

Decision No. 1825

ORIGINAL

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.Decision No. 1825

In the Matter of the Application of)
 FAIRFAX DEVELOPMENT COMPANY to Sell)
 its Water System to Manor Water Com-)
 pany, and of MANOR WATER COMPANY to)
 Issue Stock in Exchange therefor.)

Application No. 1338.Prentiss N. Gray, for Applicants

LOVELAND, Commissioner:

O P I N I O N

Fairfax Development Company is engaged in the business of buying, subdividing and selling lands in and about Fairfax, Marin County, California, and also operates a small public utility water company in this district. Fairfax Development Company desires to segregate this public utility water company from its business of buying and selling lands. To this end applicant has caused to be incorporated Manor Water Company. The present application seeks the authority of this Commission to transfer to Manor Water Company the public utility water property now operated by Fairfax Development Company. In exchange for this property Manor Water Company asks authority to issue to Fairfax Development Company stock, the amount thereof to be fixed by this Commission. Manor Water Company at present has no stock, bonds or other evidences of indebtedness outstanding.

The Commission's engineering department made an appraisal of the public utility water property of Fairfax Development Company, and found the present value thereof to be \$14,768.00.

This appraisement does not include a certain well which Fairfax Development Company believes is necessary for the supply of water in this district and which it desires to transfer to Manor Water Company.

I do not deem it necessary that a detailed investigation be made at this time into the value of the property to be transferred. This is not a proceeding to fix the rates at which water will be supplied in the Fairfax district. Fairfax Development Company is to take stock of Manor Water Company issued in exchange for the property transferred, and as this is the only stock which Manor Water Company will have outstanding there is no need to make such a detailed investigation of the value of the property transferred as is usually made by this Commission in rate fixing inquiries. Fairfax Development Company objected to certain of the items of value in the appraisement made by the Commission's engineers as being too low, although the Company stated that it was willing, for the purpose of this proceeding, to accept the appraisement made by the Commission's engineers with the understanding that the Company will not be bound by this appraisement in a rate fixing inquiry.

Manor Water Company has an authorized capital of \$25,000.00 divided into 2500 shares of the par value of \$10.00 each. I recommend that this application be granted and that Manor Water Company be authorized to issue 1476 shares of its capital stock ~~issued~~ to Fairfax Development Company in exchange for the public utility property which Fairfax Development Company desires to transfer.

I submit the following form of order:

O R D E R.

A hearing having been had upon the application herein and the Commission being duly advised in the premises,--

IT IS HEREBY ORDERED that Fairfax Development Company be,
and it is hereby authorized to transfer to Manor Water Company the
following described public utility water property:

WELLS AND REAL ESTATE:

2 - 12" cased wells (used)
1 - 12" cased well (reserve)
1 - 43" well (reserve)
With side tunnel 8' x 8' - 30' long
Real Property upon which said wells are situated.

TANKS AND REAL ESTATE:

2 - 10,000 gallon redwood tanks
1 - 2,000 gallon redwood tank
Real property upon which said tanks are situated.

DISTRIBUTION SYSTEM AND EQUIPMENT:

4" crane black dipped
2 $\frac{1}{2}$ " crane black dipped
2" crane black dipped
3" galv. iron standard screw.

MOTORS:

7 $\frac{1}{2}$ H.P. single phase Century, 220 volts, 1116 R.P.M.
3 $\frac{1}{2}$ H.P. single phase Century, 220 volts, 1165 R.P.M.-
single phase.
2 H.P. G.E. Motors 1800 R.P.M., 220 volts, single phase.

PUMPS:

Gould, deep well, 2 $\frac{3}{4}$ " cyl. 10" stroke fig. 1030, with
pump head, rods, split steel pulley, rod guides,
Gould Triplex Pump 4 x 4 Fig. 924, single acting outside
packed pump, 30 to 40 gals. per M. capacity
1 - Duplex Pump,

METER:

5/8" Nash meter.

FIRE PLUGS:

2 - Fire Plugs with iron Angl. gate valve
8 - " " " brass " " "

VALVES:

13 - 4 $\frac{1}{2}$ " Crane Globe Valves
12 - 2 $\frac{1}{2}$ " " " " Iron body
4 - 2 $\frac{1}{2}$ " Lukenheimer Clip Valves

Tools, pipes, equipment and supplies on hand.
Wiring from Pacific Gas and Electric Company's power line
to pumps;
Shed over motor;
Pump house,

Together with rights-of-way and easements necessary for tunnels and pipe lines now constructed over lands of Fairfax Development Company.

IT IS FURTHER ORDERED that Manor Water Company be, and it is hereby authorized to issue to Fairfax Development Company capital stock of the par value of \$14,768⁰.00 for the transfer to Manor Water Company of the property above-mentioned upon the following conditions, and not otherwise, to-wit:

1. Manor Water Company shall, upon the issuance of the stock above-mentioned, file with the Commission a verified statement of the amount of stock issued together with a copy of the bill of sale or deed granting to it the property herein authorized to be transferred.

2. The authority herein granted Manor Water Company to issue stock shall apply only to stock issued on or before December 31, 1914.

3. The par value of the stock herein authorized to be issued shall not be taken before this Commission, nor any other public body as representing for rate fixing purposes the value of the property transferred.

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 24th day of September, 1914.

Wm. M. Eshleman
H. Loveland
Chas. A. Gordon

Commissioners.