Decision No.\_

ORIGINAL

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of WEST SAN JOAQUIN VALLEY WATER COMPANY and MILLER & LUX, INC., to transfer water works and sewer system in Gustine City to Gustine City, a municipal corporation.

Application No. 3034.

Decision No. 45-3

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Edward F. Treadwell for West San Joaquin Valley Water Company and Miller & Lux, Inc. D. T. Haley and W. W. Wehner, trustees, for Gustine City.

BY THE COMMISSION:

## <u>O P I N I O N</u>

A public hearing was conducted by Examiner Westover upon above application to transfer to Gustine City for \$12,000.00 cash the water works, and for \$6,000.00 cash the sewer system now serving said city, and which are owned by the other applicants.

A large part of the land in the western portion of Merced and Fresno counties was originally owned by Miller & Lux, Inc., which subdivided and sold those portions now constituting the cities of Gustine. Los Banos. Dos Palos and Firebaugh.

Subsequently by Decision 383 of December 30, 1912, Miller & Lux. Inc., was authorized by the Railroad Commission to transfer to West San Joaquin Valley Water Company the water systems established at the four towns named above. The latter company was organized by Miller & Lux. Inc. for the purpose of Separating such public utility business from its other lines of business. (See Vol. 1, Opinions and Orders of the Railroad Commission of California, p. 1027). Miller & Lux. Inc. retained the sewer system at Gustine City.

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The companies wish to dispose of the water and sever system at Gustine and devote more attention to other matters. The city has voted bonds in the total sum of \$27,000.00. a part of which will be used to acquire the properties. Applicants have agreed upon a purchase price of \$12,000.00 for the water works and \$6,000.00 for the sewer system at Gustine.

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The evidence indicates that public interest will not be jeopardized by the transfer of the properties to the city of Gustine.

The sewer system is not a public utility within the meaning of the Public Utilities Act. It is therefore not necessary to procure the Commission's authority to transfer such system.

## ORDER

WEST SAN JOAQUIN VALLEY WATER COMPANY.

MILLER & LUX. Inc. and GUSTINE CITY having applied to the Railroad Commission for authority to transfer a water plant and sewer system in Gustine to Gustine City, a municipal corporation, and a public hearing having been held thereon and such transfer appearing to be in the public interest.

IT IS HEREBY ONDERED that West San Joaquin Valley Water Company be and it is hereby authorized and empowered to sell and convey to Gustine City for a consideration of \$12,000. cash its water plant and system in Gustine City, including its wells. pumps, machinery, tanks, tools, mains, meters, valves, connections and all other means used for the distribution of water in Gustine City; and also including all those certain lots, pieces or parcels of land situate, lying and being in Gustine City on which certain of the said water works are situated, and more particularly described as lots seventeen (17), eighteen (18), nineteen (19) and twenty (20) in Block twenty-six (26), City of Gustine, as per "Map

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of the Town of Gustine. Merced County, California, laid out by Miller & Lux, Incorporated, surveyed by F. P. McCray, July, 1906" on file and of record in the County Recorder's office of the County of Merced, State of California; together with all the improvements thereon, including wells, water tanks, pumping machinery, tools, etc.

This order is made upon the following conditions:

1. The authority hereby granted shell extend only to such conveyance as shall be executed and delivered within sixty (60) days from date hereof.

2. Within ten days after execution and delivery of such conveyance, said West San Joaquin Valley Water Company shall report in writing to the Railroad Commission the fact and date of delivery of conveyance and the receipt and disposition of the proceeds of said sale.

Dated at San Francisco, California, this //Th day of August, 1917.

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Commissioners.