

ORIGINAL

Decision No. 92917 APR 21 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Stanley D. Kirst, Sr.,  
doing business as Tokay Water Co., Inc.,  
to sell and J. Jeffrey Kirst to buy the  
water system in San Joaquin County.

) Application No. 59790  
) (Filed July 2, 1980)  
)

O P I N I O N

Stanley D. Kirst, Sr. (seller), doing business as Tokay Water Co., Inc., and J. Jeffrey Kirst (buyer) jointly request authority under Section 854 of the California Public Utilities Code for seller to sell and transfer to buyer all of the outstanding stock of Tokay Water Co., Inc. (Tokay), a water system serving an area described as nine acres known as Kirst Estates #4, Tract 784 of San Joaquin County in or near the community of Woodbridge. The system serves 64 customers.

Tokay was granted a certificate of public convenience and necessity by Decision No. 84853 dated October 14, 1975 in Application No. 55566. The system consists of two wells, pumps, a 3,000-gallon capacity reservoir, and 1,964 feet of water main. The original cost of the property being transferred is \$52,266 and the depreciation reserve as of December 31, 1979 is \$4,782.10. The selling price is \$35,423, being all cash in exchange for corporation stock.

Buyer is seller's son, has been a corporate officer since formation of the corporation, is actively engaged in maintenance and customer service of the business, and owns property adjacent to the system. By letter dated January 28, 1981 we were supplied supplemental information to enable processing this application.

Buyer proposes to adopt the presently filed tariffs of the seller. Buyer agrees to be bound by any outstanding Commission decisions and/or directives involving the water system being transferred. Buyer will be furnished the utility's copies of the following or informed of their availability at the Commission's headquarters, 350 McAllister Street, San Francisco, California 94102:

- a. General Order No. 96-A Filing and Posting of Tariff Schedules.
- b. General Order No. 103, Rules Governing Water Service, Including Minimum Standards for Design and Construction.
- c. Uniform System of Accounts for Class D Water Utilities.
- d. Rules of Practice and Procedure.
- e. Public Utilities Code of the State of California.

Seller and buyer warrant that buyer will refund customer deposits when due, that there are no main extension advances, and that the condition of the system is good. We note, however, that Commission Resolution No. W-2699, approved September 3, 1980, authorized this utility to enter into a main extension agreement in the amount of \$35,000. If and when this transaction is completed, it shall be properly recorded in the books of account.

Seller and buyer state that they have informed Tokay customers of the application. No protests were received.

Findings of Fact

1. The proposed sale and transfer is not adverse to the public interest.
2. Purchaser has the financial resources and experience to successfully operate the water system.
3. A public hearing is not necessary.

Conclusion of Law

The application should be granted as set forth in the following order.

O R D E R

IT IS ORDERED that Stanley D. Kirst, Sr., doing business as Tokay Water Co., Inc. (Tokay), may sell and transfer all of the outstanding stock of Tokay to J. Jeffrey Kirst on the terms and conditions set forth in the application.

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

Dated APR 21 1981, at San Francisco, California.

John E. Sargent  
President  
Richard W. Drayton  
Thomas W. Jones  
Walter C. Cline  
Priscilla C. Green  
Commissioners