

Decision No. 51756

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ORVILLE S. CLARK and AGNES CLARK, doing business as OCCIDENTAL WATER WORKS, to sell, and FRANCIS B. MATHEWS to buy utility real and personal property, together with utility rights of OCCIDENTAL WATER WORKS.

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) Application
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) No. 37135
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OPINION AND ORDER

This is an application for an order of the Commission authorizing Orville S. Clark and Agnes Clark to sell the Occidental Water Works to Francis B. Mathews.

It appears that applicants Clark since 1945 have been engaged in supplying water to customers in and about the Town of Occidental, Sonoma County, that they have now concluded to retire from the operation of the system because of other activities, and that they have made arrangements to sell their water properties, together with certain nonutility properties, to Francis B. Mathews for the agreed sum of \$12,500, of which \$5,500 has been or will be paid in cash and \$7,000 will be represented by a promissory note payable on or before six months after approval of the sale by the Commission, with interest at the rate of 5% per annum. The payment of the note will be secured by a deed of trust and by a mortgage of chattels.

The properties comprising the water system consist of certain real property, seven springs, pumping equipment, five redwood tanks, and pipelines supplying approximately 50 customers. In their

annual reports to the Commission applicants Clark report their revenues from the sale of water at approximately \$1,600 annually and their investment in utility properties at the close of 1954 at \$7,983. The nonutility properties which are included in the transfer consist of approximately 27 acres of land.

A review of the application shows that applicant Mathews will continue to conduct the operations and that he is in a position to finance the acquisition and to maintain and improve the facilities. Under the circumstances set forth in this application we are of the opinion, and so find, that the proposed transfer will not be adverse to the public interest and should be approved by an ex parte order, therefore,

IT IS HEREBY ORDERED as follows:

1. Orville S. Clark and Agnes Clark, doing business as Occidental Water Works, on or after the effective date hereof and on or before December 31, 1955, may sell and transfer to Francis B. Mathews the public utility properties referred to in this proceeding.
2. Francis B. Mathews may acquire such properties and may execute a deed of trust and a mortgage of chattels to secure the unpaid balance of the purchase price, such deed of trust and mortgage of chattels to be in, or substantially in, the same form as those filed in this proceeding.
3. The rates and rules of Orville S. Clark and Agnes Clark now on file with the Commission, shall be refiled within 30 days after the date of actual transfer under the name of Francis B. Mathews, in accordance with procedure prescribed by General Order

No. 96, or in lieu of such refiling, Francis B. Mathews may file a notice of adoption of said presently filed rates and rules. No increase in the present rates shall be made unless otherwise authorized by this Commission.

4. On or before the date of actual transfer, Orville S. Clark and Agnes Clark 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 Francis B. Mathews. Within 30 days after the date of actual transfer, applicants Clark shall file with this Commission a verified statement showing all obligations, if any, to make refunds of consumers' advances for construction, the amounts thereof, and the names of persons or corporations in whose favor such obligations exist.

5. On or before the date of actual transfer of the physical properties herein authorized, Orville S. Clark and Agnes Clark shall transfer and deliver to Francis B. Mathews, and the latter shall receive and preserve all available records, memoranda and papers pertaining to the construction and operation of the properties of Occidental Water Works. Francis B. Mathews shall record on his books the present fixed capital and depreciation account balances of applicants Clark pertaining to the water system.

6. If the authority herein granted is exercised, Orville S. Clark and Agnes Clark shall, within 30 days thereafter, notify this Commission in writing of the date of the completion of the transfer herein authorized.

7. Upon due compliance with all the conditions of this order, said Orville S. Clark and Agnes Clark shall stand relieved

of all further public utility obligations and liabilities in connection with the operation of the public utility water system hereinabove authorized to be transferred.

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

9. The authority herein granted will become effective on the date hereof.

Dated at San Francisco, California, this 2nd day of August, 1955.

Richard E. Bartlett
President

Justus J. Casner

Raymond J. Greiner

William H. Hooley

W. H. Hooley
Commissioners