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Decision No. 90005 • FEB 27 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of NEIL L. BURCKART and)
PATRICIA S. BURCKART for authority to)
acquire control of CEDAR RIDGE WATER)
COMPANY through purchase of outstanding)
shares of stock from James K. Strachan.)

Application No. 58597
(Filed January 12, 1979)

O P I N I O N

Neil L. Burckart and Patricia S. Burckart seek authority to control Cedar Ridge Water Company through acquisition of outstanding stock.

Cedar Ridge Water Company (Cedar Ridge) is a California corporation which owns and operates a public utility water system near Twain Harte in Tuolumne County. For the calendar year 1977 the company reported operating revenues of \$18,488 and net income of \$583. The applicant's balance sheet as of December 31, 1977 is summarized below:

<u>Assets</u>	
Net utility plant	\$236,089
Current assets	12,475
Deferred charges	200
Total	<u>\$248,764</u>
<u>Liabilities and Capital</u>	
Common equity	\$ 49,030
Current liabilities	5,776
Advances for construction	<u>193,958</u>
Total	<u>\$248,764</u>

All 100 shares of issued and outstanding stock of Cedar Ridge are presently held by Cedar Ridge Ranch, a limited partnership. The partnership was involved in the development of the Cedar Ridge Ranch subdivision, which is served by the water company. The buyers propose to acquire all of the issued and outstanding shares of capital stock for the sum of \$25,000, to be paid in 15 annual

installments with no interest. The initial payment is \$1,500, with each subsequent payment to be equal to 10% of the gross receipts of Cedar Ridge for the preceding calendar year, and the final payment is to be equal to the remaining balance payable, if any.

The buyers are residents of and conduct business throughout Tuolumne County. Neil L. Burckart was project superintendent for construction of the water system, is thoroughly familiar with the system, and is currently under contract for operation and maintenance of the system. The buyers' personal financial statement indicates that their financial position is sound and they should have no problem meeting the terms of the sale agreement.

The seller and Cedar Ridge Ranch are no longer engaged in real estate development and have no business pursuits in or around Tuolumne County. They therefore desire to transfer the utility to qualified local persons.

The Finance Division and the Utilities Division have reviewed the application and have no objection to the proposed transfer of control.

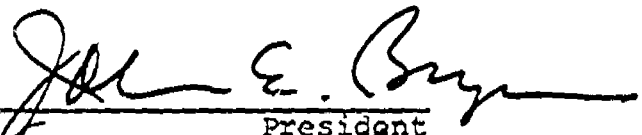
After consideration the Commission finds that control of Cedar Ridge Water Company by Neil and Patricia Burckart through acquisition of all of the outstanding capital stock of the corporation would not be adverse to the public interest. There is no known opposition and no reason to delay granting the authority requested. A public hearing is not necessary. On the basis of the foregoing findings, we conclude that the application should be granted. The authorization herein granted shall not be construed as a finding of the value of the assets or capital stock of Cedar Ridge Water Company.

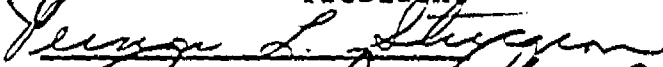
O R D E R


IT IS ORDERED that Neil L. Burckart and Patricia S. Burckart may acquire all of the outstanding capital stock of Cedar Ridge Water Company.


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


Dated at San Francisco, California, this 27th day of FEBRUARY, 1979.



President








Commissioners