

Decision No. 31551

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application  
of John Farris and R. L. Gilliam  
for permission to transfer by  
said Farris to Gilliam, the Water  
System at Avila, California.

Application No. 22101.

ORIGINAL

A. Brazil for R. L. Gilliam.

John Farris in propria persona.

BY THE COMMISSION:

O P I N I O N

In this proceeding John Farris asks permission to sell to R. L. Gilliam the Avila Water Works supplying water for domestic purposes in the Town of Avila in San Luis Obispo County.

A public hearing in this matter was held at San Luis Obispo before Examiner M. R. MacKall.

From the evidence it appears that Mr. Farris acquired the Avila Water Works from A. E. Ruda through authority granted in Decision No. 28991, dated July 16, 1936. Immediately thereafter R. L. Gilliam acquired an undivided one-half interest in the water works, which transfer however was never presented to the Railroad Commission for approval. Gilliam continued in the capacity of silent partner until the system became so run down and in such a state of disrepair that said Gilliam was forced to take over the active management of the plant. Difficulties

had arisen throughout the entire community from poor pressure, interrupted service, and also from possible pollution of the water. In order to remedy these conditions Gilliam obtained an instrument conveying from Farris to him all utility property and immediately installed new mains, storage tanks and other facilities. Mr. Gilliam now seeks authority from this Commission for the transfer of the Avila Water Works.

There was no opposition at the hearing to the sale of these properties and it appearing that service is now upon a safe and more satisfactory basis, the authority requested will be granted.

#### O R D E R

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

IT IS HEREBY ORDERED that John Farris be and he is hereby authorized to transfer all his rights, title and interest in and to the water system generally known as Avila Water Works serving the unincorporated Town of Avila, County of San Luis Obispo, to R. L. Gilliam, subject to the following terms and conditions:

1. John Farris shall file or cause to be filed with this Commission, within thirty (30) days from the date of this Order, a certified copy of a deed or other instrument of conveyance quit-claiming to R. L. Gilliam all title and interest in the Avila Water Works.
2. The consideration given for the transfer of this property shall not be urged before the

Commission or any other public body as a finding of value for rate fixing purposes or for any purpose other than the transfer herein authorized.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 12<sup>th</sup> day of December, 1938.

Ray B. Washburn  
John A. White  
Oran P. Dwyer  
Ray F. Peery  
[Signature]  
COMMISSIONERS.