

Decision No. 37821

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
WARD HUNT, doing business under the  
firm name and style of "DUNNIGAN  
WAREHOUSE AND ELEVATOR COMPANY"

For an Order Authorizing said  
Company to Borrow Money and Exe-  
cute a Promissory Note, Chattel  
Mortgage and Deed of Trust Therefor.

ORIGINAL

Application  
No. 26630

BY THE COMMISSION:

O P I N I O N

Ward Hunt, doing business under the firm name and style of Dunnigan Warehouse and Elevator Company, has applied to the Railroad Commission for permission to issue promissory notes in the principal amount of \$72,500 and to execute a mortgage of chattels and a deed of trust to secure the payment thereof.

The application shows that Ward Hunt for many years has been, and now is, engaged in the business of cleaning rice, barley, wheat and other grains, and in the public utility warehouse business serving the general public in and near Dunnigan, Yolo County. It appears that he now desires to enlarge his facilities through the construction of sixteen concrete bulk bins having a capacity of 170,000 bags of grain and rice, it being reported that no bulk storage now is available in this area, that there is a great demand for the same by farmers living in the locality, and that contracts have been

signed with the various growers who have agreed to store their bulk grain in the proposed new facilities. Arrangements have been made with Berlinger Construction Company of Houston, Texas, for the construction of the facilities and the installation of the necessary machinery at a total cost of approximately \$120,000.

To finance in part the cost Ward Hunt proposes to issue two notes to Bank of America National Trust and Savings Association, one note to be in the principal amount of \$65,000, payable in annual installments of \$6,500 on February 5 of each year from 1946 to 1955, inclusive, with interest at the rate of 5 per cent per annum on deferred balances, and the other note to be in the principal amount of \$7,500, payable in annual installments of \$1,500 on February 5 of each year from 1946 to 1950, inclusive, with interest at the rate of 5 per cent per annum on deferred balances. Copies of the proposed notes and of the mortgage of chattels and deed of trust have been filed in this proceeding. They appear to be in satisfactory form.

#### O R D E R

Ward Hunt having applied to the Railroad Commission for permission to issue notes in the aggregate amount of \$72,500 and to execute a mortgage of chattels and a deed of trust, and the Commission being of the opinion that a public hearing is not necessary on this application, that the request of applicant should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of said notes is reasonably required for the purpose specified herein and that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating

expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

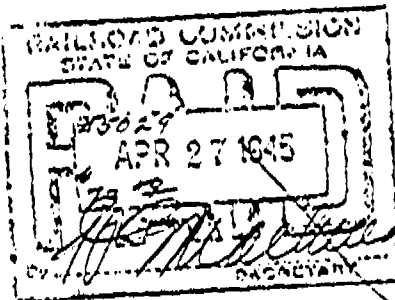
1. Ward Hunt may issue, on or before May 31, 1945, his 5 per cent promissory notes in the aggregate principal amount of \$72,500, payable as indicated in the preceding opinion, for the purpose of financing in part the cost of the warehouse facilities referred to in this proceeding.

2. Ward Hunt may execute, on or before May 31, 1945, a mortgage of chattels and a deed of trust in, or substantially in, the same form as those filed in this proceeding as Exhibit B and Exhibit C, respectively, to secure the payment of the notes herein authorized to be issued.

3. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$75.

4. Ward Hunt shall file with the Commission, on or before June 30, 1945, a copy of each note as actually issued under the authority herein granted.

Dated at San Francisco, California, this 24<sup>th</sup> day of April, 1945.



Richard R. Anderson  
Justice J. C. Casper  
Richard K. Karcher  
Francis J. [unclear]  
James H. [unclear]  
COMMISSIONERS