

**ORIGINAL**

Decision No. 69227

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Mabel L. Gauld,  
doing business as Gauld's Improved  
Water System for authority to sell,  
transfer and convey all of its  
property and assets to Rubidoux  
Community Services District, a  
public district within the County  
of Riverside, State of California.

Application No. 47506  
(Filed April 16, 1965)

OPINION AND ORDER

Mabel L. Gauld, doing business as Gauld's Improved Water System is the widow and successor in interest of M. C. Gauld, who had previously done business as Rubidoux Vista Water System. M. C. Gauld was granted a certificate of public convenience and necessity for a public utility water system by Decision No. 42417, dated January 12, 1949, in Application No. 29747. This business was carried on by M. C. Gauld until his death on May 21, 1963. Thereafter the system was apparently acquired by Mabel L. Gauld, the herein seller, without any authority from this Commission. M. C. Gauld filed a notice on January 9, 1963, showing the name of the system to be changed to Gauld's Improved Water System. By the application herein, Mabel L. Gauld (seller) seeks authority to sell all of the public utility properties and assets comprising the system for the sum of \$31,500, payable \$5,000 in cash and the balance in monthly installments of \$300 per month including interest at the rate of 6 per cent per annum. The purchaser is to be the Rubidoux Community Services District,

described as a public corporation. The seller requests that the Commission authorize the sale of the water system, water system facilities, well sites and fixtures, appurtenances and equipment.

It is alleged in the application that an escrow has been opened with the Title Insurance and Trust Company of Riverside; that a written agreement of the sale and purchase of the property, subject to authorization by this Commission, has been entered into by the seller and buyer; and that a copy of the agreement has been attached to the application. This agreement, in addition to listing the assets to be transferred, specifies buyer shall not be responsible or liable in any way for seller's obligations under any main extension agreement, customer's deposit or agreement with respect thereto, or any similar arrangement, it being understood that seller is and shall remain responsible therefor.

The agreement provides that an order of the Public Utilities Commission of the State of California shall have been issued prior to closing the sale of the waterworks system to the buyer.

The seller alleges that she is 74 years of age, that she is unable to carry on the maintenance and operation of the system, that it has become too much of a burden for her to continue to do so, and for those reasons she desires to sell and dispose of the system. It is further alleged that the buyer is a public district duly and regularly organized and existing under and by virtue of the laws of the State of California, with full legal power and authority to purchase, own and operate said water system and that the buyer is better qualified financially and otherwise to maintain

and operate said water system and to provide adequate water service to the water users.

Exhibit F to the application shows that the seller has 250 3/4-inch services, one 1-inch service, one 1½-inch service and one 2-inch service. The seller's filed tariff shows all services are metered.

The seller's balance sheet shows total assets of \$23,327, total liabilities of \$2,502, \$635 in customers' deposits, and no advances for construction.

Based on the application herein the Commission finds that the transfer, as herein authorized and subject to the conditions in the order, will not be adverse to the public interest. A public hearing is not necessary.

The Commission concludes that the application should be granted subject to the conditions of the order herein.

IT IS ORDERED that:

1. After the effective date of this order, Mabel L. Gauld is authorized, subject to the conditions of this order, to sell those public utility water system properties described in the agreement dated December 3, 1964, as amended by an addendum dated March 12, 1965, attached to the application herein as Exhibits A and B, to Rubidoux Community Services District for \$31,500, in accordance with the terms of said agreement, as modified.
2. The authority granted herein shall expire one year after the effective date hereof unless exercised.
3. When Mabel L. Gauld has sold the properties described herein, she shall so certify to the Commission in writing within 10 days.
4. On or before the date of actual transfer, Mabel L. Gauld

shall refund all customers' deposits which are subject to refund.

5. Upon completion of the sale of the public utility properties authorized herein and upon payment of customers' deposits, Mabel L. Gauld shall stand relieved of her public utility obligations in connection with the public utility water system herein authorized to be transferred. Seller shall certify to the Commission in writing the time of payment of said customers' deposits.

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

Dated at San Francisco, California, this 15<sup>th</sup> day of JUNE, 1965.

Frederic B. Hallock  
President

John D. Mitchell

George G. Trover

Augustus

William L. Bennett  
Commissioners