

ORIGINAL

Decision No. 62192

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the joint Application of PHILIP S. BARKER, JR., and the RINCON DEL DIABLO MUNICIPAL WATER DISTRICT, a Municipal Water District, for authorization to transfer the assets of Felicita Water Service, a public utility water system.

Application No. 43365

OPINION AND ORDER

Philip S. Barker, Jr., (Seller), doing business as Felicita Water Service, by this application filed May 2, 1961 requests authorization to sell his public utility water system to Rincon Del Diablo Municipal Water District (Buyer), which joins in the application.

Felicita Water Service serves approximately 62 customers in unincorporated territory known as the Oaks Tract, Rancho San Bernardo, located approximately three miles south of Escondido in San Diego County. The water system was established pursuant to a certificate of public convenience and necessity granted to the system's prior owner, P. S. Barker, by Decision No. 42950, dated June 1, 1949, in Application No. 30157. The prior owner was authorized to sell the system to Seller by Decision No. 58349, dated May 5, 1959, in Application No. 40902.

The latest annual report filed with this Commission, covering the operations of the system for the year 1960, shows that, as of the end of that year, the utility plant balance amounted to \$30,100.79 and depreciation reserve balance to \$14,345.24, indicating net utility plant in the amount of \$15,755.55. The report shows no balance for refundable advances for plant construction.

Buyer is a municipal water district and is engaged in the transportation, distribution and sale of water to members of the public located within its boundaries. It is a member agency of the San Diego County Water Authority and the Metropolitan Water District of Southern California. According to the application, all of the territory served by Felicita Water Service is within Buyer's boundaries.

Seller proposes to transfer to Buyer, and Buyer proposes to purchase, for the sum of \$5,900, the assets of Felicita Water Service, consisting of the pipelines, meters, valves and easements, both in place and in inventory, and to take over and continue to serve, without limitation other than as provided in its ordinances, rules and regulations all of the utility's customers.

Exhibits A and B attached to the application show the assets of Felicita Water Service proposed to be transferred to Buyer. Seller proposes to retain and to withdraw from further public utility service certain assets consisting of several parcels of land, a warehouse, an equipped well, a reservoir and certain private access roads. Buyer does not propose to acquire these items and represents that said assets are not necessary or required in the continued proper transmission and distribution of water to the customers within its boundaries.

The terms of the proposed sale are set forth in an instrument entitled "Contract for Sale and Transfer of Felicita Water Service, a Public Utility Water System," an executed copy of which is attached to the application as Exhibit C. The purchase price specified in the contract is \$5,900 to be paid in accordance with Buyer's Ordinance No. 5, as amended by Ordinance No. 7, copies of said ordinances being attached to the application as Exhibits D and E, respectively.

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

After consideration of this application, the Commission finds that the proposed sale and transfer 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 ORDERED that:

1. On or after the effective date hereof and on or before December 31, 1961, Philip S. Barker, Jr., may sell the public utility properties shown in Exhibits A and B attached to the application to Rincon Del Diablo Municipal Water District in accordance with the terms and conditions set forth in the instrument entitled "Contract for Sale and Transfer of Felicita Water Service, a Public Utility Water System," a copy of which is attached to the application as Exhibit C. The foregoing authority is conditioned upon the requirement that:

Rincon Del Diablo Municipal Water District shall file with this Commission, within thirty days after the date of actual transfer, a certified copy of a stipulation to the effect that said District has acquired the property conveyed pursuant to the aforementioned contract subject to all legal claims for water service which might have been enforced against Philip S. Barker, Jr., doing business as Felicita Water Service, including any such claims as may exist in territory outside the boundaries of said District.

2. On or before the date of actual transfer, Philip S. Barker, Jr., shall refund all customers' deposits and advances for construction, if any, which are subject to refund.

3. If the authority granted herein is exercised, Philip S. Barker, Jr., shall within thirty days thereafter, notify this Commission in writing of the date of completion of the property transfer and of his compliance with the conditions hereof.

4. Upon completion of the property transfer herein authorized and upon compliance with all of the conditions of this order, Philip S. Barker, Jr., shall stand relieved of all further public utility obligations and liabilities in connection with the operation of the public utility properties herein authorized to be sold.

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

Dated at San Francisco, California, this 27th day of June, 1961.

Cecil W. Rago
President
W. E. Mitchell
F. L. [unclear]
Frederick B. H. [unclear]
Commissioners