

Decision No. 42156**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
O. R. HAILE to sell, and DEHARD  
JOHNSON to buy the DENAIR WATER WORKS,  
and to convey a portion of the real  
property to the County of Stanislaus  
for road purposes.

Application No. 29740

OPINION AND ORDER

O. R. Haile, as seller, and Dehard Johnson, as buyer, have applied to this Commission for permission to transfer ownership of the Denair Water Works from seller to buyer and to convey a portion of the present utility property to the County of Stanislaus. The Denair Water Works consists of two parcels of land, various easements, two pumps and wells, and the underground pipe lines used in the system, which serves an area of approximately one-half square mile and supplies some 156 consumers according to the utility's latest annual report to the Commission. The parcel to be conveyed to the County of Stanislaus is a 25-foot strip to be used for road purposes.

The present owner has been operating the water system since December 5, 1940, at which time this Commission in Decision No. 33695, gave its approval for the transfer of the Denair Water Works from Towner B. Linkhorn to O. R. Haile. Mr. Haile now desires to withdraw from the water business and has made arrangements to sell the properties heretofore acquired, plus subsequent additions and betterments, to Mr. Dehard Johnson for the sum of \$12,250, of which \$4,575 is to be used to pay off a loan that is a mortgage on the utility property, thereby leaving the water system free and clear from encumbrance after consummation of the sale.

The Commission has given due consideration to this matter and is of the opinion that a public hearing is not necessary and

that the application should be granted. However, the action taken herein, shall not be construed as a finding of the value of the properties authorized to be transferred. Good cause appearing,

IT IS HEREBY ORDERED as follows:

1. O. R. Haile, after the effective date hereof and on or before December 15, 1948 may sell and transfer to Dehard Johnson the properties referred to herein, known as the Denair Water Works, with the exception of that certain 25-foot strip of land referred to in the application herein which said strip of land may be conveyed to the County of Stanislaus on or before the fifteenth (15th) day of December, 1948.
2. O. R. Haile shall file with this Commission, on or before the fifteenth (15th) day of December, 1948, a certified copy of each instrument executed to convey said properties to Dehard Johnson and to the County of Stanislaus and a statement indicating the date upon which he relinquished control and possession of said properties.
3. Dehard Johnson shall adopt as his own the rates, rules and regulations now on file with the Commission applying to service given by the water system herein authorized to be transferred, and shall assume the payment of deposits, if any, which consumers are entitled to have refunded under such rates, rules, and regulations.
4. Upon compliance with the above terms and conditions, said O. R. Haile shall thereupon and thereby stand relieved of all further public utility obligations and liabilities in connection with the water system herein authorized to be transferred.

The effective date of this order shall be twenty (20) days from the date hereof.

Dated at San Francisco, this 26<sup>th</sup> day of October, 1948.

Justice J. G. Cullen  
Harold H. Kubi  
Kenneth H. Potter  
Commissioners.