

Decision No. 31555

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
HILLSBOROUGH WATER COMPANY
for permission to sell its operative
property to Town of Hillsborough and
to discontinue public utility service
and of TOWN OF HILLSBOROUGH to pur-
chase said property.

Application No. 22390

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Hillsborough Water Company is engaged in supplying water for domestic purposes within a portion of the Town of Hillsborough. It asks permission to sell all of its operative properties and water rights (except certain pumping equipment and pumps) to the Town of Hillsborough and discontinue public utility service. The Town of Hillsborough has agreed to pay \$95,000.00 for said properties.

For the year 1937 the Hillsborough Water Company reports operating revenues of \$30,460.05. The properties which it has agreed to sell to the Town of Hillsborough, subject to the terms and conditions of the agreement filed in this proceeding as Exhibit A are in said Exhibit A described as follows:-

" All of its properties consisting of lands, rights-of-way, water pipes, water mains, tanks, reservoirs, pumping plants (save and except the pumping equipment and pumps located at the wells on Lot No. 1, as shown on map entitled 'Map of Distribution System Hillsborough Water Company, dated July 10, 1931, and attached to report on values of properties of the Hillsborough Water Company by Phillips, Cooper & Gerdes, Engineers), filtration plants, service meters, tools, equipment, office equipment, franchises, operative rights and contracts for water service, located within the Town of Hillsborough or appurtenant to the water system of the undersigned, but not including accounts receivable, choses in action, cash in hand or in bank.

ALSO all right, title and interest of the undersigned in and to those certain agreements made and entered into by and between Spring Valley Water Works, a corporation, as first party, and William Henry Howard and Agnes Bowie, as second parties, one dated May 5, 1884, and recorded in Volume 38 of Deeds, page 1, San Mateo County Records, and the other dated December 14, 1886, and recorded in Volume 8 of Miscellaneous Records, page 534, San Mateo County Records, and agreement between Cherry Canyon Water Company and Henry P. Bowie, et al., dated November 5, 1906, and recorded in Volume 24 of Miscellaneous Records, page 134, San Mateo County Records, subject, however, to all the terms and conditions of said agreements, and each of them."

The agreement provides that certain contracts of Hillsborough Water Company for the supply of water at certain specified rates to Antoinette W. Howard and Henry S. P. Howard, (successors in interest of George H. Howard, deceased,) Marion Poett Howard and J. H. P. Howard, Jr. (successors in interest of J. H. P. Howard, deceased), Hall C. Ross, and the Estate of Allan St. John Bowie, shall not be or be deemed to be a liability of Hillsborough Water Company, and that the Town of Hillsborough if it acquires the assets of Hillsborough Water Company, assumes and guarantees the performance of said contracts.

We are advised that all of the company's stockholders have given their consent to the sale of the properties mentioned in this application.

It is of record that the Town of Hillsborough has authorized an issue of \$350,000.00 principal amount of bonds, for the purpose of obtaining funds to acquire a municipal water works system. The acquisition of the properties of the Hillsborough Water Company is undertaken for that purpose.

O R D E R

The Commission having been asked to enter its order, as indicated in the foregoing opinion and having considered the request

of applicants, and it being of the opinion that this is not a matter on which a hearing is necessary and that this application should be granted, therefore,

IT IS HEREBY ORDERED that Hillsborough Water Company be, and it is hereby, authorized to sell, on or before March 1, 1939, to the Town of Hillsborough, pursuant to the terms and conditions of the agreement filed in this proceeding as Exhibit A, all of its properties described in said agreement.

IT IS HEREBY FURTHER ORDERED that upon the sale of said properties to the Town of Hillsborough, the Hillsborough Water Company may discontinue public utility water service.

IT IS HEREBY FURTHER ORDERED that within thirty(30) days after the sale of its properties to the Town of Hillsborough, the Hillsborough Water Company shall file with the Railroad Commission a statement showing the date when it sold its properties and the date when it relinquished possession of the same.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 12th day of December, 1938.

Raymond W. ...
John ...
Frank ...
Ray ...
W. ...
COMMISSIONERS.