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Decision No. 12497.

BEFORE THE RAILROAD COMMISSION OF
THE STATE OF CALIFORNIA

ORIGINAL

Application
Number
9246.

In the Matter of the Application of
UNITED STATES FARM LAND COMPANY,
a corporation, organized and exist-
ing under the laws of the State of
Arizona, and of S.W. DODDS and M.R.
DODDS for an order authorizing and
permitting the conveyance by UNITED
STATES FARM LAND COMPANY to S.W.
DODDS and M.R. DODDS of certain pro-
perty owned and used by said corpo-
ration for public utility purposes
and for an order permitting said ven-
dee to mortgage said property as a part
of the same transaction.

O.A. Robertson, for applicants.

SEAVEY, Commissioner.

O P I N I O N.

The Railroad Commission is asked in the above entitled application to make an order authorizing UNITED STATES FARM LAND COMPANY, a corporation, to sell and transfer to S.W. DODDS and M.R. DODDS for the sum of \$15,000 the public utility water properties hereafter described. S.W. DODDS and M.R. DODDS join in the application and ask permission to acquire such properties and to execute a deed of trust upon the properties to secure the payment of \$10,000.00 of the purchase price. It is the intention of S.W. Dodds and M.R. Dodds to issue a note for the sum of \$10,000.00, payable on or before five years after date together with interest at a rate not to exceed eight per cent. per annum. They will pay \$5,000.00 of the purchase price in cash.

The properties which S.W. Dodds and M.R. Dodds have agreed to purchase from the United States Farm Land Company, are being used in the business of supplying water for domestic, household and other uses to the inhabitants and residents of the City of Chowchilla, in Madera County. The properties which the United States Farm Land Company asks permission to sell are more particularly described as follows:

"THAT CERTAIN PORTION of Block "A" (as said Block "A" is shown on that certain map entitled, "Map of City of Chowchilla, Cal.," filed and recorded in the office of the Recorder of said County of Madera, State of California, on November 19, 1912, in Volume "3" of Maps, at page 20; to which said map reference is hereby made for greater particularity,) more particularly described as follows: Beginning at a point in the Southeasterly line of said Block "A", which point of beginning bears South 44° 45' West, Two Hundred Sixty (260) feet distant from the most Easterly corner of said Block "A", said point of beginning also being the most Southerly corner of that certain ninety-five one hundredths (.95) acres of land owned by the Danish Creamery Association; running thence along the Southwesterly line of said last mentioned parcel of land North 45° 19' West three hundred six (306) feet to a station; thence South 81° 31' West One Hundred Twenty-four and eight tenths (124.8) feet to a station; thence South 45° 15' East Three Hundred Eighty-four and twenty-five one hundredths (384.25) feet to a station in said Southeasterly line of said Block "A"; and thence along said last mentioned line One Hundred (100) feet to the point of beginning. Containing Seven hundred ninety-two one thousandths (.792) acres of land, a little more or less.

"TOGETHER with all water tanks, towers, meters, mains, pipes, franchises, rights of way, easements for installing and maintaining the same, and all physical properties used in connection with and necessary to the use of the water service system of the United States Farm Land Company, a corporation, now maintained by it in the said City of Chowchilla, and vicinity."

This public utility water plant at present furnishes water to approximately 175 consumers. The monthly gross operating revenues are estimated at about \$265.00.

There has been filed with the Commission in this proceeding a copy of the proposed deed of trust, which S.W. Dodds and M.R. Dodds ask permission to execute to secure the payment of \$10,000.00. This deed of trust is in satisfactory form.

I herewith submit the following form of Order:

O R D E R.

UNITED STATES FARM LAND COMPANY having applied to the Railroad Commission for permission to sell its public utility water plant to S.W. Dodds and M.R. Dodds, who have joined in the application and who ask permission to execute a deed of trust to secure the payment of a \$10,000.00 note, a public hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of the note and the execution of the deed of trust is reasonably required by S.W. Dodds and M.R. Dodds, and that this application should be granted as herein provided; therefore,

IT IS HEREBY ORDERED, that UNITED STATES FARM LAND COMPANY be, and it is hereby, authorized to sell to S.W. DODDS and M.R. DODDS for the sum of \$15,000.00, the properties described in the foregoing opinion.

IT IS HEREBY FURTHER ORDERED, that S.W. DODDS and M.R. DODDS be, and they are hereby, authorized to purchase such properties, and to issue a note for the sum of not more than \$10,000.00, said note to be payable on or before five years after date and to bear interest at not to exceed eight per cent. per annum

IT IS HEREBY FURTHER ORDERED, that S.W. DODDS and M.R. DODDS be, and they are hereby, authorized to execute a deed of trust substantially in the same form as the deed of trust filed in this proceeding; provided -

THAT the authority herein granted to execute a deed of trust is for the purpose of this proceeding only and is granted in so far as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said deed of trust as to such other legal requirements to which such deed of trust may be subject.

The authority herein granted is subject to further conditions as follows:

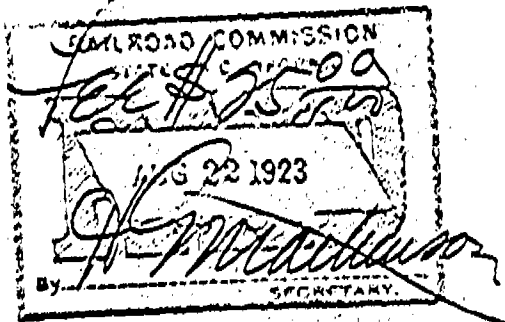
- (1)---S.W. Dodds and M.R. Dodds shall use the proceeds obtained through the issue of the \$10,000.00 note to pay in part the cost of the properties which they are herein authorized to acquire.
- (2)---S.W. Dodds and M.R. Dodds may issue the \$10,000.00 note for a term of less than five years. If said note is issued for a term of less than five years, it may be renewed from time to time provided that the term of the original note together with the term of any renewal notes shall not exceed five years after the date hereof.
- (3)---Within thirty days after obtaining title to the properties, which they are herein authorized to acquire, S.W. Dodds and M.R. Dodds shall file with the Railroad Commission a certified copy of the deed under which they hold title to such properties.
- (4)---The consideration being paid for the properties by S.W. Dodds and M.R. Dodds shall not be urged before this Commission, or any other public body, as a measure of the value of such properties for the purpose of fixing rates, or any purpose other than the transfer herein permitted.
- (5)---S.W. Dodds and M.R. Dodds shall keep such record of the ^{herein authorized} issue and delivery of the note and the disposition of the proceeds as will enable them to file on or before the 25th day of each month a verified report as required by the Railroad Commission's General Order No. 24, which order in so far as applicable,

is made a part of this order.

(6)---The authority herein granted to execute a deed of trust and issue a note will become effective upon the payment of the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 17th day of August, 1923.



Chas. J. Shaver

Lawrence Martin
Edwin Shaw

J. H. Whittier
Commissioners.