

ORIGINAL

Decision No. 78962

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of )

REDWAY TRUCK AND WAREHOUSE )  
COMPANY, )

a corporation, for authority to )  
issue promissory note and to )  
execute and deliver a security )  
agreement pursuant to Sections )  
816-830 and 851-853 of the )  
California Public Utilities )  
Code. )

Application No. 52727  
Filed June 29, 1971

O P I N I O N

Redway Truck and Warehouse Company seeks an order of the Commission authorizing it to issue a note in the principal amount of \$129,000 and to execute and deliver a Security Agreement.

Applicant is a California corporation operating under the jurisdiction of this Commission as a highway common carrier of general commodities in the Los Angeles Basin Area and as a public utility warehouseman. In addition, it operates under permits issued by this Commission and under Interstate Commerce Commission authority. Recently, this Commission authorized the company to change the location of its

warehouseman operations from the City of Vernon to the City of Carson. For the year 1970, the corporation reports operating revenues and net income of \$741,223 and \$11,320, respectively.

In connection with the expansion of its new terminal and warehouse facilities, the company proposes to borrow \$129,000 to be allocated as follows:

Repaying loans for trucks, forklifts and automobiles	\$ 53,000
Purchase of tractors and semi-trailers	34,000
Construction of pneumatic hoist and electronic tune-up equipment	10,000
Office furniture	6,000
Working capital	<u>26,000</u>
Total	<u>\$129,000</u>

The borrowing would be made through the Small Business Administration of the United States of America and would be evidenced by a \$129,000 note in favor of Bank of America National Trust and Savings Association and repayable in monthly installments of \$2,043, which include interest at the rate of 8- $\frac{1}{2}$ % per annum on unpaid principal. The note would be secured by a proposed Security Agreement.

After consideration the Commission finds that:

1. The proposed note issue is for proper purposes.
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 purposes specified herein, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.
3. The proposed Security Agreement would not be adverse to the public interest.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary.

O R D E R

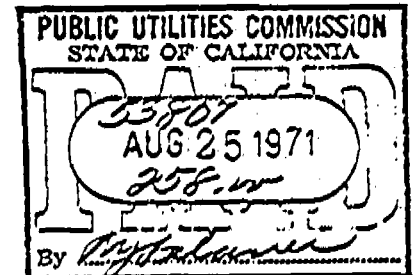
IT IS ORDERED that:

1. Redway Truck and Warehouse Company, on or after the effective date hereof and on or before October 31, 1971, for the purposes specified in the application, may issue a note in the principal amount of not exceeding \$129,000, and may execute and deliver a Security Agreement. The documents shall be in the same form, or in substantially the same form, as those attached to the application as Exhibits A and B, respectively, with an interest rate not exceeding 3- $\frac{1}{2}$ % per annum and other terms consistent with those set forth in the application.

2. Redway Truck and Warehouse 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 Redway Truck and Warehouse Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$258.

Dated at San Francisco, California,  
this 27<sup>th</sup> day of JULY, 1971.



Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

William L. Sturgeon Chairman  
[Signature]  
Vernon L. Sturgeon