



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

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In the Matter of the Application of Cypress Ridge Sewer Co. for a Certificate of Public Convenience and Necessity to Provide Sewer Utility Service to the Cypress Ridge Development in San Luis Obispo County, California.

Application 15-08-025
(Filed August 25, 2015)

And Related Matter.

Application 15-12-015

**REPLY OF THE CYPRESS RIDGE OWNERS' ASSOCIATION TO
RESPONSE OF CHARLES M. BAKER, SUCCESSOR IN INTEREST
TO RURAL WATER COMPANY, TO REPLY OF CYPRESS RIDGE
OWNERS' ASSOCIATION ON THE ISSUE OF LAND OWNED BY
CHARLES M. BAKER, SUCCESSOR IN INTEREST TO RURAL
WATER COMPANY**

GOODIN, MACBRIDE,
SQUERI & DAY, LLP
Thomas J. MacBride, Jr.
Megan Somogyi
505 Sansome Street, Suite 900
San Francisco, California 94111
Telephone: (415) 392-7900
Facsimile: (415) 398-4321
Email: tmacbride@goodinmacbride.com

Attorneys for Cypress Ridge Owners'
Association

Dated: May 25, 2017

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In accordance with Judge Lirag's email ruling of May 16, 2017, Cypress Ridge Owners' Association ("CROA") respectfully replies to the May 23, 2017 "Response Of Charles M. Baker, Successor In Interest To Rural Water Company, To Reply Of Cypress Ridge Owners Association On The Issue Of Land Owned By Charles M. Baker, Successor In Interest To Rural Water Company ("Baker Response") filed on May 23, 2017. Judge Lirag directed that any reply to Mr. Baker's Response be filed within ten days of the Baker Response. This Reply is timely filed.

I. INTRODUCTION

CROA's reply will be brief. We only (1) address Mr. Baker's assertion that he did not know or forgot that he owned the property on which the sewer plant is located¹ and (2) correct a cite in the Baker Reply.

The fundamental question raised by the filings on this point is simple. Why it should take five rounds² of pleadings to obtain the correct answers to a straightforward set of inquiries by the Administrative Law Judge ("ALJ") - inquiries focused on a simple core question : who owns any land sought to be transferred to Cypress Ridge Sewer Company ("Cypress") and what is its value?

II. MR. BAKER SHOULD HAVE KNOWN THAT RURAL (AND NOW MR. BAKER) OWNED THE PROPERTY.

The Grant Deed transferring the property to Rural Water Company contains instructions to the county recorder to mail the recorded deed to Rural;³presumably, the recorder did so.

Mr. Baker's Response indicates that "over the years, Rural had paid a minimal amount of received property taxes on the property."⁴(APN 075-400-015). One must presume that the tax bills (now \$131.12/year) were sent each year after the 2002 and Mr. Baker's response indicates the property taxes on the parcel were paid⁵ twice a year.⁶

¹ Baker Reply pp, 2.

² Judge Lirag's April 6, 2017 inquiry was followed by (1) Mr. Baker's April 17, 2017 "Response Of Charles M. Baker, Successor In Interest To Rural Water Company, To Administrative Law Judge's April 6, 2017 Ruling Requesting Additional Information" which was followed by (2) CROA's April 24, 2017 "Reply Of The Cypress Ridge Owners' Association To Response Of Charles M. Baker, Successor In Interest To Rural Water Company, To Administrative Law Judge's April 6, 2017 Ruling Requesting Additional Information." Almost three passed after which Mr. Baker filed his (3) May 12, 2017 motion seeking leaved to respond to CROA's April 24, 2017 Reply. CROA responded to that motion three days later (4) and the motion was granted. Mr. Baker's current filing (5) followed on May 23, 2017.

³ See page 1 of Exhibit A to the April 24, 2017 "Reply Of The Cypress Ridge Owners' Association To Response Of Charles M. Baker, Successor In Interest To Rural Water Company, To Administrative Law Judge's April 6, 2017 Ruling Requesting Additional Information".

⁴ Baker Reply at p. 3.

⁵ Mr. Baker's Response (p.3) indicates that Rural paid the property tax bills. After Rural was dissolved at the end of 2015, the bills must have been paid by either Mr. Baker or someone on the Cypress staff. But Schedule G to the 2016 Annual Report for Cypress shows five employees of whom four are under the category "Employees Labor" and therefore are presumably assigned to the treatment plant (a presumption

As the exhibit to Mr. Baker's Reply indicates, the county modified the tax bill for APN 075-400-015 to show the assessed owner as "Baker Charles M TTE⁷ et al after Mr. Baker caused Rural to transfer the property, by grant deed, at the end of 2015."⁸

The Grant Deed by which Mr. Baker conveyed the property (APN 075-400-015⁹), to himself at the end of 2015 was executed by Mr. Baker and states that it conveyed to Mr. Baker "the following described real property."¹⁰

Having (1) been the recipient of the original recorded grant deed in 2002, (2) been the recipient of a tax bill each year for APN 075-400-015, (3) paid property taxes on the real property, APN 075-400-015, twice a year and (4) executed a grant deed in 2015 conveying "the following described real property" (APN 075-400-015) from Rural to himself, it is difficult to accept Mr. Baker's explanation that he forgot that he owned the real property on which the treatment plant is located.

III. CORRECTION OF CITATION

Mr. Baker's Reply states that the 2002 Decision is D.02-06-025. That Decision concerns A.01-07-036 by Southern California Edison. The correct citation is D.02-06-005.

IV. CONCLUSION

Is this how it will always be with Cypress under current management?
CROA believes the Commission can count on it.

consistent with Cypress's filings on the subject.) That leaves Mr. or Mrs. Baker. One of them must have paid the second installment in the Spring of 2017, shortly before Mr. Baker's original response to the ALJ inquiry was submitted.

⁶ Baker Response, pp. 1-2 and Attachment 1 to it showing two installments due each year.

⁷ Presumably TTE is an abbreviation for Trustee.

⁸ Baker Reply p. 2.

⁸ See page 1 of Exhibit E to the April 24, 2017 "Reply Of The Cypress Ridge Owners' Association To Response Of Charles M. Baker, Successor In Interest To Rural Water Company, To Administrative Law Judge's April 6, 2017 Ruling Requesting Additional Information".

⁹ *Id* at p. 2

¹⁰ The "following described real property" is in Exhibit A to the Grant Deed and is APN 075-400-015.

Respectfully submitted May 25, 2017 at San Francisco, California.

GOODIN, MACBRIDE,
SQUERI & DAY, LLP
Thomas J. MacBride, Jr.
Megan Somogyi
505 Sansome Street, Suite 900
San Francisco, California 94111
Telephone: (415) 392-7900
Facsimile: (415) 398-4321
Email: tmacbride@goodinmacbride.com

By /s/ Thomas J. MacBride, Jr.

Thomas J. MacBride, Jr.

Attorneys for Cypress Ridge Owners'
Association

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