

Decision No. 44713

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of MIDWICK WATER COMPANY
to sell all of its properties for
cash (To the City of Alhambra and
the Midwick Development Company).

Application No. 31656

OPINION AND ORDER

Midwick Water Company, a California corporation, on August 7, 1950, applied for authority to sell its plant, system and properties, with certain exceptions, to the City of Alhambra for the sum of \$170,000 cash, in accordance with the terms of a corporation grant deed attached to the application as Exhibit E, and a bill of sale attached to the application as Exhibit F. It also applied for authority to sell the balance of its properties to Midwick Development Company for the sum of \$19,929.25, in accordance with the terms of a corporation grant deed attached to the application as Exhibit G, and a bill of sale attached to the application as Exhibit H. Both the City of Alhambra and Midwick Development Company, parties to the transactions / sought to be authorized herein, join in the application.

The deed grants to the City of Alhambra the real property in the City of Alhambra, being two parcels of land now used and useful in utility operations. A bill of sale transfers certain personal property to said City.

The assets involved in the proposed sale to the City of Alhambra include landed capital - wells and pumping station lands, in the amount of \$13,921.71, and water rights, pumping station

buildings, wells, pumping equipment, transmission mains, distribution mains, distribution reservoir, hydrants, services, meters, miscellaneous distribution equipment, and undistributed construction expenditures, totaling \$156,078.29.

Excluded from the sale to the City of Alhambra are applicant's general office building, and associated lands, in the amount of \$13,500, and office, shop, and garage equipment, and materials and supplies, totaling \$6,429.25, to be sold to Midwick Development Company.

Applicant will assume all outstanding obligations and taxes, and will refund consumers' deposits. There are no advances for construction. The property represented by donations in aid of construction will be transferred to the City of Alhambra. As shown in the balance sheet, as of June 30, 1950, attached to the application as Exhibit A, there are no bonds or notes outstanding.

The capital stock issued and outstanding will be liquidated through proceeds of the sale, and applicant as a corporation will be dissolved.

Applicant's system and service area now lie wholly within the City of Alhambra. Applicant renders water service to 575 customers in the Midwick Country Club Estates area lying along Garvey and Atlantic Boulevards, and near the city limits of Monterey Park, California.

The City of Alhambra has an 18-inch main along Hellman Avenue, which is the northerly boundary of applicant's service area, and is ready, willing, and able to take over applicant's water system.

An election, held on June 6, 1950, by the City of Alhambra resulted in the voting of revenue bonds for the purpose

of acquiring the water system owned and operated by applicant. These bonds have now been sold.

As shown in the balance sheet as of June 30, 1950, and the income statement for the six months ending June 30, 1950, filed in this proceeding, applicant reported total fixed capital in service amounting to \$230,789.29, with a depreciation reserve of \$30,730.07, operating revenues of \$7,540.65, and operating expenses of \$9,792.59, and net operating loss for the period of \$2,251.94.

It appearing that public hearing is not necessary herein, and that the sale and transfer of these properties is not adverse to the public interest, and that the application should be granted, subject to certain conditions,

IT IS HEREBY ORDERED that Midwick Water Company is authorized to sell certain of its water system properties and facilities, after the effective date hereof and on or before the 15th day of September, 1950, to the City of Alhambra, and certain other water system properties and facilities to Midwick Development Company, in accordance with the terms of the corporation grant deeds attached to the application as Exhibits E and G, and the bills of sale attached to the application as Exhibits F and H, each respectively, said properties and facilities being more particularly described in Sections A and B of Exhibit D attached to the application, all of which exhibits are made a part of this order by reference, subject to the following conditions:

1. Applicant shall, within thirty (30) days thereafter, notify this Commission in writing of the completion

of the property transfer herein authorized and of its compliance with the conditions hereof.

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

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

Dated at San Francisco, California, this 29th day of August, 1950.

R. E. Durrance
Justice J. Calves
Harriet H. Hill
Penelope D. Potter
 Commissioners.