

SAN GABRIEL VALLEY WATER COMPANY

August 15, 2012

Advice Letter No. 418

U337W

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Purpose and Background

In compliance with Ordering Paragraph 5 of Decision 07-09-021 in Rulemaking 04-09-003 filed September 2, 2004 (Phase Two), San Gabriel Valley Water Company ("San Gabriel") hereby notifies the Commission of its pending sale of certain real property, recorded as a contribution-in-aid-of-construction, which is no longer necessary or useful to the company in the performance of its public utility obligations. The sale of the real property is involuntary and arises from the threat or imminence of condemnation. Pursuant to Ordering Paragraph 7 of D.07-09-021, San Gabriel files this advice letter in lieu of an application in conformance with the rules of the Commission's Section 851 pilot program approved by Resolution ALJ-186 (August 2005) as modified and extended by Resolution ALJ-202 (August 2007), amended and extended by Resolution ALJ-244 (March 2010), and more recently extended by Resolution ALJ-272 (adopted August 18, 2011). On August 15, 2012, San Gabriel gave notice of the pending sale to the Division of Water and Audits and to the Division of Ratepayer Advocates pursuant to Ordering Paragraph 19 of D.06-05-041.

Tier Designation and Effective Date

This advice letter does not have a tier designation. In accordance with Resolution ALJ-244, Appendix A, Section VII.A.5, San Gabriel requests disposition by the Director of Division of Water and Audits.

Discussion

By resolution dated May 24, 2012 (see Attachment A), the State of California Department of Transportation (“CalTrans”) notified San Gabriel of its intent to acquire by eminent domain certain San Gabriel real property to facilitate construction of the State highway project, more specifically, a fly-over connector from southbound Interstate 605 to eastbound Interstate 10. The real property to be acquired consists of a 2,751 square foot strip of land and a temporary construction easement over a portion of San Gabriel’s Parcel No. 212, also known as Plant B25, located in San Gabriel’s Los Angeles County division, along the frontage of the property.

The subject real property is no longer necessary or useful to San Gabriel in the performance of its obligations as a public utility, because it is being acquired by CalTrans under the threat of condemnation and because it will be in a frontage road right of way and as such, unusable by San Gabriel. The company does not need to use this area in the future except to maintain its existing underground pipeline for which the company will retain an easement. Therefore, the involuntary sale to CalTrans will have no adverse effect on company operations. San Gabriel is expecting the just compensation of \$88,000.00 to be paid by CalTrans for this property. The book gain on the sale is \$55,470.00 as calculated in Attachment B. San Gabriel will record the net proceeds from this sale of no longer needed utility property in its memorandum account established pursuant to Ordering Paragraph 17 of D.06-05-041 and will invest the gain on sale in new water infrastructure as required by the Water Utility Infrastructure Improvement Act of 1995, Public Utilities Code Section 789 et seq. San Gabriel has removed the subject property from Utility Plant and reclassified it to Account No. 110, Other Physical Property (a non-rate base account).

Purchaser:

Name: State of California Department of Transportation
Attn: Hazel DeVine-Williams
Address: 100 South Main Street, Los Angeles, CA 90012
Phone: (213) 897-6946
E-mail: hazel_devine @dot.ca.gov

The involuntary sale described in this advice letter meets the eligibility criteria set forth under Resolution ALJ-244 pilot program whereby a utility may elect to file an advice letter in lieu of an application if the transaction is valued at less than \$5 million, the advice letter does not require CEQA review by the Commission as either the Lead Agency or a Responsible Agency and the transaction will not materially impact the utility's ratebase nor will it have any effect on the ability of the company to serve its customers and the public. A Right of Way Appraisal Map which shows the real property to be acquired by CalTrans is also included herein as Attachment C.

The actions requested in the advice letter are not now the subject of any formal filings with the California Public Utilities Commission, including a formal complaint.

No individuals or utilities have requested notification of filing of tariffs. Distribution of this advice letter is being made to the attached service list in accordance with General Order No. 96-B, Industry Rule 4.1.

