

ORIGINAL

Decision No. 41422

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )

ROY E. SALYERS, HELEN B. SALYERS,  
RAYMOND C. WILLIAMS, GERALDINE H.  
WILLIAMS, CHESTER F. JOHNSON, and  
MYRTLE V. JOHNSON, )

Application  
No. 29211

to Sell Public Utility Property. )  
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OPINION AND ORDER

This is an application for an order of the Public Utilities Commission authorizing Roy E. Salyers, Helen B. Salyers, his wife, Raymond C. Williams and Geraldine H. Williams, his wife, hereinafter referred to as Vendors, to sell and transfer a small public utility water system located at Klamath Glen, Del Norte County, to Chester F. Johnson and Myrtle V. Johnson, his wife, hereinafter referred to as Purchasers.

It appears that the water system is an integral part of a certain resort property and business at Klamath Glen, located on the Klamath River about three miles upstream from the Town of Klamath. According to reports filed with the Commission, the water system includes a well, a redwood tank of a capacity of 8,000 gallons and 3,695 feet of pipe serving approximately forty consumers. The operating revenues were reported at \$608 in 1947, the operating expenses at \$484, and the net profit at \$124. The present depreciated book value of the water properties is reported at \$2,107.

The application shows that the Vendors desire to dispose of their resort properties, including the water system, and accordingly have entered into an agreement, dated March 11, 1948, to sell and transfer the same to Purchasers who have agreed, in consideration for such transfer, to convey to Vendors certain commercial property located at 6645-47-53-55 Foothill Boulevard, Oakland, and to issue to them a promissory note for \$30,000 bearing interest at the rate of 5% per annum, and payable in installments of \$2,000 inclusive of interest, on November 1, 1948, \$4,000 inclusive of interest on November 1, 1949, and \$4,000 inclusive of interest on the first day of November of each and every year thereafter until paid, with the right granted the Purchasers, at their election on such payment dates, to pay any amount that may be unpaid. The payment of the note is to be secured by a deed of trust and by a chattel mortgage, a copy of which is filed in this application as Exhibit "B". The properties which Vendors have agreed to sell are described in Exhibit "A".

The Purchasers propose to reside at the resort and devote their time to its operation. They will employ the person who now operates the water system.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose indicated herein, therefore,

IT IS HEREBY ORDERED as follows:

1. Roy E. Salyers, Helen B. Salyers, his wife, Raymond C. Williams and Geraldine H. Williams, his wife, after the effective date hereof and on or before June 30, 1948, may sell and transfer their public utility water system referred to in Exhibit "A", to Chester F. Johnson and Myrtle V. Johnson, his wife..

2. Chester F. Johnson and Myrtle V. Johnson, after the effective date hereof and on or before June 30, 1948, may execute a deed of trust and a chattel mortgage in, or substantially in, the same form as those filed in this proceeding as Exhibit "B", and may issue a note in the principal amount of \$30,000, payable as indicated herein, for the purpose of paying in part for the properties referred to in this application.

3. Chester F. Johnson and Myrtle V. Johnson, immediately upon acquiring said water system, shall adopt as their own the rates, rules and regulations now on file with the Commission covering water service given by said system, and thereafter shall file with the Commission, on or before July 31, 1948, a copy of the final instrument of conveyance by which they received title to the system, a statement indicating the exact date upon which they commenced operating it and a report of the issue of the note herein authorized.

4. The action taken herein shall not be construed to be a finding of value of the properties herein authorized to be transferred.

5. The authority herein granted will become effective when Chester F. Johnson and Myrtle V. Johnson have paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is thirty (\$30.00) dollars.

Dated at San Francisco, California, this 6th day of April, 1948.

R. J. Donohue  
Justice J. Warner  
Frank H. Powell  
Harold P. Kuhl  
Samuel H. Potter  
Commissioners

