

ORIGINAL

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Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of STERLING TRANSIT COMPANY, INC.,
a corporation, for an order
authorizing the issuance of a
promissory note and deed of trust.

} Application No. 44800
Filed September 20, 1962

OPINION AND ORDER

This is an application for an order of the Commission authorizing Sterling Transit Company, Inc., applicant herein, to execute a deed of trust and to issue an \$85,000 note.

Applicant is a highway common carrier engaged in the transportation of general commodities, with certain exceptions, between San Francisco, Sacramento, Los Angeles, San Diego and El Centro and certain intermediate points. Pursuant to authority granted by Decision No. 59048, dated September 29, 1959, in Application No. 41462, it executed a deed of trust covering its real property and terminal located at 853 South Maple Avenue in the City of Montebello, and issued to Bank of America National Trust and Savings Association a \$75,000 note with principal payable in monthly installments of \$1,000, and interest at the rate of 6 percent per annum on deferred balances, which note has been paid down to \$42,000.

For the purpose of refinancing the \$42,000 balance due on the note and of obtaining \$43,000 of additional funds to finance the construction costs of additions and improvements to said real property and terminal, applicant proposes to execute a new deed of trust covering said properties, and to issue to the bank an \$85,000 note bearing the same 6 percent interest rate and \$1,000 per month rate of payment on principal. More specifically, the proposed improvements to applicant's Montebello terminal properties consist of (1) the installation of approximately 200 ft. of 3-inch drainage pipe, to replace an open drainage ditch, at a cost of approximately \$10,000; (2) the extension of its existing dock facilities by the construction of an addition approximately 10 ft. wide and 40 ft. in length and the removal of an old building at a cost of approximately \$30,000; and (3) the installation of a new truck scale at a cost of about \$3,000.

The Commission has considered this application, has determined that a public hearing is not necessary, and is of the opinion that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicant for the purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS ORDERED that -

1. Sterling Transit Company, Inc., on or after the effective date hereof and on or before December 31, 1962, may execute a deed of trust and may issue its note in the face amount of not to exceed \$85,000 in the form, under the terms, and for the purposes set forth in this application.

2. Sterling Transit Company, Inc., 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. This order shall become effective when Sterling Transit Company, Inc., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$43.

Dated at San Francisco, California,
this 23rd day of OCTOBER, 1962.

George G. Trover
President

[Signature]

[Signature]

[Signature]

Frederick B. Halbach
Commissioners