Responses and Protests

Anyone may respond to or protest this advice letter. A response supports the filing and may contain information that proves useful to the Commission in evaluating the advice letter. A protest objects to the advice letter in whole or in part and must set forth the specific grounds on which it is based. These grounds are:

- (1) San Gabriel did not properly serve or give notice of the advice letter;
- (2) The relief requested in the advice letter would violate statute or Commission order, or is not authorized by statute or Commission order on which San Gabriel relies;
- (3) The analysis, calculations, or data in the advice letter contain material error or omissions;
- (4) The relief requested in the advice letter is pending before the Commission in a formal proceeding;
- (5) The relief requested in the advice letter requires consideration in a formal hearing, or is otherwise inappropriate for the advice letter process; or
- (6) The relief requested in the advice letter is unjust, unreasonable, or discriminatory, provided that such a protest may not be made where it would require relitigating a prior order of the Commission.

A protest shall provide citations or proofs where available to allow staff to properly consider the protest.

August 15, 2012

A response or protest must be made in writing or by electronic mail and must be received by the Division of Water and Audits within 20 days of the date this advice letter is filed. The address for mailing or delivering a response or protest is:

Tariff Unit, Water and Audits Division, 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
e-mail: water_division@cpuc.ca.gov

On the same date the response or protest is submitted to the Division of Water and Audits, the respondent or protestant shall send a copy of the protest by mail to San Gabriel, addressed as follows:

San Gabriel Valley Water Company
Director, Rates and Revenue
11142 Garvey Avenue
El Monte, CA 91733
FAX: (626)448-5530 or
e-mail dadellosa@sgwater.com

If you have not received a reply to your protest within 10 business days, contact me at 626-448-6183.

San Gabriel Valley Water Company



Daniel A. Dell'Osa
Director of Rates and Revenue

c: James Boothe, CPUC – Water and Audit Division
Hani Moussa, CPUC – Water Branch, DRA
Danilo Sanchez, CPUC – Water Branch, DRA

1 TRANSPORTATION COMMISSION
2 RESOLUTION NO.

3 **C-20858**

PASSED BY

CTC

MAY 23 2012

CALIFORNIA
TRANSPORTATION COMMISSION

4 CALIFORNIA TRANSPORTATION COMMISSION
5 RESOLUTION OF NECESSITY

6 TO ACQUIRE CERTAIN REAL PROPERTY
7 OR INTEREST IN REAL PROPERTY BY EMINENT DOMAIN
8 HIGHWAY 07-LA-10-PM 31.7 PARCEL 79806-1, 2

9 OWNER: San Gabriel Valley Water Company, a California corporation

10 Resolved by the California Transportation Commission after
11 notice (and hearing) pursuant to Code of Civil Procedure Section
12 1245.235 that it finds and determines and hereby declares that:

13 The hereinafter described real property is necessary for State
14 Highway purposes and is to be acquired by eminent domain pursuant
15 to Streets and Highways Code Section 102; and Code of Civil
16 Procedure Section 1240.510 in that the property being acquired is
17 for a compatible use; and Code of Civil Procedure Section 1240.610
18 in that the property is required for a more necessary public use;

19 The public interest and necessity require the proposed public
20 project, namely a State highway;

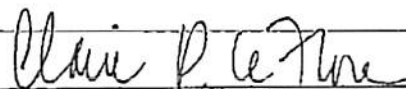
21 The proposed project is planned and located in the manner that
22 will be most compatible with the greatest public good and the least
23 private injury;

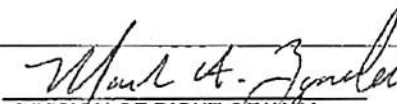
24 The property sought to be acquired and described by this
25 resolution is necessary for the public project;

26 The offer required by Section 7267.2 of the Government Code
27 has been made to the owner or owners of record; and be it further

