

Decision No. 38022

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
JOSEPH C. HORNALL and ALICE M. HORNALL,
husband and wife, doing business under
the name and style of ARBUCKLE WAREHOUSE,
for an Order granting permission to
encumber public utility property.

ORIGINAL

Application
No. 26781

BY THE COMMISSION:

OPINION AND ORDER

This application sets forth that Joseph C. Hornall and Alice M. Hornall, his wife, are engaged in the public warehouse business in Arbuttle, California; that they conduct such business under the name of Arbuttle Warehouse; that they need additional space for the storage of grains in bulk; that many grain and rice farmers no longer are using sacks; and that accordingly applicants are desirous of building nine concrete bins for the storage of grains. The reported cost of the bins is \$41,545 with additional expenditures required in the amount of approximately \$3,500 for scales and other work.

It further appears that applicants at present are indebted to Bank of America National Trust and Savings Association in the amount of \$14,500, being the balance of an original indebtedness of \$25,000 authorized by the Commission by Decision No. 30095, dated September 7, 1937. They desire to increase their loan to \$41,750 to be evidenced by a note for that amount

with interest at the rate of 5 per cent per annum. The principal is payable in annual installments of \$4,175, the first installment to become due on May 15, 1946. The payment of the note is to be secured by a deed of trust and a mortgage of chattels.

Copies of the proposed instruments, which appear to be in satisfactory form, have been filed in this proceeding. The Commission has considered the matter and is of the opinion that a public hearing is not 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 expense or to income, therefore,

IT IS HEREBY ORDERED that Joseph C. Hornall and Alice M. Hornall, his wife, be, and they hereby are authorized, after the effective date hereof and on or before August 15, 1945, to execute a deed of trust and a mortgage of chattels in, or substantially in, the same form as those filed in this proceeding, and to issue a note in the principal amount of \$41,750, payable in annual installments of \$4,175 with interest at the rate of five per cent per annum, for the purpose of refunding outstanding indebtedness of \$14,500 and of financing, in part, the cost of the additions and improvements referred to herein.

IT IS FURTHER ORDERED that applicants shall file a report of the issue of the note and of the disposition of the proceeds as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

IT IS FURTHER ORDERED that the authority herein granted will not become effective until applicants have paid the fee

prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-eight (\$28) Dollars.

Dated at San Francisco, California, this 26th day of June, 1945.

R. Harold Gudwin
Justice J. Creever
Richard L. Lach

Wm. H. Lawrence
Commissioners

