

ORIGINAL

Decision No. 41016

THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

SACRAMENTO CITY LINES

for an Order Authorizing Applicant to issue its promissory note; to place a lien of chattel mortgage on certain of the Applicant's properties to secure repayment of said note, and to use proceeds of said note for the purpose specified herein.

Application
No. 28935

OPINION AND ORDER

Sacramento City Lines, a corporation engaged in the operation of motor vehicles for the transportation of passengers in and about the City of Sacramento, reports that in order to meet transportation requirements and to improve its service, it purchased from G.M.C. Truck & Coach Division, General Motors Corporation, six new "GMC" Transit Type Diesel Hydraulic 45 passenger motor coaches for a total cost of approximately \$102,902.01 which included freight charges of \$4,044.23.

In order to finance, in part, the purchase price the company proposes to borrow from the Bank of America National Trust & Savings Association, 12th and Broadway, Oakland, the sum of \$88,000 to be represented by a note payable in sixty equal consecutive monthly installments, plus interest at the rate of 2½% per annum, payable monthly. The payment of the note will be secured by a chattel mortgage, in the form set out in Exhibit "B" filed in this proceeding, covering the six new motor coaches. A copy of the note is filed in this proceeding as Exhibit "C". In addition, it will be guaranteed by Pacific City Lines, Inc.,

the owner of all the outstanding stock of Sacramento City Lines.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that Sacramento City Lines should be authorized to execute a chattel mortgage and to issue a note, as herein provided, that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Sacramento City Lines, after the effective date hereof and on or before January 31, 1948, may for the purpose of financing in part the cost of the six motor coaches referred to in the foregoing opinion, issue at its face amount a note for the principal amount of not exceeding \$38,000 payable in sixty equal consecutive monthly installments plus interest at the rate of 2½% per annum, payable monthly and execute a chattel mortgage to secure the payment of said note, said note and said chattel mortgage to be in, or substantially in, the same form as the note and chattel mortgage filed in this proceeding as Exhibits "C" and "D" respectively.

2. The authority herein granted will become effective when Sacramento City Lines has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Eight-eight (\$88.00) Dollars.

3. Sacramento City Lines shall file with the Commission a report, or reports, of the issue of the note herein authorized and of the disposition of the proceeds, as required by the Commission's General Order No. 24-A which order, insofar as

applicable, is made a part of this order.

Dated at San Francisco, California, this 17th day
of December, 1947.

Harold S. Kille
Justus J. Graven
W. S. Powell
R. J. Morrison

Commissioners.

