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Decision No. <u>3</u>8203

BEFORE THE RAILRCAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of San Gabriel Valley Water Service and the City of Indio, a municipal corporation, for the Sale of the Water Plant and Distribution System of the Former in the City of Indio and Territory Adjacent thereto to said City of Indio.

Application No. 26903

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BY THE COMMISSION:



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San Gabriel Valley Water Service, a corporation engaged in the business of furnishing water for domestic and commercial purposes to consumers in, and in the vicinity of, the City of Indio, Riverside County, California, asks permission to sell and transfer its public utility water system in said City of Indio and territory adjacent thereto to the City of Indio, a municipal corporation which joins in the application.

San Gabriel Valley Water Service has given the City of Indio an option to acquire said properties for \$110,000, plus the cost of additions and betterments installed subsequent to May 7, 1945. The city proposes to acquire the properties as soon as the proceeds from the sale of bonds are available to it for that purpose. In the event the sale is consummated the city will furnish and supply water to all present consumers of San Gabriel Valley Water Service in said City of Indio and territory adjacent

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thereto, and will assume all of the obligations of San Gabriel Valley Water Service in that regard.

A copy of the option is on file in this application.

San Gabriel Valley Water Service reports the cost of its fixed capital at Indio and territory adjacent thereto, as of December 31, 1944, at \$109,933.98, and its reserve for accrued depreciation applicable to such properties at \$19,884.56. Its operating revenues for the year 1944 from its Indio operations are reported at \$30,492.97 and its operating expenses at \$26,451.32. The operating expenses include charges for depreciation of \$2,014.72 and for taxes, \$6,031.52. Its net operating revenue from its Indio operations are reported at \$4,041.65. During 1944 it supplied water to about 720 consumers.

ORDER

Application having been made as entitled above and the Commission having considered applicants' request 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 HEREEY ORDERED as follows:

1. San Gabriel Valley Water Service may, on or before November 1, 1945, sell and transfer to the City of Indio its public utility water properties situate in the City of Indio and territory adjacent thereto and more particularly described in the option on file in this application.

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2. Within thirty (30) days after the sale and transfer to the City of Indio of said public utility water properties, San Gabriel Valley Water Service shall file with the Railroad Commission a statement showing the date upon which it relinquished control and possession of said water properties, together with a copy of the deed and bill of sale executed to transfer title to said water properties to the City of Indio.

3. The authority herein granted will become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this $\frac{1}{12}$ day of September, 1945.

Commissioners

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