

ORIGINAL

Decision No. 77482

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:)

G. I. TRUCKING COMPANY,)

a corporation, for authority to)

issue promissory note and execute)

and deliver deed of trust pursuant to)

Sections 816-830 and 851-853 of)

the California Public Utilities Code.)

Application No. 51996

Filed June 24, 1970

O P I N I O N

G. I. Trucking Company requests an order of the Commission authorizing it to execute and deliver a Deed of Trust, and to issue a note in the principal amount of \$2,000,000.

Applicant is a California corporation operating under the jurisdiction of this Commission as a highway common carrier of general commodities in portions of Southern California. In addition, the company performs motor carrier operations under permits issued by this Commission, and operates under the jurisdiction of the Interstate Commerce Commission. For the year 1969, the carrier reports total operating revenues and ordinary income of \$5,813,840 and \$94,313, respectively.

The company proposes to acquire approximately 10.3 acres of unimproved real property to be paved and landscaped adjacent to its motor freight terminal facility located in the City of La Mirada. Applicant intends to construct on said property a rail-served, truck-high dock, high density sprinklered tilt-up concrete building of approximately 124,500 square feet. The reported total cost of \$1,187,000 is segregated between land acquisition cost and improvement cost in respective amounts of \$412,000 and \$775,000.

In order to obtain a major portion of the funds for meeting said land acquisition and improvement costs, applicant proposes to borrow \$914,000 from Bank of America National Trust and Savings Association, the borrowing to be represented initially by a short-term 9-3/4% note. The balance of \$273,000 is to be obtained from the disposal of property located in the City of Commerce where applicant had a terminal facility prior to moving to the City of La Mirada.

The carrier proposes to issue a \$2,000,000 note in favor of said bank, and to apply the proceeds toward repaying said \$914,000 short-term borrowing and a previously authorized \$1,050,000 note, the estimated balance of the latter being \$1,009,349 as of the anticipated date for repayment. Any excess funds will be used for working capital. Said \$2,000,000 note will be repayable in 60 monthly installments of \$21,630, including interest at the rate of 9% per annum on the decreasing balance of principal; the entire

balance of principal and interest unpaid will be due and payable on February 10, 1976. The note will be secured by a Deed of Trust encumbering property located in the City of La Mirada.

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 Deed of Trust 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

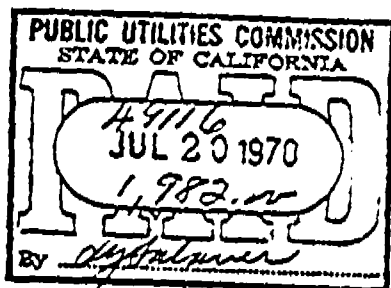
IT IS ORDERED that:

1. G. I. Trucking Company, on or after the effective date hereof and on or before June 30, 1971, for the purposes specified in this proceeding, may issue a note in the principal amount of not exceeding \$2,000,000, and may execute and deliver a Deed of Trust. 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.

2. G. I. Trucking 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 G. I. Trucking Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,982.

Dated at San Francisco, California,
this 14th day of JULY, 1970.



Chairman

William J. Quinn

Frank [illegible]

Vernon L. Stinson
Commissioners

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

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