APPROVED AS TO FORM AND PROCEDURE

APPROVAL RECOMMENDED

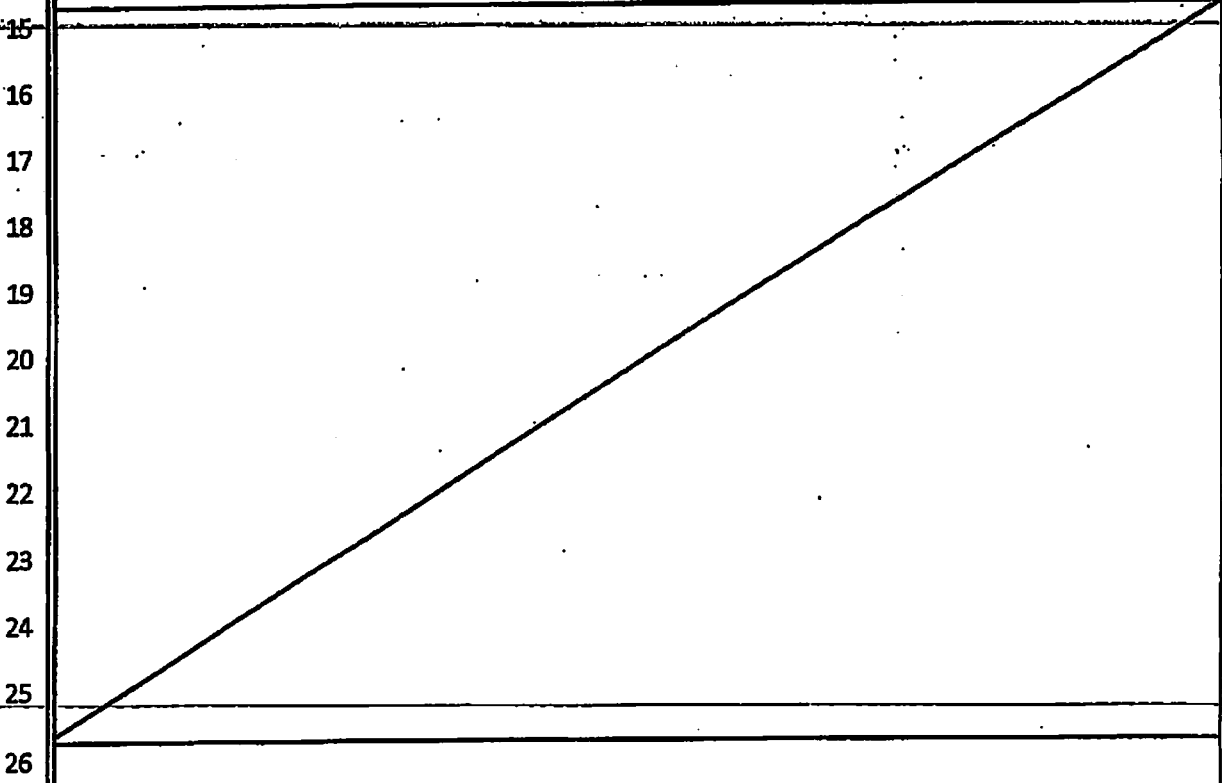

Attorney, Department of Transportation


DIVISION OF RIGHT OF WAY

1 RESOLVED by this Commission that the Department of
2 Transportation be and said Department is hereby authorized and
3 empowered;

4 To acquire, in the name of the People of the State of
5 California, in fee simple absolute, unless a lesser estate is
6 hereinafter expressly described, the said hereinafter described
7 real property, or interests in real property, by condemnation
8 proceeding or proceedings in accordance with the provisions of the
9 Streets and Highways Code, Code of Civil Procedure and of the
10 Constitution of California relating to eminent domain;

11 The real property or interests in real property, which the
12 Department of Transportation is by this resolution authorized to
13 acquire, is situated in the County of Los Angeles, State of
14 California, Highway 07-LA-10 and described as follows:



RESOLUTION OF NECESSITY DESCRIPTION

PARCEL 79806-1

For freeway purposes, that portion of Lots 55, 56, and 57 of Tract No. 13211, in the City of Baldwin Park, County of Los Angeles, State of California, as shown on map recorded in Book 270, page 14 of Maps, in the Office of the Registrar-Recorder/County Clerk of said county, lying Northerly of the following described line:

COMMENCING at the Easterly corner of Lot 55 of said tract; thence along the Northeasterly line of said lot N.51°21'34"W. for the purposes of this description a distance of 47.33 feet, to the BEGINNING OF DESCRIBED LINE, said beginning also being a non-tangent curve concave Southerly, having a radius of 25.00 feet; thence Westerly along said curve from a tangent which bears N.81°52'00"W., through an angle of 18°41'55", an arc distance of 8.16 feet; thence S.79°26'05"W., 147.55 feet to the Northwesterly line of Lot 57 of said tract, and the END OF DESCRIBED LINE.

