

ORIGINAL

Decision No. 42672

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application
of MADERA CANAL AND IRRIGATION COMPANY,
a corporation,

and

MADERA IRRIGATION DISTRICT, an
irrigation district

For an Order authorizing the former to
sell and the latter to purchase the
water rights and property herein
described.

Application No. 30736

MINASIAN & STEADMAN, by Paul J. Minasian, for
Madera Canal and Irrigation Company.

HARRIS, WILLEY & HARRIS, by Ronald B. Harris, for
Madera Irrigation District.

O P I N I O N

The Madera Canal and Irrigation Company, a corporation, engaged in the business of diverting, distributing, and selling water for irrigation purposes in an area located in the vicinity of the City of Madera, Madera County, asks for authority to sell and transfer its system and water rights to the Madera Irrigation District, a public corporation, which joins in the application. The Commission also is asked to relieve the company of its public utility obligation of supplying irrigation service upon completion of the transfer of its properties to the district.

A public hearing in this proceeding was held in Madera before Examiner Stava on December 20, 1949.

The company obtains water by diversion largely from the Fresno River and distributes it through approximately 113 miles of canals and

ditches. The service area covers 21,000 acres of land, of which 19,000 acres have been under irrigation from the system at various times. There are no storage facilities and the water supply is dependent on the natural flow of the river and is usually not available after the first of July.

The original cost of the property to be sold is reported to be \$517,514 and the present value to be \$263,983. The purchase price to be paid for the property is \$225,000.

The district has an area of 133,000 acres which includes all of the lands except the acreage hereafter mentioned, served by the company. The district expects to enter into a contract with the United States Government for a supplemental supply of water from Friant Dam and proposes to construct a distribution system that will provide some gravity water for irrigation to the entire area and an added supply for the underground sources. All of the cultivated lands within the district area depend on wells for irrigation and even the company's consumers have wells to supplement the company's river supply.

The district has agreed to assume the service obligations of the company to lands located within its boundaries and to four properties located in the mountains outside the district's boundaries, which total 75 acres. Water is used to irrigate pasture and to fill one sawmill pond and is diverted either from the Fresno River or pumped from the river by the property owners, for which the company receives payment. At the hearing the company presented a statement showing that three additional mountain properties also have received water from the Fresno River, or from Lewis Creek, a tributary, and have paid for the water used during the year 1949. The water used by these mountain property owners covers the summer months of July and August when there is not sufficient supply in the river or stream to reach the company's

diversion dam downstream in the valley. While the district questioned the actual consumer status of each thereof, nevertheless said district is ready and willing to permit and continue the service to all the above mountain water users as provided in the agreement to purchase.

No protest was made to the transfer of the system or to the terms of the agreement providing for the district's acquisition of the company's system, water rights and service as proposed. Under the circumstances the authority requested will be granted.

O R D E R

The above entitled application having been filed with the Commission, a public hearing having been held thereon, the matter having been submitted for decision and the Commission being fully advised in the premises,

IT IS HEREBY ORDERED as follows:

1. That Madera Canal and Irrigation Company, a corporation, be and it is hereby authorized to sell and transfer, on or before May 1, 1950, its water rights, rights of way, canals and ditches, and other public utility property located in Madera County, to the Madera Irrigation District, a public corporation, said sale to be made in accordance with the terms and conditions set forth in an agreement attached to the application herein and marked Exhibit No. 1, to which Exhibits A and B are attached; said properties to be transferred being more particularly described in Exhibit No. 1, which application and the Exhibits attached thereto are made a part of this order by reference.
2. That Madera Canal and Irrigation Company, a corporation, shall file with the Commission a statement showing the exact date upon which it relinquished control and possession of the system.

- 3. That Madera Canal and Irrigation Company, upon the sale and the transfer of its properties to the Madera Irrigation District, is relieved of all public utility obligations and liabilities in connection with the irrigation system herein authorized to be transferred.

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

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

Dated at San Francisco, California, this 4th day of

January, 1950.

R. E. [Signature]

Justin J. [Signature]

[Signature]

[Signature]

[Signature]

Commissioners