

Decision No. 17758.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 HOWARD JONES, MADGE JONES, GEORGE
 KERRY and NETTIE KERRY for an order
 authorizing the sale by Howard Jones
 and Madge Jones to George Kerry and
 Nettie Kerry of the whole of their
 property known as "MELROSE BOULEVARD
 TRACT WATER PLANT", the same being
 property necessary or useful in the
 performance of the duties of the said
 sellers to the public, and for an
 order authorizing the execution by
 purchasers of a second deed of trust to
 secure the payment of the unpaid bal-
 ance of the purchase price of said
 property.

ORIGINAL

Application No. 13335

McClymonds and Wells, by W. S. Wells, Jr.,
for applicants.

BY THE COMMISSION:

O P I N I O N

In this application the Railroad Commission is asked to make its order authorizing Howard Jones and Madge Jones, his wife, to sell for \$6500. to George Kerry and Nettie Kerry, his wife, a public utility water plant known as the Melrose Boulevard Tract Water Plant and more particularly described in Exhibit "D" and Exhibit "E" filed in this proceeding.

The properties to be transferred include Lots 74 and 75 of the Melrose Boulevard Tract. The water plant consists of ^{two} wells; one 190 ft. deep and one 250 ft. deep located on Lot 74 of the Melrose Boulevard Tract. Both of these wells are equipped with automatic pumps and motors. Water is pumped into two tanks; one having a 10,000 gallon capacity, the other a 1,000 gallon capacity.

It is distributed through approximately 4,000 feet of pipe, varying from two to three inches in diameter. The water plant now furnishes water to 97 consumers. In Exhibit "C" applicants report the revenues from the water sales during 1926 at \$1,190.00. The expenses are reported at \$620.77.

The record shows that the properties cost Howard Jones and Madge Jones \$6,500.00. They have agreed to sell the plant for the same amount. The purchaser has agreed to pay \$2,200.00 of the purchase price in cash, assume the payment of a \$1,500.00 note secured by a first mortgage and to deliver to the sellers his note for \$2,800.00 payable in monthly installments of \$41.25. The payment of \$2,800.00 is to be secured by a deed of trust substantially in the same form as the deed of trust filed in this proceeding and marked "Applicant's Exhibit "F". We have examined the deed of trust and find same to be in satisfactory form.

The record shows that Howard Jones, who has been actively in charge of the business conducted under the name of Melrose Boulevard Tract Water Plant is also engaged in other business and is unable to give adequate attention to the management of said business and to the promotion of the same for the benefit of the public service, and that the purchasers, George Kerry and Nettie Kerry are able to give and will give full and complete attention to said business and to the management and improvement of the properties.

O R D E R

Howard Jones and Madge Jones, having applied to the Railroad Commission for permission to sell the public utility water plant referred to in the opinion which precedes this order, to George Kerry and Nettie Kerry, and said George Kerry and Nettie Kerry having asked permission to purchase said water plant and to issue in part payment therefor a note in the sum of \$2,800.00, and to execute a deed of trust to secure the payment of said note, a

public hearing having been held before Examiner Fankhauser and the Commission being 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 George Kerry and Nettie Kerry, and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income, and that this application should be granted, therefore,

IT IS HEREBY ORDERED as follows:-

1. Edward Jones and Madge Jones may sell the public utility Water Plant known as the Melrose Boulevard Tract Water Plant, and more particularly described in Exhibit "D" and Exhibit "E" filed in this proceeding, to George Kerry and Nettie Kerry.
2. George Kerry and Nettie Kerry may purchase the water plant referred to herein and issue in part payment for such plant their note for the sum of \$2,800.00 and execute a deed of trust to secure the payment of said note, which deed of trust shall be in substantially the same form as the deed of trust filed in this proceeding and marked "Exhibit F", provided that the authority herein granted to execute said deed of trust is for the purpose of this proceeding only and is granted insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust as to such other legal requirements to which said deed of trust may be subject.
3. The consideration which George Kerry and Nettie Kerry have agreed to pay for said water plant shall not be urged before this Commission as a measure of the value of said plant for any purpose other than the transfer herein authorized.
4. The authority herein granted to transfer the properties, issue the note and execute the deed of trust will become effective when George Kerry and Nettie Kerry have paid to the Commission the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.

5. George Kerry and Nettie Kerry shall advise the Commission of the exact date upon which they acquire possession of the water plant herein referred to and shall file with the Commission within thirty days after acquiring said properties a certified copy of the instrument of conveyance by which they acquire and hold title to said properties.

6. Under the authority herein granted no properties may be transferred after April 1, 1927.

DATED at San Francisco, California, this 13th day of December, 1926.

H. K. Boardman
C. S. ...
...
Leon ...
...

Commissioners.

