

ORIGINAL

Decision No. 39808

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 HILLS WATER COMPANY, a corporation, :
 for Order Authorizing the Lease and :
 Sale of the Whole of its Property to :
 the City of Burlingame, a Municipal :
 Corporation.)
 -----)

Application
 No. 28062

OPINION AND ORDER

Hills Water Company, a corporation, asks permission to lease, for a term of six months with an option to purchase, to the City of Burlingame all of its water rights and physical properties including land, reservoirs, pumping plant and appurtenances, transmission and distribution mains, hydrants, services, meters, valves, fittings, maps, meter and record books. The city will pay the company a monthly rental of \$200 payable in advance beginning January 10, 1947; and thereafter on the 10th day of each consecutive month up to and including June 10, 1947. The Hills Water Company grants to the City of Burlingame an option to purchase its properties for \$35,000 in cash. The option must be exercised on or before June 10, 1947. A copy of applicant's offer to lease and sell its properties to the City of Burlingame is filed in this application as Exhibit "A", and a copy of the city's acceptance as Exhibit "B".

Hills Water Company reports its investment in fixed assets at \$77,530.48 and a reserve for accrued depreciation of \$53,836.72. The earnings of the company have not been sufficient

to cover the depreciation accruals. For 1945, the company reports operating revenues of \$14,207.29 and operating expenses of \$15,418.38. It supplied water to 130 consumers.

The Commission has considered applicant's request and believes 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 Hills Water Company may, after the effective date hereof and on or before August 31, 1947, lease and sell all of its public utility water properties to the City of Burlingame, such lease and sale to be made pursuant to the offer and acceptance filed in this application as Exhibit "A" and Exhibit "B", respectively.

IT IS HEREBY FURTHER ORDERED that the action taken herein shall not be construed as a finding of the value of the properties herein authorized to be transferred.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the sale and transfer of said properties, Hills Water Company shall file with the Public Utilities Commission a statement showing the date on which such properties were sold and transferred.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective ten (10) days after the date hereof.

Dated at San Francisco, California, this 30th day
of December, 1946.

Harold P. Kula
Justin F. Culver

W. H. Russell

R. J. ...

Commissioners