

A. 31275 EB

Decision No. 44082

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JUL 11 1949

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
GUILIO SARTO and NORMA SARTO,  
his wife,  
to BUY, and  
LEO A. GARSKE and SOPHIE A. GARSKE,  
his wife,  
to SELL, certain properties described  
as SEACLIFF WATER WORKS.

Application  
No. 31275

OPINION AND ORDER

This is an application for an order of the Public Utilities Commission authorizing Leo A. Garske and Sophie A. Garske, his wife, hereinafter referred to as Sellers, to transfer to Guilio Sarto and Norma Sarto, his wife, hereinafter referred to as Buyers, a public utility water system known as Seacliff Water Works, and authorizing said Buyers to execute a deed of trust and a mortgage of chattels and to issue a note for \$6,500. The properties to be transferred are described in Exhibits ~~and B~~ (1) on file in this application.

It appears that Sellers have been engaged in operating Seacliff Water Works since July, 1947, having acquired the same from Paul A. Craig and Bernice M. Craig, his wife, under authority granted by the Commission by Decision No. 40492, dated July 8, 1947. They now report that they desire to withdraw from the water business and have made arrangements to sell the properties they heretofore acquired, plus subsequent additions and betterments, to Guilio Sarto and Norma Sarto, his wife, for the sum of

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(1) Sellers, in their 1949 annual report to the Commission, report their net worth in the water business at \$34,467.96 as of December 31, 1949, their operating revenues at \$9,759.50 and net operating revenues at \$2,156.27, with service to 325 consumers.

\$37,500. Of this sum the Buyers will pay \$31,000 in cash and will issue a note for the remaining \$6,500, which note will be payable in monthly installments of \$75 or more, including interest at the rate of 5% per annum, and will be secured by a deed of trust and a mortgage of chattels covering the real and personal properties to be transferred.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the proposed transfer will not be adverse to the public interest, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose herein stated, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Leo A. Garske and Sophie A. Garske, his wife, after the effective date hereof and on or before July 31, 1950, may transfer to Guilio Sarto and Norma Sarto, his wife, the water properties referred to herein known as Seacliff Water Works and more particularly described in Exhibits A and B on file in this application.

2. Guilio Sarto and Norma Sarto, his wife, after the effective date hereof and on or before July 31, 1950, may execute a deed of trust and a mortgage of chattels and issue a note for \$6,500, in substantially the same form as those filed in this proceeding, for the purpose of financing in part the purchase price of the properties referred to herein.

3. Leo A. Garske and Sophie A. Garske, his wife, shall file with the Commission, on or before August 15, 1950, a certified copy of each instrument executed to convey said water works to Guilio Sarto and Norma Sarto, his wife, and a statement indicating the date upon which they relinquished control of said properties.

4. The rates, rules and regulations of Leo A. Garske and Sophie A. Garske, now legally on file with this Commission, shall be refiled within thirty (30) days from the date of transfer under the name of Guilio Sarto and Norma Sarto in accordance with the procedure prescribed by General Order No. 96, or in lieu of such refiling, Guilio Sarto and Norma Sarto may file a notice of adoption of said presently filed rates, rules and regulations. No increases in the presently lawfully filed rates shall be made unless authorized by this Commission.

5. On or before the date of actual transfer, Leo A. Garske and Sophie A. Garske shall refund all deposits which customers are entitled to have refunded, any unrefunded deposits to be transferred to, and become the obligation for refund by, Guilio Sarto and Norma Sarto.

6. Guilio Sarto and Norma Sarto, his wife, on or before August 15, 1950, shall file with the Commission a report of the issue of the note as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

7. The authority herein granted will become effective when Guilio Sarto and Norma Sarto, his wife, have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

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

Dated at San Francisco, California, this 25<sup>th</sup> day of April 1950.

R. Z. [Signature]  
Justice J. Cooney  
Edward [Signature]  
Harold P. Kule  
Penelope Pottier

Commissioners

