

Decision No. 44679

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of
OTTO D. HOLM & OTTO J. HOLM for the
authorization for the former to sell
and the latter to buy the water
system known as Lorenzo Water Works,
serving a portion of the unincorporated
town of Boulder Creek in the County of
Santa Cruz

Application No. 31624

O P I N I O N

This is an application for an order authorizing Otto D. Holm to sell the public utility water system, known as the Lorenzo Water Works, located in the unincorporated town of Boulder Creek, Santa Cruz County, California, to Otto J. Holm, his son.

The properties to be transferred consist of a gravity water system, primarily fed from springs in Molaskey Gulch and Harmon Gulch at the south end of Boulder Creek, and include 43 acres of land on Molaskey Creek, five storage tanks in Molaskey and Harmon Creeks, aggregating approximately 46,000 gallons in capacity, approximately 19,725 feet of pipe lines varying in size from 3/4 to 4 inches in diameter, 89 meters, and certain materials and supplies on hand. As of December 31, 1949, the system served 130 customers. The consideration to be paid for said system is \$11,000, for which a promissory note will be executed for monthly payments of \$75 plus interest at the rate of 5% per annum.

Otto D. Holm reports that because of his age and the condition of his health, he feels that he cannot continue to render the required public utility service. Information on file with the Commission indicates that he has heretofore personally done most of

the work on the system. Otto J. Holm, the son, reports that he has knowledge of the water works and, with the assistance of his father, will carry on the system to the public's benefit. Because of the above reasons, both parties request that authorization to complete the transfer be granted by September 1, 1950.

On the basis of the information submitted, it appears to the Commission that the proposed sale will not be adverse to the public interest. An order will be entered authorizing the sale as proposed. The action taken herein shall not be construed to be a finding of the value of properties herein authorized to be transferred.

O R D E R

The Commission having considered the above-entitled application and being of the opinion that a public hearing thereon is not necessary, and that the requests of applicants should be granted,

IT IS HEREBY ORDERED that Otto D. Holm may, on or after the effective date hereof, and on or before December 31, 1950, sell and transfer the public utility property described in the application to Otto J. Holm, his son, subject to the following conditions:

1. If the authority herein granted is exercised, the applicants shall, within thirty (30) days thereafter, notify this Commission in writing of the date of completion of such property transfer.
2. The rates, rules, and regulations of Otto D. Holm, now legally on file with this Commission, shall be refiled within thirty (30) days from the date of transfer under the name of Otto J. Holm, and in accordance with procedure prescribed by General Order No. 96; or in lieu of such refiling, Otto J. Holm may file a notice of adoption of said presently filed rates, rules, and regulations. No increases in the presently lawfully filed rates, rules, or regulations shall be made unless otherwise properly authorized by this Commission.

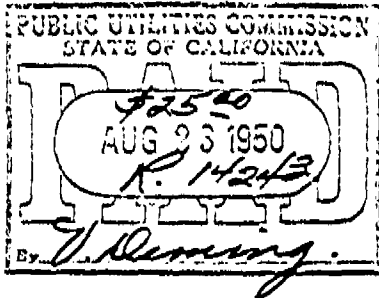
3. On or before the date of actual transfer, Otto D. Holm shall refund all deposits which customers are entitled to have refunded; any unrefunded deposits shall be transferred to and become the obligation for refund of Otto J. Holm, and Otto D. Holm shall file with this Commission within thirty (30) days after the date of transfer, a written statement showing the disposition of any such deposits or showing that no deposits existed.
4. Within thirty (30) days from the date of transfer, four copies of a comprehensive map, drawn to an indicated scale of approximately 400 feet to the inch, shall be filed with the Commission by Otto J. Holm, said map delineating by appropriate markings the parcels of land and the location and composition of other items of utility plant transferred.
5. Within thirty (30) days from the date of transfer, a certified copy of the deed by which real property is transferred shall be filed with the Commission.

IT IS HEREBY FURTHER ORDERED that Otto J. Holm, in payment for said property, after the effective date hereof and on or before December 31, 1950, may issue a note in the principal amount of \$11,000 payable as indicated herein and substantially in the form as that filed in this proceeding, it being the opinion of the Commission that the money, property, or labor to be procured or paid for through such issue is reasonably required for the purpose specified herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

IT IS HEREBY FURTHER ORDERED that Otto J. Holm shall file with the Commission reports as required by General Order No. 24-A, which order, in so far as applicable, is made a part of this order.

The authority herein granted will become effective when Otto J. Holm has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.

Dated at San Francisco, California, this 22nd day of August, 1950.



R. E. Dintman
Justice J. Casper
Leah H. Hall
Harold A. Hule
Kenneth P. Potter
Commissioners.