

**ORIGINAL**

Decision No. 70117

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of the CITY OF SANTA )  
 MARIA, a municipal corporation, )  
 and CHARLES PASQUINI, dba MAYER )  
 TRACT WATER COMPANY, a private )  
 company operating a water system )  
 within the said City to permit )  
 the purchase by the City of the )  
 assets of the MAYER TRACT WATER )  
 COMPANY, and to terminate the )  
 operation of a water system by )  
 the MAYER TRACT WATER COMPANY. )

Application No. 47928  
(Filed September 29, 1965)

O P I N I O N

Charles Pasquini, doing business as Mayer Tract Water Company (hereinafter referred to as Mayer Tract), seeks authority to transfer his public utility water system to the City of Santa Maria (hereinafter referred to as Santa Maria), which seeks to acquire the system.

The verified application avers that Santa Maria operates a municipal water system which serves all parts of the city except the area presently served by Mayer Tract and that the area served by Mayer Tract consists of approximately 30 acres which are within the city limits. The application indicates that Mayer Tract's water supply is derived from one well in an area occupied by residential structures equipped only with septic tanks or cesspools for sewage disposal; that it is not possible to move or relocate the cesspools; that there is a chronic overflow condition of cesspools and septic tanks in the area; that the continued operation of the Mayer Tract system, without a new source of water supply, would constitute a continuing danger to the health, safety and welfare of the residents of the area and Santa Maria; that the greater part of the area served

by Mayer Tract has been declared a blighted area under the provisions of the Community Redevelopment Law of the State of California; that redevelopment of the area requires provision for safe potable water; and that the acquisition of Mayer Tract by Santa Maria is essential to implement any plan for rehabilitating the area. Exhibits attached to the application, consisting of letters to Santa Maria from the Santa Barbara County Health Department, emphasize the health hazard presented by the present operation of the Mayer Tract System.

Santa Maria and Mayer Tract have entered into an agreement, subject to the approval of this Commission, whereby Santa Maria agreed to purchase substantially all of the Mayer Tract System for \$15,500. Santa Maria has not agreed to purchase certain specified pipelines which do not meet its standards, but will lease these lines, for a period not to exceed five years, until it installs new pipelines. Also, Santa Maria did not purchase Mayer Tract's well and pumping equipment. The agreement provides for the filling and covering of the well within one year after its effective date. The agreement also provides that Santa Maria will not be entitled to any accounts receivable or assume any of the debts or obligations of Mayer Tract. A statement of Mayer Tract's financial condition attached to the application indicates the book value of all its assets, less accumulated depreciation, was \$31,678.08 on August 31, 1965.

The Commission makes the following findings and conclusion.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. The transfer of the Mayer Tract public utility water system to Santa Maria would not be adverse to the public interest.

Conclusion of Law

The application should be granted as hereinafter provided.

O R D E R

IT IS ORDERED that:

1. Within one year after the effective date of this order Charles Pasquini, doing business as Mayer Tract Water Company, may sell and transfer his public utility water system to the City of Santa Maria in accordance with the "Agreement for Purchase of Water System by a Municipal Corporation" executed by the parties on September 20, 1965, which is attached to the application as Exhibit A.

2. Within ten days after the actual transfer, Charles Pasquini shall notify the Commission, in writing, of the date upon which the transfer was consummated.

3. On or before the actual date of transfer, Charles Pasquini shall refund all customers' deposits and advances held by him, and, within ten days thereafter, shall notify this Commission, in writing, that such refunds have been made.

4. Upon completion of the sale and transfer herein authorized and all the terms and conditions of this order, Charles Pasquini shall stand relieved of his public utility obligations in connection with the utility system herein authorized to be transferred.

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

Dated at San Francisco, California, this 21<sup>st</sup> day of DECEMBER, 1965.

Friedrich B. Holdeff  
President  
George E. Crover  
William C. Blum  
Commissioners