

ORIGINAL

Decision No. 60383

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SACRAMENTO RIVER
WAREHOUSE COMPANY, a corporation,
for an order authorizing it to
borrow money and execute note
to secure same.

Application No. 42347

O P I N I O N

On June 13, 1960, Sacramento River Warehouse Company, a corporation, filed the above-entitled application for authorization to issue a note in the principal amount of \$90,000.

Applicant is a California corporation which is engaged in the public utility warehouse business, and in related operations, at Colusa, Grimes and Miller Landing. It reports that it now desires to extend its operations by the construction of a new warehouse building having dimensions of 80' x 160' x 18' sidewalls and 7,000 tons capacity, to be located in the City of Colusa on property adjoining its present facilities; that it lacks space to receive the 1960 crops and such construction will enable it to render better service to the public; that the construction costs will be approximately \$90,000; and that it has made arrangements to borrow the required amount from Bank of America National Trust and Savings Association. The proposed borrowing will be represented by a note payable 10 years after date of issue, with interest at the rate of 6-1/2 per cent per annum. Payment of the note will be secured by the deed of trust and

mortgage of chattels executed under authority granted by Decision No. 57943, dated February 3, 1959, in Application No. 40715.

In making this application, the company has presented its balance sheet showing its assets, liabilities and capital as of April 30, 1960, as follows:

<u>Assets</u>		
Fixed assets, less depreciation reserve		\$457,091
Current assets -		
Cash	\$ 75,222	
Accounts receivable	107,910	
Notes receivable	56,000	
Other current assets	30,406	
Total current assets		<u>269,538</u>
Total		<u>\$726,629</u>
<u>Liabilities and Capital</u>		
Notes payable		\$115,976
Current liabilities		117,304
Reserve for reconstruction of facilities		17,530
Capital stock and surplus		<u>475,819</u>
Total		<u>\$726,629</u>

The company's most recent annual report to the Commission shows, for the year 1959, warehouse operating revenues of \$410,749 and nonutility revenues of \$134,279, with net income of \$15,415, after providing for rent, interest, taxes and depreciation. Similarly, for the four months ended April 30, 1960, the company reports a net profit of \$22,688 from all operations.

Upon reviewing this matter, we find and conclude that the proposed note issue is for a proper purpose; that the money, property or labor to be procured or paid for by the issue of such

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. Upon the basis of these findings, we will enter an order granting the application.

O R D E R

The Commission having considered the above-entitled application and being of the opinion that a public hearing is not necessary,

IT IS HEREBY ORDERED as follows:

1. Sacramento River Warehouse Company, a corporation, on or after the effective date hereof and on or before October 31, 1960, may issue a note in the principal amount of not to exceed \$90,000, bearing interest at the rate of not to exceed 6-1/2 per cent per annum, for the purpose of financing the construction costs of the new warehouse facilities referred to in this application.

2. Sacramento River Warehouse Company, a corporation, shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. This order shall become effective when Sacramento River Warehouse Company, a corporation, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$90.

Dated at San Francisco, California,
this 12th day of July, 1960.

Cecil W. [Signature]
President

[Signature]
[Signature]

Theodore [Signature]

Commissioners