EXCEPT that portion of Lots 56 and 57 conveyed in deed recorded March 3, 2009, as Instrument No. 20090297672, of Official Records, in said office.

Lands abutting said freeway shall have no right or easement of access thereto; provided, however, that part of the remaining lands shall abut upon and have access to an adjoining frontage road which will be connected to the main thoroughfare of the freeway only at such points as may be established by public authority.

PARCEL 79806-2

For freeway purposes, a temporary construction easement, in, and to that portion of Lots 55, 56, and 57 of Tract No. 13211, in the City of Baldwin Park, County of Los Angeles, State of California, as shown on map recorded in Book 270, page 14, of Maps, in the Office of the Registrar-Recorder/County Clerk of said county, described as follows:

BEGINNING at the Easterly corner of Lot 55 of said tract; thence along the Northeasterly line of said lot N.51°21'34"W. for the purposes of this description a distance of 47.33 feet to a non-tangent curve concave Southerly having a radius of 25.00 feet; thence Westerly along said curve

from a tangent which bears N.81°52'00"W., through an angle of 18°41'55", an arc distance of 8.16 feet; thence S.79°26'05"W., 147.55 feet to the Northwesterly line of Lot 57 of said tract; thence along said Northwesterly line S.38°37'21"W., 6.12 feet; thence N.79°26'05"E., 152.18 feet to a curve concave Southerly, having a radius of 21.00 feet; thence Easterly along said curve through an angle of 49°23'22", an arc distance of 18.10 feet; thence S.51°10'33"E., 34.57 feet to the Southeasterly line of said lot 55; thence Northeasterly along said Southeasterly line to the POINT OF BEGINNING.

The above-described parcel of land is to be used for temporary construction purposes and incidents thereto in connection with the construction of a Route 10 freeway project designated 07-LA-10-PM 31.7 on maps in the Office of the Department of Transportation, State of California at Los Angeles, California, and the rights to be acquired therein shall cease and terminate upon the completion of said project, and in any event, shall cease and terminate not later than October 1, 2014.

The bearing and distances in the herein above described lines are based on the California Coordinate System North American Datum (NAD) 1983, Zone 5. Divide grid distance by a combination factor of 0.99999723 to obtain ground distance.

THIS IS TO CERTIFY that the foregoing resolution was duly passed by the California Transportation Commission at its meeting regularly called and held on the 23rd day of May in the City of Sacramento and that the foregoing is a full and correct copy of the original resolution. Dated this the 24th day of May 2014.


