

Decision No. 48052

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF SEEKING THE AUTHORITY)
OF THE CALIFORNIA PUBLIC UTILITIES COM-)
MISSION FOR HARRY M. WATERMAN AS AN IN-)
DIVIDUAL DOING BUSINESS AS THE VAL VERDE)
PARK WATER COMPANY TO SELL ITS SYSTEM)
TO THE VAL VERDE COUNTY WATER DISTRICT;)
AND THE VAL VERDE WATER DISTRICT BOARD)
OF DIRECTORS SEEK THE AUTHORITY OF THE)
CALIFORNIA PUBLIC UTILITIES COMMISSION)
TO PURCHASE THE WATER SYSTEM.)
(Amended Title))

Application No. 33564
(Amended)

O P I N I O N

In this amended application filed November 17, 1952, Harry M. Waterman, acting both as an individual and as president of Val Verde Properties, Ltd., a California corporation, doing business as the Val Verde Park Water Company, requests authority of the Commission to sell the water system supplying water for domestic purposes in a subdivided area known as Val Verde Park, Los Angeles County, to the Val Verde County Water District, which joins in the application. The service area of the water utility, consisting of six recorded tracts containing approximately 1,700 lots and comprising some 410 acres on foothill country, is located in the San Martinez Chiquito Canyon, approximately 7 miles north-east of Saugus, in Los Angeles County.

By Decision No. 44798, dated September 19, 1950, in Application No. 31075, the Commission granted a certificate of public convenience and necessity to Harry M. Waterman, doing business as Val Verde Park Water Company to construct and operate a public utility system for the distribution and sale of water in Val Verde Park, Los Angeles County, and authorized schedules of

metered and flat rates to be applicable to water service rendered therein. The 1951 annual report to the Commission filed under the name of Val Verde Park Water Company, "unincorporated," shows that 180 consumers were served, that at the end of 1951 the capital investment was \$31,952 and the accrual in the depreciation reserve was \$7,608 and that the gross operating revenues and expenses for the year were \$2,749 and \$6,093, respectively, producing a net operating loss of \$3,344 for 1951.

According to the amended application, supported by a copy of the grant deed dated October 1, 1952, attached thereto as Exhibit "A", Harry M. Waterman has conveyed his interest in the water system to Val Verde Properties, Ltd., a corporation of which said Harry M. Waterman is the president. The bill of sale, dated May 31, 1952, attached to the amended application as Exhibit "B", provides for the transfer, at a price of \$19,000, from Val Verde Properties, Ltd. to Val Verde County Water District, of certain real estate and other physical properties and assets pertaining to the so-called Val Verde Park Water Company. Also attached to the amended application and marked Exhibit "C", is a copy of the escrow instructions, dated May 31, 1952, signed by officials of the Val Verde County Water District and by Harry M. Waterman, President of Val Verde Properties, Ltd.

The amended application states that the Val Verde County Water District was duly formed resulting from an election held June 19, 1951, that the purpose of the district is to provide improved water service in the area and that, if the transfer is authorized, it will continue to serve all consumers presently served by the system operating under the name of Val Verde Park Water Company.

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

O R D E R

The Commission has considered the request of applicants and it appears that the requested transfer will not be adverse to the public interest and is not a matter on which a public hearing is necessary and that the application should be granted subject to certain conditions; therefore,

IT IS HEREBY ORDERED as follows:

1. That Harry M. Waterman and Val Verde Properties, Ltd., a corporation, of which Harry M. Waterman is the president, as their interests may appear, doing business as the Val Verde Park Water Company, may on or after the effective date hereof, and on or before March 31, 1953, sell and transfer the public utility property described in the application to Val Verde County Water District, an organized political subdivision, pursuant to the grant deed, bill of sale and escrow instructions, copies of which are attached to the application and marked Exhibits "A", "B" and "C", respectively, and by reference made a part hereof.
2. That on or before the actual date of transfer, Harry M. Waterman shall cause to be refunded all consumers' deposits, if any, to consumers entitled thereto, and within thirty (30) days thereafter shall notify this Commission in writing of the completion of such refunding.
3. That if the authority granted herein is exercised, Harry M. Waterman and Val Verde Properties, Ltd. shall separately or jointly, within thirty (30) days thereafter, notify this Commission in writing of the date of completion of the property transfer herein authorized and of their compliance with the conditions hereof.

- 4. That concurrently with the sale and transfer of their public utility property to the Val Verde County Water District, Harry M. Waterman and Val Verde Properties, Ltd., doing business as Val Verde Park Water Company, shall be, and they are, relieved of the obligation to operate said property as a public utility.

The authority herein granted will become effective upon the date hereof.

Dated at Los Angeles, California, this 16th day of December, 1952.

R. F. [Signature]
President.

[Signature]

[Signature]

[Signature]
[Signature]
Commissioners.