Decision No.1007

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of HENRY P. KYES for an order authorizing the sale by him to the City of Riverside of a portion of his water system.

Application No. 723.

Henry L. Carnahan for applicant. W. G. Irving for City of Riverside.

TEELEN, Commissioner.

OPINION.

This is an application on the part of Henry P. Kyes, a water utility, to sell to the City of Riverside for the sum of \$15,000.00, the major portion of his water system, lying partly within and partly cutside of the limits of the City of Riverside. For a general statement of the conditions leading up to this sale as well as the sale by the Riverside Water Company and the Riverside Artesia Water Company, see the opinion in Application No. 716, Riverside Water Company.

Henry P. Kyes owns a small water system serving a few customers both within and outside of the city limits, from wells located outside of the city limits.

Mr. Kyes has agreed to sell and the city to buy for the sum of \$15,000.00 the major portion of his water system. The property is accurately described in the deed and bill of sale which will be referred to in the order herein. The engineers employed by the city reported a value in its depreciated condition of \$13,362.75 for the property which the city desired to purchase. The city then decided to buy the ten acres on which the pumping plants are located instead of only one lot and to pay \$15,000.00, which price was agreed to by Mr. Kyes.

Mr. Kyes and Mr. P. L. Kyes, also waived their right to demand irrigating water from the city for their present property located within the city limits and it was agreed that Mr. Kyes, would continue to

serve the land of E. M. Sheffield for all purposes and that the city should not be oblighted to serve this land. In this proceeding, as in Application No. 716, Riverside Water Company, and Application No. 723, Riverside Artesia Water Company, the Commission's consent will be conditioned upon the filling by the city of a certified copy of a stipulation that the city takes the property subject to all legal claims which might have been enforced against Henry P. Kyes for water, including such claims as may exist in territory outside of the city limits, except as heretofore in this paragraph indicated.

I find that the public convenience and necessity will be served by the sale by Henry P. Kyes to the City of Riverside of the property to be sold as hereinafter indicated and recommend that the application of Henry P. Kyes to sell said property be granted.

I submit herewith the following form of order:

ORDER.

HENRY P. KYES, a water utility, having filed with this Commission his application for authority to sell to the City of Riverside, for the sum of \$15,000.00, that portion of his irrigating and domestic water system which is described in the deed and bill of sale hereinafter referred to, and a public hearing having been held on said application, and the Commission finding that public convenience and necessity will be served by such sale of said property,

IT IS HEREBY ORDERED that Henry P. Kyes, a water utility, is hereby authorized to sell to the City of Riverside for the sum of \$15,000.00, on the terms specified in the application in this proceeding, that portion of his irrigating and domestic water system which is more particularly described in the following deed and bill of sale, to-wit:

1. Deed from Henry P. Kyes and Lizzie R. Kyes, his wife, to City of Riverside, dated July 1, 1913, and recorded on July 19, 1913, in Book 378 of Deeds at page 35, Records of Riverside County, California, conveying the real property intended to be conveyed.

2. Bill of sale from Henry P. Kyes to City of Riverside, dated July 1, 1913, on file among the official records of the City Clerk of Riverside, conveying all the personal property intended to be conveyed, being certain tools.

The authorization hereby given shall be operative only when the City of Riverside shall have filed with this Commission a certified copy of a stipulation to the effect that the city takes the property conveyed by the foregoing deed and bill of sale subject to all legal claims for water which might have been enforced against Henry P. Kyes, a water utility, , including such claims as may exist in territory outside of the city limits of Riverside, provided that the city shall not be obligated to supply water to the premises of E. M. Sheffield, or irrigating water to the present premises of Henry P. Kyes and P. L. Kyes within the city of Riverside.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this She day of October, 1913.

Commissioners.