

Decision No. 24783

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
THE RATTERREE BROTHERS COMPANY to  
sell the water system serving  
GOLDEN WEST PARK to CLYDE HENRY.

Application No. 17932.

**ORIGINAL**

J.N. Ratterree, for Applicant.

Clyde Henry, in propria persona.

BY THE COMMISSION:

O P I N I O N

In this proceeding The Ratterree Brothers Company, a corporation which owns and operates the public utility water system serving Golden West Park, a real estate subdivision located in Visitacion Valley, San Mateo County, asks for authority to sell the plant to Clyde Henry in accordance with the terms and conditions as set forth in that certain option agreement executed January 25, 1932, a copy of which is attached to the application and marked Exhibit "A." The purchaser, Clyde Henry, joins in the application.

A public hearing was held in this matter at San Francisco before Examiner Johnson.

The properties which constitute this water system are particularly set forth and described in said option agreement. The entire water supply is purchased from the Municipal Water System of the City of San Francisco. The sum of nine thousand dol-

lars (\$9,000) was agreed upon as the full purchase price for the properties which it is proposed to transfer. Subsequent to the hearing, the above mentioned option agreement dated January 25, 1932, was amended by a Supplemental Agreement executed April 11, 1932, under which the terms and conditions set forth in the original option agreement were modified by striking out and eliminating therefrom all of subdivision (f) of paragraph (8) as appears on page 5. It was agreed at the hearing that this Supplemental Agreement would be filed and considered to be a part of the record in this proceeding. The evidence shows that Clyde Henry has been operating this water system since about February 1, 1932, and, in accordance with the provisions in said amended option agreement, has advanced certain sums of money for which he is to receive credit on account of the purchase price as follows:

First, the sum of \$1607.80 for payment of water bills due the Water Department of the City and County of San Francisco, of which amount \$307.80 has been paid to said City Water Department and the remaining \$1300.00 has been placed on deposit with this Commission with instructions that it be delivered to said City Water Department if and when this sale is authorized and finally consummated.

Second, the sum of approximately \$2000.00, representing the actual capital expenditure by Clyde Henry for the purchase and installation of meters and meter boxes to effect a complete metering of all services.

Third, the sum of approximately \$100.00 for payment of the utility's delinquent franchise tax to the County of San Mateo.

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After allowing for the above credits it appears that there will remain a balance due on the purchase price of approximately \$5,192, which sum is to be paid in certain annual install-

ments based on one-half of the annual net revenues of the utility. It is evident from the testimony submitted that the above mentioned credits to be applied on account of the purchase price and the resulting sum due and to be paid in certain annual installments are, more or less, indefinite and have been only approximately determined. Therefore, applicants will be required to file jointly with this Commission, as one of the conditions of the granting of this application, a full, complete and certified financial statement showing the actual amounts advanced by the purchaser and the actual amount due and owing on the unpaid balance.

The amended contract agreement of sale constitutes such an evidence of indebtedness that its execution must be authorized by the Commission and a fee paid therefor as prescribed in Section 57 of the Public Utilities Act, which fee in this case amounts to twenty-five dollars (\$25.00).

No one appeared to protest the granting of this application and, after considering all the evidence, the Commission is of the opinion that it should be granted under the terms and conditions set forth in the following Order.

#### ORDER

Application having been filed with this Commission as entitled above, a public hearing having been held thereon, the matter having been submitted and the Commission being now fully advised in the premises,

IT IS HEREBY ORDERED that The Ratterree Brothers Company, a corporation, be and it is hereby authorized to sell and transfer to Clyde Henry its public utility water system serving Golden West Park, a tract situate in Visitacion Valley, San Mateo County,

as said system is more particularly described in the application herein and the exhibits attached thereto, subject to the terms and conditions of that certain option agreement of sale dated January 25, 1932, as amended by a Supplemental Agreement dated April 11, 1932, which amended option agreement applicants are hereby authorized to execute. The authority herein granted shall be subject to the following further terms and conditions:

1. The authority herein granted shall apply only to such transfer as shall have been made on or before the thirtieth day of June, 1932, and a certified copy of the final instrument of conveyance shall be filed with this Commission by The Ratterree Brothers Company within thirty (30) days from the date on which it is executed.
2. The consideration for the transfer herein authorized shall not be urged before this Commission or any other public body as a finding of value for rate-fixing or any purpose other than the transfer herein authorized.
3. Within twenty (20) days from the date of this Order, The Ratterree Brothers Company and Clyde Henry shall file jointly a certified statement of this transaction showing the full purchase price to be paid for the system, the various sums which Clyde Henry has been credited on account of the payment thereof for the cash he has advanced in accordance with the terms and conditions of the said amended option agreement and the resulting sum which as of the date of this Order remains to be paid on the purchase price in certain annual installments over a period of years, based on one-half of the annual net operating revenues of the utility.

4. The authority herein granted will become effective only upon payment of the fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five dollars (\$25.00).

Dated at San Francisco, California, this 23rd day  
of March, 1932.

C. J. Seaver  
Leon Whidney  
W. H. Carr  
W. B. Harris  
Fred G. Stebbins  
Commissioners.

Fee \$ 25 <sup>00</sup>/<sub>100</sub>  
[Signature]  
Fee # 29922