

Decision No. 43259

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
SOUTH SAN FRANCISCO TERMINAL COMPANY,	:	Application
a Corporation, for Authority to increase)	No. 30556
Capital Stock from \$6000 to \$15,000.	:	
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O P I N I O N

South San Francisco Terminal Company has applied to the Public Utilities Commission for permission to issue and sell 90 shares (\$9,000 par value) of its capital stock to finance, in part, the cost of acquiring certain real property.

Applicant is a corporation organized and existing under and by virtue of the laws of the State of California. It is engaged in public utility wharfing operations at South San Francisco, California. It has an authorized capital stock issue of \$10,000, represented by 100 shares of common stock having a par value of \$100 each. Its issued and outstanding stock consists of 60 shares having an aggregate par value of \$6,000. South San Francisco Land & Improvement Company owns all of applicant's outstanding stock.

Applicant reports, as of June 30, 1949, assets and liabilities as follows:

Assets

Current assets:		
Cash		\$22,714.44
Accounts receivable		355.81
Fixed assets:		
Public wharf	\$10,768.30	
Less depreciation	<u>9,756.40</u>	<u>1,011.90</u>
Total assets		<u>\$24,082.15</u>

Liabilities

Taxes accrued	\$ 460.00
Federal pension	1.30
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Reserve for reconstruction of wharf	12,000.00
Capital stock	6,000.00
Surplus	<u>5,619.55</u>
Total liabilities	<u>\$24,082.15</u>

Applicant reports its operating revenues at \$3,229.26 for 1946, at \$3,711.69 for 1947, and at \$5,098.26 for 1948. Its net operating revenues are reported at \$1,570.84 for 1946, at \$1,327.04 for 1947, and at \$2,978.22 for 1948.

Applicant proposes to amend its articles of incorporation and increase its authorized stock issue to not less than \$15,000.

Applicant presently uses in its operations approximately 19.13 acres of land owned by South San Francisco Land & Improvement Company. The land is located in South San Francisco and is more particularly described in Exhibit "B" on file in this application. Applicant intends to acquire said land at a cost of \$15,237.56, by paying to South San Francisco Land & Improvement Company \$6,237.56 in cash and by issuing and selling to the Improvement Company at par, 90 shares of its capital stock.

Applicant alleges that it will be to its advantage to own the land in fee, and that such ownership will enable applicant to carry on its operations as a terminal company without dependence on facilities owned by the South San Francisco Land & Improvement Company.

O R D E R

South San Francisco Terminal Company having applied to the Public Utilities Commission for authority to issue and sell 90 shares of its capital stock, and the Commission having considered the application and being of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. South San Francisco Terminal Company, after the effective date hereof and on or before December 31, 1949, may issue and sell, at not less than par, ninety (90) shares of its capital stock, to finance in part the cost of acquiring the land described in Exhibit "B" on file in this application.
2. The action taken herein shall not be construed to be a finding of the value of said land.
3. South San Francisco Terminal Company shall file with this Commission a report required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.
4. The authority herein granted will become effective when South San Francisco Terminal Company has filed with this Commission a certified copy of an amendment to its articles of

incorporation increasing its authorized capital stock to not less than \$15,000.

Dated at San Francisco, California, this 29th day of August, 1949.

R. E. [Signature]
Justice J. [Signature]
[Signature]
[Signature]
Commissioners