

Decision No. 52362

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

THOMAS MEZGER and ROSALIE MEZGER,  
husband and wife (doing business  
under the fictitious firm name and  
style of Farmers Grain Elevator) for  
an Order Authorizing Execution of a  
Promissory Note and a Deed of Trust  
and Mortgage of Chattels to Secure  
Said Note.

Application  
No. 37303

OPINION AND ORDER

In this application the Commission is asked to make an order authorizing Thomas Mezger and Rosalie Mezger, doing business as Farmers Grain Elevator, to execute a deed of trust and a mortgage of chattels and to issue a note in the principal amount of \$80,000 to finance the cost of improvements.

Applicants are engaged as public warehousemen in Yolo County, with facilities at Zamora and Dufour. They report that they have found it necessary to enlarge their plant at Dufour and that they intend to construct four concrete silo type storage bins having an estimated capacity of 131,000 bushels. They report the estimated cost of the structures at \$120,000 and the cost of machinery and apparatus at \$23,000.

In financial statements filed with the Commission, applicants report that they are engaged in ranching and sales activities in

addition to their warehousing operations. For the year 1954 they have reported total revenues of \$90,733, including revenue of \$29,979 from storage and related operations, and net income from all sources of \$24,804. They have reported cash and current assets as of September 15, 1955, in the amount of \$56,029, and current liabilities of \$6,371. Their financial statements show their total net worth at \$223,101.

It appears that applicants do not have sufficient funds on hand to cover the entire cost of the proposed improvements and that they have arranged to borrow \$80,000 from American Trust Company for this purpose, the borrowing to be represented by an installment note payable in five equal annual installments of \$16,000 plus interest at the rate of 5% per annum, payment to be secured by a deed of trust and by a mortgage of chattels.

The Commission has considered this proceeding and is of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of said note 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. Thomas Mezger and Rosalie Mezger may execute a deed of trust and a mortgage of chattels and may issue a note in the principal amount of not exceeding \$80,000 for the purpose of financing the cost of additions and improvements, which deed of trust, mortgage of chattels, and note shall be in, or substantially in, the same form as those filed in this proceeding.

2. Thomas Mezger and Rosalie Mezger shall file monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when applicants have paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$80.

Dated at San Francisco, California, this 20th day of December, 1955.

[Signature]  
President

[Signature]  
[Signature]  
[Signature]  
[Signature]  
Commissioners

