

Decision No. 37836

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of E. BURR, an individual, d/b/a CENTRAL GARDENS WATER COMPANY to sell and W. R. QUINNEY to purchase the assets and operative rights of CENTRAL GARDENS WATER COMPANY, a public utility water system.

ORIGINAL

Application No. 26473

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

By Decision No. 37570, dated December 19, 1944, in the above entitled matter, the Railroad Commission authorized E. Burr, doing business as Central Gardens Water Company, to sell and transfer his public utility water system to W. R. Quinney under the terms and conditions of a bill of sale, filed with the original application as Exhibit "D", which provided, among other things, for a total purchase price of \$25,000. Of this amount the sum of \$5,000 was paid and the balance, by the terms of the bill of sale, was to become payable in monthly installments of \$250 or more with interest at the rate of six percent on deferred payments.

Thereafter, on December 26, 1944, the minimum fee of \$25 prescribed by Section 57 of the Public Utilities Act was paid and as of January 1, 1945, the water system was transferred to W. R. Quinney.

In a supplemental petition filed on April 9, 1945, applicants have advised the Commission that it was their intention to have the deferred payments of \$20,000 evidenced by a promissory note secured by a deed of trust and by a mortgage of

chattels, but that through inadvertence they failed to include in the original application a request to execute these instruments. Accordingly they have now asked for a supplemental order authorizing such execution.

The Commission has considered this matter and is of the opinion that the copies of the note, deed of trust, and mortgage of chattels, filed with the supplemental petition as Exhibits "A", "B", and "C", respectively, are in satisfactory form and that the request should be granted. It is of the opinion, further, that the money, property, or labor to be procured or paid for through the issue of the note is reasonably required for the purpose specified herein and that the expenditure for said purpose is not, in whole or in part, reasonably chargeable to operating expense or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. W. R. Quinney may issue, on or before May 31, 1945, a note in, or substantially in, the same form as that filed with the supplemental petition herein on April 9, 1945, in the principal amount of \$20,000, with interest on the unpaid principal at the rate of six percent per annum, principal and interest to be payable in monthly installments of \$250 or more, said note to be issued for the purpose of representing the indebtedness incurred in acquiring the water system referred to herein under the authority granted by Decision No. 37570, dated December 19, 1944, and of financing in part the purchase price of said system.

2. W. R. Quinney may execute, on or before May 31, 1945, a deed of trust and a mortgage of chattels in, or substantially in, the same form as those filed with the supplemental petition herein on April 9, 1945, as Exhibits "B" and "C",

respectively.

3. W. R. Quinney shall file with the Railroad Commission, on or before June 15, 1945, a copy of the note, deed of trust and mortgage of chattels as actually executed.

4. The authority herein granted will become effective upon the date hereof.

Dated at San Francisco, California, this 24th day of April, 1945.

A. Harold Anderson
Justice J. Casper
Richard Lachar
Frank W. Clark
Wm. H. Howell
COMMISSIONERS