

Decision No. 31637

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )

O. N. HIRSCH and of ALAMEDA )  
COUNTY WATER DISTRICT )

to transfer the Irvington Water )  
System to Alameda County Water )  
District. )

Application No. 22449

BY THE COMMISSION:

O P I N I O N

In this proceeding, O. N. Hirsch, owner of the Irvington Water System, asks permission to sell, for \$15,000.00, to Alameda County Water District all of said Irvington Water System, except (a), the well, pump, motor and tanks on the hill which is known as the De Vaux Place near Irvington including the areas on which said items are located; and (b), the auxiliary pump, motor and well located near the Centerville Road (sometimes called Broadway) in the Town of Irvington, including the areas on which said items are located. The District has no need for the wells and equipment.

The Alameda County Water District is a county water district organized under the County Water District Act of the State of California. The District embraces an area in Alameda County which includes a large body of agricultural land and which also includes the Towns of Alvarado, Decoto, Niles, Centerville, Newark and Irvington. The said Alameda County Water District is authorized to own and operate and does own and operate a water system for the furnishing of water for domestic and other purposes to inhabitants within the district. It now serves water to customers in the Towns of Alvarado and Newark, and to customers along the water mains which connect the various parts of its system.

It is of record that originally, the Alameda County Water District had two separate water systems, the one supplying the inhabitants of

Newark with water for domestic purposes and the other the inhabitants of Alvarado with water for domestic purposes. These communities were originally served by the East Bay Water Company and thereafter by the East Bay Municipal Utility District. The Alameda County Water District acquired the two systems in said communities from the East Bay Municipal Utility District. During the past year the Alameda County Water District has greatly extended its water system and now has water mains extending from Niles to Centerville and thence to Newark and to Alvarado. It has further installed a water main from Centerville to Irvington and is engaged in extending this water main from Irvington to a reservoir at Mission San Jose. At Niles the District's main has a connection with a water main of the water system of the City and County of San Francisco. The District also has a connection near Newark with what is known as the Hetch-Hetchy water main of the City and County of San Francisco.

It appears that the extension of the District's water mains from Centerville to Irvington and from Irvington to a reservoir at Mission San Jose were undertaken with the thought that the District would acquire from O. N. Hirsch the Irvington Water System and that the District would supply with water, not only the customers of the Irvington Water System, but also the inhabitants of Mission San Jose.

O. N. Hirsch, in his 1937 annual report, shows operating revenues of \$3,074.80. The report further shows that on December 31, 1937, he had 109 service connections in his water system. His investment in his water system he reports at \$20,253.52 and the accrued depreciation at \$4,508.13. The Alameda County Water District agrees to perform and carry out all of the obligations to furnish to customers water which are imposed upon O. N. Hirsch, owner of the Irvington Water System. The \$15,000.00 which the District has agreed to pay O. N. Hirsch for his properties is payable as follows: \$1500.00 upon the approval of the sale by the Railroad Commission, and the balance in nine (9) equal annual installments bearing interest at 4% per annum as to the unpaid part thereof. The District reserves the privilege to pay at any time any

amount it may elect upon said purchase price in excess of the minimum payments mentioned.

The deed conveying the properties to the District recites that O. N. Hirsch will not, for the purpose of furnishing others with water for domestic purposes, use or permit the use of the wells which are reserved from the sale of his properties, and that any such proposed use shall be deemed to belong to the District and that he will not, while the District or its successors may be engaged in carrying on the business which he has sold to the District, directly or indirectly, in his own right or for others, engage in a similar business within the Irvington or Mission San Jose areas, which are defined as being so much of Alameda County as lies in an area the north and south boundaries of which shall be two lines paralleling the center line of what is known as Olive Avenue (as extended) and each of which is distant therefrom one mile and each of which shall be deemed to extend to the easterly and westerly boundaries of said area. The easterly boundary of said area shall be one-half mile easterly of and paralleling the center line of the State Highway running through Mission San Jose; the westerly boundary shall be a line parallel with and a mile westerly of the center line as extended of Broadway of the Town of Irvington.

Applicant's petition shows that O. N. Hirsch does not feel justified in changing or improving his system to give a better service at Irvington. With the extension of the mains of Alameda County Water District and its main connections with the pipe lines of the City and County of San Francisco, it appears that the District is in a position to serve both Irvington and Mission San Jose.

#### ORDER

O. N. Hirsch, having asked permission to sell his water system known as the Irvington Water System to the Alameda County Water District and the Commission having considered applicant's request, and it being of the opinion that this is not a matter in which a hearing is necessary,

and that this application should be granted, therefore,

IT IS HEREBY ORDERED, that O. N. Hirsch be, and he is hereby, authorized to sell and transfer on or before March 1, 1939, his public utility water system known as the Irvington Water System to the Alameda County Water District, said sale to be made pursuant to the terms and conditions of the Resolution of the Alameda County Water District filed in this proceeding.

IT IS HEREBY FURTHER ORDERED, that within thirty (30) days after the sale and transfer of his public utility water properties to Alameda County Water District, O. N. Hirsch shall file with the Railroad Commission a statement showing the exact date when such transfer was effected, together with a copy of the deed by means of which he transferred said properties to the Alameda County Water District.

IT IS HEREBY FURTHER ORDERED, that concurrently with the sale and transfer of his public utility water properties, to Alameda County Water District, O. N. Hirsch is relieved of the obligation to operate said properties as a public utility water system.

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

DATED at San Francisco, California, this 9<sup>th</sup> day of January, 1939.

Robert A. King  
Lawrence D. Miller  
Paul A. Carey  
W. H. Baker  
Justus J. Casner  
COMMISSIONERS