PAMELA G. RHINEHART, Executive Director
CALIFORNIA TRANSPORTATION COMMISSION

**San Gabriel Valley Water Company
Los Angeles County Division
Gain on Sale Calculation**

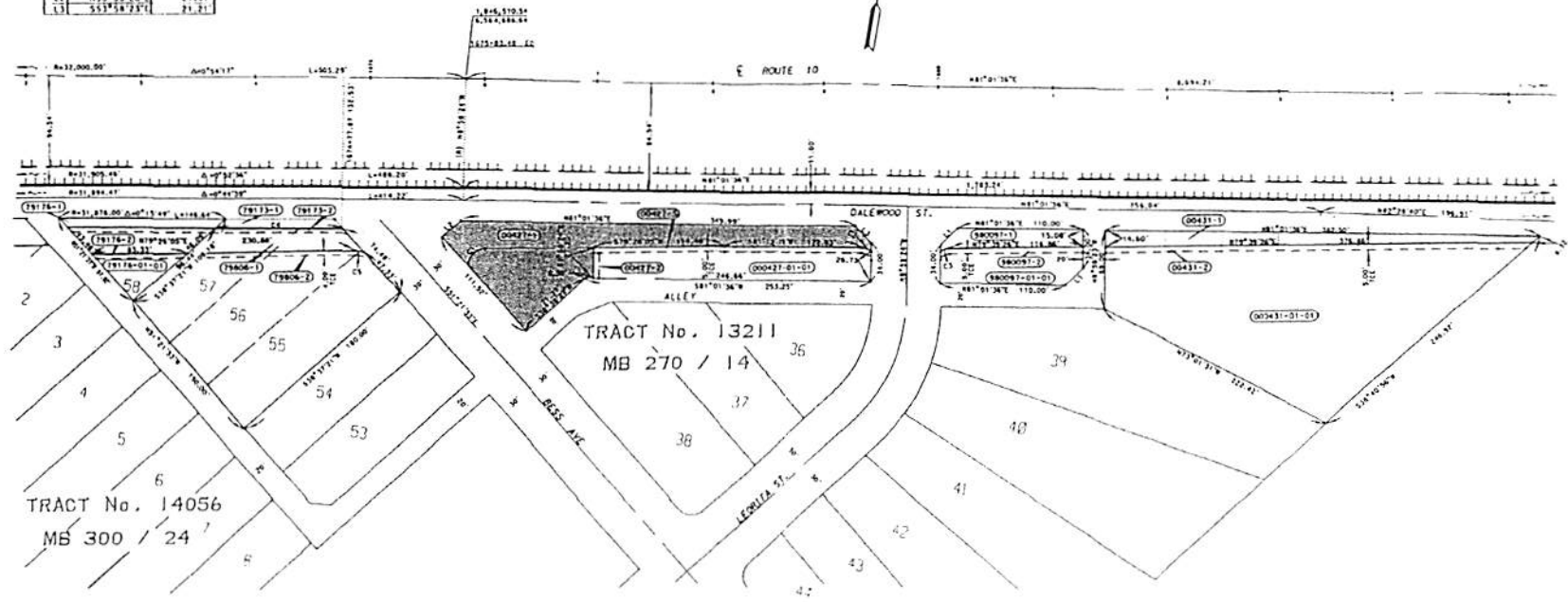
<u>Sold to</u>	<u>Property Class</u>	<u>Original Cost</u>	<u>Depreciation</u>	<u>Net Book Value</u>	<u>Proceeds</u>	<u>Gain (Loss)</u>
CalTrans	Land B25	26,170	-	26,170	82,530	56,360
CalTrans	Easement B25	6,360	-	6,360	5,470	(890)
	Total	\$32,530	-	\$32,530	\$88,000	<u>\$55,470</u>

NOTE: The State of California or its officers or agents shall not be responsible for the accuracy or completeness of digital images of this map.

CITY OF BALDWIN PARK

NO.	RADIUS	DELTA	LENGTH
C1	15.00	88°37'40"	13.33
C2	18.00	87°27'10"	16.00
C3	5.00	171°03'07"	8.17
C4	317.41'±	8°12'00"	172.81
C5	75.00	18°41'55"	8.18

NO.	BEARING	DISTANCE
L1	S26°01'34"W	21.21
L2	N38°38'24"E	21.87
L3	S53°58'23"E	21.21



PROJECT SUB-DISTRICT/JURISDICTION	CALCULATED BY	REVISIONS	
		DATE	BY
NATIONAL 0310 JADWIN	M. GALE		

PARCEL #	SITE CODE	GRANTOR	AREAS (square feet or as noted)				REMARKS
			TOTAL	REQUIRED (LUF)	EXCESS (LUF)	REMAINDER	
79176-1	F	STATE OF CALIFORNIA	5,354	3,836	1,518	EXPIRES 4-1-2014	
79176-2	FCE	STATE OF CALIFORNIA	5,354	317			
79806-1	F	SAN GABRIEL WATER CO.	23,848	7,751		21,097	
79806-2	FCE	SAN GABRIEL WATER CO.	23,848	649		EXPIRES 4-1-2014	
00427-1	F	STATE OF CALIFORNIA	70,233	17,958	7,215	EXPIRES 1-1-2011	
00427-2	FCE	STATE OF CALIFORNIA	70,233	1,38		EXPIRES 1-1-2011	
00427-3	F	STATE OF CALIFORNIA	70,233	1,240		EXPIRES 1-1-2011	
98009-1	F	STATE OF CALIFORNIA	5,900	1,966	3,934	EXPIRES 4-1-2014	
98009-2	FCE	STATE OF CALIFORNIA	5,900	630			
00431-1	F	STATE OF CALIFORNIA	38,709	3,870	34,839	EXPIRES 4-1-2014	
00431-2	FCE	STATE OF CALIFORNIA	38,709	1,688			

