

**ORIGINAL**

Decision No. 61367

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
G. I. TRUCKING COMPANY to Execute a  
Contract of Sale to Acquire Real  
Property, and Incur a Long Term  
Debt; to Execute a Lease of a  
Portion of Operating Property to  
VETERAN TRUCK LINES; and to  
Transfer Property from Operating  
to Non-Operating Status.

Application No. 43010

O P I N I O N

This application was filed on December 23, 1960 for an order authorizing G. I. Trucking Company, a corporation, to incur long-term debt and to execute a lease.

Applicant is engaged in business as a highway common carrier generally between San Diego and Santa Maria and intermediate points. It reports that with the growth of its business it has found it necessary to provide larger terminal facilities and that it has made arrangements to purchase a parcel of land consisting of 8.03 acres, located in the 6000 block on Randolph Street, in the City of Commerce, and to erect a new terminal. Applicant asserts that upon completion of the new terminal, its present facilities, which consist of approximately 2-1/2 acres of land together with improvements, will become non-operative and will be disposed of by sale or lease.

In acquiring the new site, applicant has entered into, or proposes to enter into, an agreement providing for a total price of \$240,800, for a down payment of \$40,800, and for the payment of the remaining \$200,000, together with 6% interest, over a period of 10 years, the first 24 monthly payments to consist of interest only at the rate of \$1,000 per month and the remaining 96 monthly payments to consist of \$2,200 on account of principal and interest, with final payment on the 120th month. Applicant seeks authorization to incur the long-term debt and, in support of its request, it has filed an appraisal report by an independent appraiser showing the estimated fair market value of the real property at \$300,000.

Upon completion of the new terminal, applicant proposes to lease a portion thereof to Veteran Truck Lines which is a permitted carrier presently sharing space at applicant's terminal, the amount to be leased to consist of dock and office space containing not less than 150 square feet, together with parking space. The agreed rental to be paid by Veteran Truck Lines is \$200 per month plus \$10 per space per month for parking of vehicles. Applicant asserts that the new facilities which will be acquired and constructed are of sufficient size to enable it to lease a portion to Veteran Truck Lines without adversely affecting applicant's operations.

A review of applicant's financial statements filed with this application indicates, on the basis of its recorded results of operations, that its revenues should be ample to enable it to meet its obligations under the proposed contract to purchase the real property referred to in this application. We are of the opinion, therefore, and so find and conclude, that the proposed transactions, as outlined in this application, will not be adverse to the public interest, that the money, property or labor to be procured or paid for by applicant by incurring the long-term debt 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.

We will enter our order granting the application. Such order is not to be construed as a finding of value of the property to be acquired by applicant.

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 HEREBY ORDERED as follows:

1. G. I. Trucking Company may execute a contract to purchase unimproved real property as more fully set forth in Exhibit A filed in this proceeding and may incur the payment of long-term debt in the amount of \$200,000 in connection with such purchase.

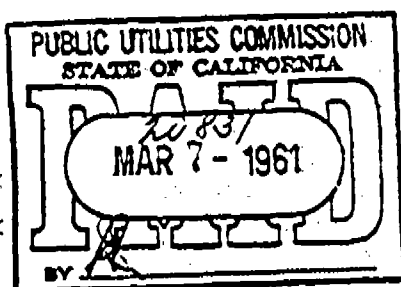
2. G. I. Trucking Company may execute a lease with Veteran Truck Lines in, or substantially in, the same form as the lease filed in this proceeding as Exhibit D.

3. Upon completion and occupancy of the new terminal facilities referred to in this application, G. I. Trucking Company may transfer the present terminal facilities to nonoperating property.

4. With respect to the long-term debt referred to herein, applicant 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.

5. The authority herein granted will become effective when G. I. Trucking Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$200.

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



*[Signature]*  
 President  
*[Signature]*  
*[Signature]*

Commissioners