

Decision No. 44438

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SOUTHERN PACIFIC MILLING COMPANY,
a corporation, to sell and transfer,
and of SAN MIGUEL FLOURING MILL
COMPANY, a corporation, to purchase
and acquire a public utility ware-
house at Bradley, California and to
issue evidences of indebtedness.

Application
No. 31495

O P I N I O N

Southern Pacific Milling Company is a California corpora-
tion engaged, among other things, in the operation of public
utility warehouses at numerous places in California. It now
desires to dispose of its properties at Bradley, Monterey County,
and accordingly has made arrangements, and in this application
asks permission, to sell the same to San Miguel Flouring Mill
Company, a corporation, for the sum of \$20,000.

The properties to be sold are described in Exhibit A
attached to the application as follows:

One warehouse building approximately 50'2" x 308'8" contain-
ing approximately 15,485 sq. ft., and attaching shed roof
addition approximately 16' x 208'8" containing approximately
2,338 sq. ft., total approximately 18,823 sq. ft. This
building located on that certain piece of land situate
townsite of Bradley, California, owned by Southern Pacific
Railroad. All buildings of wood construction.

One office building, approximately 12' 3" x 16' 2", con-
taining approximately 197 sq. ft.

Equipment and fixtures located in the above-mentioned
warehouse building.

The properties are located on land leased from the
Southern Pacific Company. A new lease is being obtained by the
purchaser.

The agreed consideration to be paid is the sum of \$20,000 payable in cash at the time of consummation of the transfer. The purchaser proposes to obtain \$4,000 of the purchase price through the issue on an unsecured promissory note to Bank of America National Trust & Savings Association, Paso Robles Branch, payable in less than one year, and to obtain \$15,000 through the issue of a note to Mr. Kenneth Wehrman, such note to be secured by a mortgage of chattels covering the warehouse properties and to be payable with interest at the rate of 6% per annum in installments of \$3,000 or more on the 10th day of June, beginning on the 10th day of June 1951 and annually thereafter. A copy of the proposed form of mortgage and note has been filed in this proceeding as Exhibit B.

San Miguel Flouring Mill Company is a corporation presently engaged in operating a public utility warehouse business at San Miguel. In acquiring the properties at Bradley under the authority herein granted, it proposes to adopt the rates, rules and regulations in effect governing the present operations of said warehouse properties by Sellers.

It appears that the transfer as proposed, will not be adverse to the public interest and that accordingly an order should be entered.

O R D E R

The Commission having considered the above entitled matter 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 through the issue of the note herein authorized is

reasonably required for the purpose stated 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. Southern Pacific Milling Company, after the effective date hereof and on or before October 31, 1950, may sell and transfer to San Miguel Flouring Mill Company the public utility warehouse properties referred to in this application.

2. San Miguel Flouring Mill Company, after the effective date hereof and on or before October 31, 1950, in order to finance in part the cost of said properties, may execute a mortgage of chattels and issue a note in the principal amount of \$15,000 in substantially the same form as the mortgage of chattels and note filed in this proceeding as Exhibit B.

3. Applicants, on not less than 5 days' notice to the Commission and to the public, shall supplement or reissue the tariff on file with the Commission insofar as it names rates, rules and regulations governing warehouse operations of Southern Pacific Milling Company at Bradley, to show that said Southern Pacific Milling Company has withdrawn or cancelled, and San Miguel Flouring Mill Company has adopted or established as its own, said rates, rules and regulations. The tariff filings made pursuant to this order in all respects shall comply with the regulations governing the filing of warehouse tariffs set forth in the Commission's General Order No. 61.

4. The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

5. San Miguel Flouring Mill Company shall file with the Commission a report of the issue of the note herein authorized as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

6. The authority herein granted will become effective when San Miguel Flouring Mill Company has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 27th day of June, 1950.

R. E. Dwyer

Robert L. Russell

Harold P. Kule

Commissioners