GRANTOR NOTES

1. All parcels shown on this map are subject to the provisions of the Uniform Gifts to Minors Act (UGMA) and the Uniform Transfers to Minors Act (UTMA).

2. All parcels shown on this map are subject to the provisions of the California Real Property Law, including the provisions relating to the recording of interests in real property.

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LEGEND

- Parcel boundaries
- Right of Way boundaries
- Lot lines
- Proposed Right of Way boundaries
- Proposed Right of Way easements
- Proposed Right of Way easements
- Proposed Right of Way easements
- Proposed Right of Way easements
- Proposed Right of Way easements
- Proposed Right of Way easements

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF TRANSPORTATION

RIGHT OF WAY APPRAISAL MAP
MAP NO. F-1860C-4C

FOR PREVIOUS R/W INFORMATION SEE MAPS F-1860 AND F-1860-6A

LEGEND

SCALE: 1" = 100'

TO DESIGN: 4/26/10 EX(4):2454 (P&T)

DISTRICT	COUNTY	ROUTE	SHEET NO.	SHEET NO. TOTAL SHEETS
02	LA	10	31.7	4

DISTRIBUTION LIST
San Gabriel Valley Water Company
Los Angeles County Division
Advice Letter No. 418

City of Arcadia
240 West Huntington Drive
Arcadia, CA 91006

City Clerk, City of Rosemead
8838 Valley Boulevard
Rosemead, CA 91770

City Clerk, City of Baldwin Park
14403 East Pacific Avenue
Baldwin Park, CA 91706

City Clerk, City of San Gabriel
425 South Mission Drive
San Gabriel, CA 91778

California-American Water Company
1033 B Ave. Suite 200
Coronado, CA 92118-3439

San Gabriel County Water District
8366 East Grand Avenue
Rosemead, CA 91770

City of El Monte Water Department
11333 Valley Boulevard
El Monte, CA 91734

City of Santa Fe Springs Water Department
Post Office Box 2120
Santa Fe Springs, CA 90670

City of Industry Waterworks System
Post Office Box 3136
La Puente, CA 91744

City Clerk, City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91733

City Clerk, City of Irwindale
5050 North Irwindale Avenue
Irwindale, CA 91706

Golden State Water Company
Attn: Ronald Moore, Regulatory Affairs
630 East Foothill Boulevard
San Dimas, CA 91773

City Clerk, City of La Puente
15900 East Main Street
La Puente, CA 91744

Suburban Water Systems
Attn: Bob Kelly
1211 East Center Court Drive
Covina, CA 91724-3603

La Puente Valley County Water District
112 North 1st Street
La Puente, CA 91744

Valley County Water District
14521 East Ramona Boulevard
Baldwin Park, CA 91706

City of Montebello Water Department
1600 West Beverly Boulevard
Montebello, CA 90640

City of Whittier Water Department
13230 East Penn Street
Whittier, CA 90602

City of Monterey Park Water Department
320 West Newmark Avenue
Monterey Park, CA 91754

California Public Utilities Commission
Division of Ratepayer Advocates
505 Van Ness Avenue
San Francisco, CA 94102-4208

City of Pico Rivera Water Department
6615 Parsons Boulevard
Pico Rivera, CA 90660

Kiki Carlson
Suburban Water Systems
kcarlson@swwc.com

Pico Water District
Post Office Box 758
Pico Rivera, CA 90660-0758

City Clerk, City of West Covina
1444 West Garvey Avenue
West Covina, CA 91790