

**ORIGINAL**

Decision No. 70927

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of MITCHELL SILLIMAN COMPANY for )  
authority to issue Deed of Trust )  
to a total amount of \$40,000 )  
upon its property at Salinas and )  
to issue its Promissory note in )  
the total amount of \$40,000 for )  
purchase of Real Estate at )  
Salinas. )

Application No. 48528  
Filed June 3, 1966

O P I N I O N

Mitchell Silliman Company has filed this application requesting authorization from the Commission to execute a deed of trust and to issue a note in the principal amount of \$40,000.

Applicant is a California corporation conducting a public utility warehouseman business and related nonutility activities in the northern section of the Salinas Valley. Its 1965 annual report shows a net investment in fixed assets of \$204,382, and that total assets of \$520,669 were offset by equity of \$230,602 and liabilities of \$290,067 at the end of the year. The report also shows that applicant's gross operating revenues were \$255,674 and its net income was \$18,191 for the calendar year 1965.

The company plans to purchase real property from Pacific Growers for the sum of \$70,000 in order to provide for the expansion of its warehouse business at Salinas. Applicant proposes to finance the transaction, in part, by the issue of a promissory note in favor of United California Bank in the principal amount of \$40,000, repayable in monthly installments of \$454.20 which include principal and interest computed at the rate of 6-1/2% per annum on unpaid balances of principal.

The Commission has considered this matter and finds that: (1) the proposed note is for a proper purpose; (2) the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purpose specified herein; (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and (4) the proposed deed of trust will not be adverse to the public interest. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Mitchell Silliman Company, on or after the effective date hereof and on or before October 31, 1966, for the purpose specified in this proceeding, may execute a deed of trust and may issue a promissory note in the

principal amount of not to exceed \$40,000, all in the same form, or in substantially the same form, as those attached to the application.

2. Mitchell Silliman Company shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Mitchell Silliman Company has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$40.

Dated at San Francisco, California, this 1st day of JULY, 1966.

Frederick B. Holbrook  
 \_\_\_\_\_ President

George T. Grover  
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Augustson  
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\_\_\_\_\_  
 Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

