

ORIGINALDecision No. 48553

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 T. AUTRY MAYES and MABLE GRACE MAYES,)
 doing business as LA MIRADA WATER CO.,) Application No. 34075
 to sell, and JOHN MOORE ROBINSON and)
 S. I. ROBINSON to purchase, water)
 system of Sellers.)

Eric C. Pepys, attorney, for applicants Mayes.-
C. A. Garnier, and John Moore Robinson, attorney,
 for applicants Robinson.
James F. Wilson and Theodore Stein, for the
 Commission staff.

O P I N I O N

T. Autry Mayes and Mable Grace Mayes, doing business as La Mirada Water Company, by the above-entitled application filed February 4, 1953, seek authority to sell, and John Moore Robinson and S. I. Robinson seek authority to purchase, the water system of sellers.

A public hearing in this matter was held before Examiner Warner on April 8, 1953, at Los Angeles.

By Decision No. 47102 dated May 5, 1952, in Application No. 33075, the applicants Mayes were granted a certificate of public convenience and necessity to construct and operate a public utility water system, known as La Mirada Water Company, in an area comprising approximately 75 acres in the vicinity of Luitwieler Avenue and Alondra Boulevard in unincorporated territory, Los Angeles County, about 1-1/4 miles northwest of Buena Park, Orange County. At the present time water service is being furnished to nine consumers.

Exhibit "C" is a copy of the proposed agreement of sale of the water system by the Mayes to the Robinsons. The purchase price is \$2,000. The estimated historical cost of the water system,

including overhead, as of March 31, 1952, as shown in Exhibit "B", was \$10,190.62. The annual depreciation expense was \$316.27, and the depreciation reserve requirement, as of that date, was \$2,052.41.

The record shows that applicants Robinson, husband and wife, have acquired from the Mayes about 30 acres of land within the certificated service area. They propose to subdivide them into 112 lots. The purchase price of the water system was an indirect consideration in the purchase of the land. The Robinsons propose to employ Garnier Utility Service Company, an independent contracting firm, to construct and operate the water system facilities in the subdivision. Garnier Utility Service Company will also perform accounting, bookkeeping, and collection services for applicants. All services will be on a contractual fee basis.

The Robinsons are also negotiating to purchase certain property adjoining the service area to the east, and may extend the water system to serve such property. If necessary, one or two new wells will be drilled if such expansion takes place. The applicant John Moore Robinson is a partner in the interests which have recently acquired La Mirada Ranch, an extensive area in the vicinity, and may utilize the existing certificate of public convenience and necessity granted to La Mirada Water system to furnish water service to said ranch when it is subdivided and developed.

The record shows that the applicants Mayes will execute easements to the Robinsons for the present pipe-line installations. Any consumers' deposits or advances will be assumed by the Robinsons. Two offices for the collection of water bills will be maintained, one by Garnier Utility Service Company, and one at a private business office of the Robinsons at La Mirada, about one-fourth mile from the La Mirada Water Company service area.

Exhibit "F" is a financial statement of the applicants Robinson as of November 6, 1952, which shows total assets of \$254,889.31. The record shows that notes receivable included in such assets, amounting to \$137,019.39, are more than liquid.

The Commission has considered this application and is of the opinion that the sale of La Mirada Water Company by T. Autry Mayes and Mable Grace Mayes, to John Moore Robinson and S. I. Robinson, individuals, would not be adverse to the public interest and that the application should be granted.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be sold and purchased.

O R D E R

Application having been filed, a public hearing having been held, the matter having been submitted, the Commission being fully advised in the premises, and now being ready for decision,

IT IS HEREBY ORDERED as follows:

1. That the application of T. Autry Mayes and Mable Grace Mayes, doing business as La Mirada Water Company, to sell, and John Moore Robinson and S. I. Robinson to purchase, the water system of sellers, in accordance with the agreement, copy of which was attached to the application as Exhibit "C", be, and it is, granted.
2. That on or before the date of actual transfer, T. Autry Mayes and Mable Grace Mayes shall refund all deposits which customers are entitled to have refunded. Any unrefunded deposits shall be transferred to and become the responsibility for refund of John Moore Robinson and S. I. Robinson.

- 3. That the rates, rules and regulations of T. Autry Mayes and Mable Grace Mayes now on file with the Commission shall be refiled within thirty days after the date of transfer under the name of John Moore Robinson and S. I. Robinson in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refileing, John Moore Robinson and S. I. Robinson may file a notice of adoption of said presently filed rates, rules and regulations. No increase in the present rates shall be made unless authorized by the Commission.
- 4. That if the authority herein granted is exercised, T. Autry Mayes and Mable Grace Mayes, within thirty days thereafter, shall notify the Commission in writing of the date of the completion of the transfer herein authorized.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 28th day of April, 1953.

R. J. [Signature]
President

Harold P. [Signature]

[Signature]

[Signature]

Commissioners