various and sundry other items aggregating \$2,050.00. He now desires to borrow the sum of \$25,750. for the purpose of paying the present bank indebtedness of \$13,250.00 and of financing the \$12,500.00 purchase price of the East Nicolaus Warehouse. The money thus to be borrowed will be evidenced by a promissory note payable to the Capital National Bank of Sacramento, with interest at the rate of 6% per annum. The principal is payable in monthly installments of \$100.00 commencing in September 1938 and continuing until August 1941 when the entire unpaid balance at that time shall be due and payable.

A copy of the proposed note is filed in this proceeding as Exhibit A and a copy of the proposed deed of trust, securing its payment, as Exhibit B. Both instruments appear to be in satisfactory form.

It appears that at one time the East Nicolaus Warehouse was operated as a public warehouse. However, according to information on file with the Commission, such operations were discontinued. The Commission heretofore has authorized the cancellation of tariffs naming rates for warehouse service at that point. As it thus appears that the properties are not now operated as a public utility they may, in our opinion, be transferred, as here proposed, without permission from this Commission.

(1) Authorized by Decision No. 30262, dated October 25, 1937, in Application No. 21511.

O R D E R

C. F. Quiggle, having applied to the Railroad Commission for permission to execute a deed of trust and to issue a note, and the Commission being of the opinion that this is not a matter in which a public hearing is necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for is reasonably required for the purposes specified herein and that the expenditures for such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED, that C. F. Quiggle and his wife, Ida Quiggle, be, and they hereby are, authorized to execute a deed of trust in or substantially in the same form as that filed in this proceeding as Exhibit B, provided that the authority herein granted is for the purpose of this proceeding only and is granted only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said deed of trust as to such other legal requirements to which it may be subject.

IT IS HEREBY FURTHER ORDERED that C. F. Quiggle and his wife, Ida Quiggle, be, and they hereby are, authorized to issue a note in the amount of \$25,750.00 in the same form as the note filed in this proceeding as Exhibit A and to use the proceeds to pay indebtedness of \$13,250.00 due The Merchants National Bank of Sacramento and to finance the purchase price of \$12,500.00 for the properties referred to herein to be acquired from East Nicolaus Warehouse Company, provided,

1. That the authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars; and

2. That within thirty(30) days after the issue of the note herein authorized applicant shall file with the Railroad Commission a copy thereof.

DATED at San Francisco, California, this 6th day of September, 1938.

Paul W. ...
Leon ...
Frank ...
Ray & Riley

Commissioners.

