

Decision No. 61914**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 DUDLEY C. PEARSON and BETTY J. PEARSON,  
 husband and wife, doing business as  
 COOK'S WATER SYSTEM, for an Order  
 Authorizing the Sale of the assets of  
 the said COOK'S WATER SYSTEM to the  
 POPLAR COMMUNITY SERVICES DISTRICT.

Application No. 43250

OPINION AND ORDER

By the above-entitled application filed March 20, 1961,  
 Dudley C. Pearson and Betty J. Pearson, <sup>1/</sup> husband and wife, doing  
 business as Cook's Water System, seek authorization under Sections  
 851 through 853 of the Public Utilities Code to sell their public  
 utility water system to Poplar Community Services District, <sup>2/</sup> which  
 joins in the application.

The utility provides water service in the community of  
 Poplar in Tulare County. The utility's annual report to the  
 Commission for the year ended December 31, 1960, shows that the  
 utility was serving 255 customers as of that date. The application  
 states that all of Sellers' consumers lie within the boundaries of  
 the District and that there will be no disruption of service.

The Commission records show that the water system was  
 established as a public utility pursuant to a certificate of public  
 convenience and necessity granted to LeRoy Cook by Decision No. 45191  
 dated December 27, 1950, in Application No. 31302, although the  
 system had been in operation since 1947. The water system was sold  
 to Dudley C. Pearson as authorized by Decision No. 55617 dated  
 October 1, 1957, in Application No. 39209.

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<sup>1/</sup> Sometimes herein called "Sellers".

<sup>2/</sup> Sometimes herein called "District".

The terms and conditions of the proposed sale are set forth in an instrument entitled "Agreement" between Sellers and District dated September 14, 1960, a copy of which is attached to the application as Exhibit "A". This instrument provides for the sale of all real and personal property used in the operation of the utility known as Cook's Water System for the sum of \$10,000 payable in cash within thirty days after the receipt by District of notice of the approval of the sale by this Commission. Sellers are to continue to operate the system until the date that the sale is consummated. The system is to be transferred to District free from encumbrances, all real property is to be accompanied by a policy of title insurance, and taxes are to be prorated as of the date of the close of the transaction. Escrow and title policy expense is to be shared equally by Sellers and District.

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

The Commission having considered the above-entitled application and finding that the proposed sale will not be adverse to the public interest, that a public hearing is not necessary, and that the application should be granted; therefore,

IT IS HEREBY ORDERED that:

1. Dudley C. Pearson and Betty J. Pearson, on or after the effective date hereof and on or before December 31, 1961, may sell and transfer their public utility water system known as Cook's Water System to Poplar Community Services District in accordance with the terms and conditions set forth in an instrument entitled "Agreement", dated September 14, 1960, a copy of which is attached to the application herein as Exhibit "A".

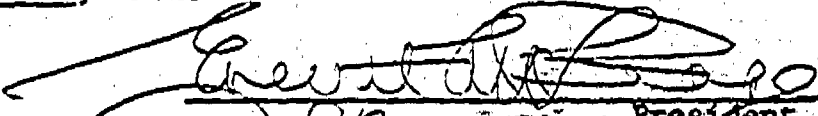


2. On or before the date of actual transfer, Dudley C. Pearson and Betty J. Pearson shall refund all customers' deposits and advances for construction, if any, and within ten days thereafter shall notify this Commission in writing of the date of completion of such refunding.

3. If the authority herein granted is exercised, then within thirty days thereafter, Dudley C. Pearson and Betty J. Pearson shall notify this Commission in writing of the date of completion of the property transfer herein authorized and of their compliance with the conditions thereof.

4. Upon due compliance with all of the conditions of this order, Dudley C. Pearson and Betty J. Pearson shall stand relieved of all further public utility obligations and liabilities in connection with the operation of the public utility water system herein authorized to be sold and transferred.

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

Dated at San Francisco, California, this 1st day of May, 1961.

  
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President  
  
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S. L. Leland  
  
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Commissioners