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Decision No. 11489.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
KATE F. WATERMAN and N.M.PETERSEN)
for an order authorizing the sale) Application Number 8504.
of properties used to supply water.)

Milo R. Robbins, 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 Kate F. Waterman to sell and convey certain public utility water properties to N.M.Peterson.

A public hearing in the matter was held by Examiner Westover in San Francisco on January 10, 1923.

It appears that Kate F. Waterman is the owner of a small water system located near Boyes Springs, Sonoma County, which she operates under the firm name and style of Sonoma Highlands Water Company, and that N. M. Petersen owns and operates another water system in the immediate vicinity which is known as Mountain Avenue Water Works, and serves in an adjoining subdivision. Kate F. Waterman is no longer a resident of Boyes Springs, is not in a position to take an active part in the operation of the plant and desires to dispose of her water business and properties. For these reasons she has made arrangements to sell such properties to N.M. Petersen for \$5,000.00 free and clear of all liens and encumbrances.

The record shows that the selling price of the properties involved in this application is based upon an appraisal made by the

Commission's Engineering Department in connection with Application Number 2442, in which Mrs. Waterman asked the Commission to establish reasonable and uniform rates. From the decision in that proceeding, Number 3903, dated December 2, 1916, it appears that the Commission's engineers estimated the reproduction cost of the properties as \$4,231. and the reproduction cost less depreciation as \$4,094.00. The testimony shows that a lot 50 x 150 feet in dimension with a well thereon useful for auxiliary purposes, in addition to the properties included in the appraisal in Application Number 2442, together with a few small extensions and additions made since the date of the appraisal, are to be transferred as part of the system. The value of this lot and well, which were not included in the appraisal, is estimated at approximately \$1,000.00.

As shown in the agreement of sale, a copy of which is filed with the petition as Exhibit "A", Mr. Petersen is to pay for the property \$200.00 in cash and on the balance of \$4800.00 is to apply the entire revenue received from the sale of water from the properties he is purchasing, without deduction for operating or maintenance costs, such payments to be made monthly with interest at the rate of 4 percent per annum, final payment to be made on or before December 31, 1929. Mr. Petersen testified that his income from other sources would be sufficient to take care of operating and other charges of these properties during the period in which he is paying for them. His testimony further shows that economies in operation may be effected by interconnecting and consolidating the two systems which he will own.

It is thought that Mr. Petersen, being a resident of Boyes Springs, can give personal attention to the business and will be in a position to better meet the public's demand than can Mrs. Waterman, a nonresident.

We believe applicant's request should be granted as herein provided.

O R D E R

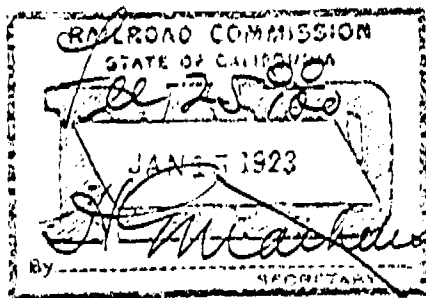
Kate F. Waterman having applied to the Railroad Commission for permission to sell and convey a public utility water system to N.M.Petersen, and N.M.Petersen having joined in the application, a public hearing having been held and the Railroad Commission being of the opinion that the application should be granted, as herein provided;

IT IS HEREBY ORDERED that Kate F. Waterman be, and she is hereby, authorized to sell and convey to N.M.Petersen the public utility water business and properties described in the schedule hereto annexed and made a part hereof, such sale to be made in accordance with the terms of the agreement of sale filed in this proceeding and marked "Exhibit A".

The authority herein granted is subject to the following conditions:-

- (1). The authority herein granted to transfer properties shall not be interpreted ^{as} a finding of value of said properties for the purpose of fixing rates or for any purpose other than this transfer.
- (2) Within ten days after taking possession of the properties, N.M.Petersen shall file with the Railroad Commission a statement showing the exact date upon which he took possession.
- (3) The authority herein granted will become effective upon the payment by N.M.Petersen of the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.

DATED at San Francisco, California, this 12th day of January, 1923.



C. S. Seavey
Iving Martin
Egerton Shore
H. C. Bluthway

Commissioners.

SCHEDULE OF PROPERTIES AUTHORIZED TO BE CONVEYED FROM KATE F. WATERMAN
TO N. M. PETERSEN.

All that certain water system now owned by Kate F. Waterman located at Boyes Springs, Sonoma County, California, and known and designated as Sonoma Highlands Water Company, including the following operating property, to-wit:

- 1- 10" well- depth 200 feet more or less.
- 1- Price piston pump, 4" x 12".
- 1- Crocker-Wheeler motor, 5 H.P., 60 cyc. 220 v. 3 phase, 1130 R.P.M.
- 1- Belt, 3 ply rubber, 4" x 27'.
- 1- Oil circuit breaker type E, 25 Amp. 600 V.
- 2950 feet, more or less, 3" W.I.dipped pipe
- 5400 feet, more or less, 2" W I.dipped pipe
- 2- 3" iron Gate Valves.
- 1- 2" brass Gate Valve.
- 5- Meters.
- 28- Service cocks.
- 1- Tank, 50,000 gallons capacity, pine with conical roof, with concrete and wood foundations.

Also, the land upon which said Tank is situated, including a strip of land fifteen (15) feet wide entirely encircling the same;

Also, those certain lots or parcels of land situate in the County of Sonoma, State of California, and particularly described as follows, to-wit:

Lot No. Seven (7) in Block "C", and Lot No. Two (2) in Block "G", as said lots are shown and designated on that certain map entitled: "Map of Subdivision No. 1 of Sonoma Highlands", filed in the office of the County Recorder of the County of Sonoma, State of California, April 8th, 1914;

Also, a right of way thirty (30) feet wide, fifteen (15) feet on each side of the pipe line now leading from said Lot No. Seven (7) in Block "C" said Subdivision No. 1 of Sonoma Highlands to the tank hereinbefore referred to.