

**ORIGINAL**

62171

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Amended Application of Lyon Van & Storage Co.: (1) For Authority to Issue a Promissory Note Secured by Deeds of Trust, (2) For a Warehouse Certificate, (3) For Authority to Abandon Warehouse Operations Within the City of Sacramento, and (4) for Related Relief.

(Amended Title)

Application No. 43283  
Filed April 3, 1961  
and Amendment  
Filed May 24, 1961

O P I N I O N

In this proceeding, Lyon Van & Storage Co., a corporation, seeks an order authorizing it to execute a deed of trust and to issue a note in the principal amount of \$150,000; to sell certain properties and to abandon certain operations; and to operate as a public warehouseman in the County of Sacramento.

The company is engaged, among other things, in the public warehouse business in the City of Sacramento and heretofore has owned and operated warehouse premises at 1220 R Street and has occupied other premises at 2812 N Street under lease arrangements which will expire this year. Applicant reports that in order to improve and enlarge its facilities and service it has purchased certain real property located on Fee Drive in the County of Sacramento, and has entered into a contract with Erickson Construction Co. for the construction of a new warehouse building which will have a frontage of 100 feet and a depth of 200 feet,

with space available for spur track facilities, and will have a capacity of 20,000 square feet and office space. Upon completion of the new facilities applicant will abandon its operations at the R Street and N Street locations.

The agreed cost of the construction is \$112,964. In addition, applicant proposes to install scales and a sign at a cost of approximately \$17,000 and to establish working cash of approximately \$20,000.

The company has made arrangements to borrow \$150,000 from Bank of America National Trust and Savings Association to meet its construction and other requirements. The proposed borrowing will be represented by a note payable in monthly installments of \$2,500, with interest at the rate of 6-1/4 per cent per annum. The payment of the note will be secured by a deed of trust presently outstanding and, in addition, when the proposed construction work has been completed, by a deed of trust covering the new warehouse property.

The company's financial statements filed with the application show that during 1960 its operating revenues, from all sources, aggregated \$2,102,324 and its net income, \$142,558, after provision of \$56,108 for depreciation. The statements further show a favorable current position at the end of 1960 and a capital structure consisting of long-term debt of \$903,075 and common stock and surplus of \$2,868,510.

From a review of the application we are of the opinion, and so find and conclude, that public convenience and necessity require the granting of the sought authority; that applicant's resources and earnings, based on recorded results of operation, should be sufficient to service the proposed note; that the money, property or labor to be procured or paid for through the issue of such note is reasonably required for the purposes specified herein; and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

We will enter an order granting the application.

O R D E R

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

IT IS ORDERED -

1. That Lyon Van & Storage Co., a corporation, on or after the effective date hereof and on or before December 31, 1961, may execute a deed of trust and may issue a note in the principal amount of not to exceed \$150,000, under the terms and for the purposes set forth in this application, and may extend the terms and provisions of the existing deed of trust heretofore executed under authorization granted by Decision

No. 57420 so as to provide additional security for the note herein authorized to be issued.

2. That Lyon Van & Storage Co., 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. That Lyon Van & Storage Co., a corporation, is hereby authorized to discontinue all public utility warehouse operations in the City of Sacramento, and to sell and transfer its property at 1220 R Street, Sacramento, and, concurrently with such discontinuance, to establish public utility warehouse operations in the County of Sacramento as more particularly described in Appendix A attached hereto, subject to the following conditions:

- a. Applicant shall continue as a public utility warehouseman in the City of Sacramento, rendering all services specified in its tariffs, at rates and charges therein provided, so long as any property remains in storage in its Sacramento warehouses, and until the public utility warehouse facility located on Fee Drive in the County of Sacramento is completed and ready for occupancy.
- b. Applicant shall, within ten days after the effective date of this order, file with the Commission its written acceptance of this order, including all of the provisions and conditions thereof.
- c. Applicant shall cause to be prepared and to be mailed or otherwise delivered to each of its storage patrons of its public utility warehouses in the City of Sacramento, on or before twenty days after the effective date of this order, a true and complete copy of this order.

- d. Applicant shall pay, for its own account, and at no expense to its patrons, any and all costs connected with the transfer of stored property from its public utility warehouses in the City of Sacramento, to its Fee Drive facility in the County of Sacramento, including transportation.
- e. Applicant shall, promptly on removal of all stored property from its public utility warehouses in the City of Sacramento and occupancy of its Fee Drive facility in the County of Sacramento, (1) file with the Commission a verified statement that it has fully complied with Conditions a to d, inclusive, and (2) amend its tariffs to reflect the authority herein granted, provided that all rates, rules, regulations and charges currently applicable at its public utility warehouses in the City of Sacramento shall also be made applicable at its Fee Drive facility in the County of Sacramento.

4. That, effective concurrently with the effective date of the tariff filings required by paragraph 3 e, hereof, all public utility warehouse operative rights Lyon Van & Storage Co., a corporation, may hold in the City of Sacramento are annulled and a certificate of public convenience and necessity is granted to Lyon Van & Storage Co., a corporation, authorizing the establishment and operation as a public utility warehouseman, as defined in Section 239(b) of the Public Utilities Code, in the County of Sacramento as more particularly described in Appendix A attached hereto and by this reference made a part hereof.

5. That the authority herein granted to issue a note shall become effective when Lyon Van & Storage Co., a corporation, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$150, and that in all other respects

the authority herein granted shall become effective 20 days after the date hereof.

Dated at San Francisco, California,  
this 27<sup>th</sup> day of JUNE, 1961.

Charles W. Rogers  
President  
W. E. Mitchell  
C. Lynn Fox  
George H. Hoover  
Fredrick B. Scholoff  
Commissioners



Lyon Van & Storage Co., a corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as a public utility warehouseman for the operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Fee Drive in the County of Sacramento, immediately north of the city limits of the City of Sacramento and immediately east of the city limits of North Sacramento.	20,000

(The floor space shown above is exclusive of the 50,000 square feet of expansion permissible under Section 1051 of the Public Utilities Code.)

End of Appendix A

Issued by California Public Utilities Commission.

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