

ORIGINAL

Decision No. 67260

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOSHUA FOREST  
WATER COMPANY, a corporation,  
and YUCCA VALLEY COUNTY WATER  
DISTRICT for permission to  
sell the physical assets of  
JOSHUA FOREST WATER COMPANY  
to YUCCA VALLEY COUNTY WATER  
DISTRICT.

Application No. 46329  
(Filed March 27, 1964)

OPINION AND ORDER

Joshua Forest Water Company, a corporation, (applicant), seeks authority to sell all of its assets to Yucca Valley County Water District (District), pursuant to the terms of the Contract of Purchase, dated March 3, 1964, copy of which is attached to the application as Appendix "A". The stated depreciated book value of applicant's assets as shown on the Balance Sheet, as of December 31, 1963, Appendix "B", attached to the application, is \$507,030.74, and the agreed purchase price is \$375,000.

Exhibit No. 1 is a letter, dated April 24, 1964, from applicant's counsel forwarding copies of a telegram and a letter from District's counsel supplementing information contained in the application.

By Decision No. 62621, dated October 3, 1961, in Application No. 41816, amended, and Case No. 6406, applicant was granted a certificate of public convenience and necessity to acquire the water system assets of Al Anderson, an individual, together with the certificate of public convenience and necessity granted to him by Decision No. 52021, dated October 4, 1955, in Cases Nos. 5516

and 5518, and Applications Nos. 35724 and 36203. Authority to issue stock was also granted, together with a certificate of public convenience and necessity to the applicant herein to acquire, extend, construct and operate a water system in the area delineated as "Service Area Boundary" on the map, Exhibit "A" of Appendix "A" attached to the instant application. Exhibit No. 1 shows that the water system properties proposed to be acquired by District are within District's boundaries.

Exhibit No. 1 shows that District was incorporated on December 14, 1962, and by an election held on February 11, 1964, District was authorized to issue \$450,000 of general obligation bonds for the acquisition and construction of a water system within District including the acquisition of applicant.

Appendix "B", applicant's Balance Sheet, shows Construction Advances totaling \$32,046.64 as of December 31, 1963, and it is agreed in Appendix "A" that the unrefunded amount of main extension or facilities within subdivisions for which any refund contracts are executed shall be included within the purchase price.

Appendix "A" provides that the agreed purchase price shall be increased by the actual cost of any additions to or extensions of applicant's water system which may be required to be installed by applicant in order to provide for the maintenance and operation of its system in conformity with this Commission's regulations, not to exceed \$2,000 per new installation, unless prior approval is obtained in writing from District.

Appendix "A" also provides for an initial payment of \$225,000; the balance of \$150,000 to be paid by District on the basis of \$300 per new connection to the water system in increments of 100

new connections over a period not to exceed 10 years. Any balance remaining at the close of said 10-year period shall be paid forthwith by District to applicant.

The Commission finds that a public hearing is not necessary and that the granting of the application would not be adverse to the public interest.

IT IS ORDERED that:

1. On or before November 1, 1964, Joshua Forest Water Company, a corporation, is authorized to sell all of its assets to Yucca Valley County Water District pursuant to the terms contained in the copy of the contract attached to the application as Appendix "A".

2. Applicant shall place in a separate escrow the amount of \$32,046.64 plus any advances for construction received to date after December 31, 1963 and less any refunds of advances after said date, and out of said escrow shall make such refunds as become payable, based on information regarding their calculation to be furnished to applicant by District.

3. Applicant shall refund all customer deposits.

4. Applicant shall, within ten days after the closing of escrow provided for in Appendix "A" and the opening of escrow as provided herein, so certify to the Commission. Applicant will then stand relieved of its public obligations.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 26th day of May, 1964.

William G. Bennett  
President

Edward E. Smith  
Robert W. [unclear]

Frederick B. Halaloff

*I would set the matter for public hearing.*  
George H. Brewer