

Decision No. 13098.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

GEORGE P. WICKER,  
Complainant,

vs.

LAUREL CANYON LAND COMPANY,  
Defendant.

Case No. 1937.

C. J. MILLIRON,  
Complainant,

vs.

LAUREL CANYON LAND COMPANY,  
Defendant.

Case No. 1938.

ORIGINAL

George H. P. Shaw, for C. J. Milliron.  
Hazelett and Albee, by William Hazelett  
and M. A. Albee, for C. J. Milliron.  
George P. Wicker, in propria persona.  
Fred Mansur, for Laurel Canyon Land Company.  
Milton Bryan, for City of Los Angeles.

BY THE COMMISSION:

O P I N I O N

The above entitled matters are formal complaints which allege that inadequate service is furnished to consumers by the Laurel Canyon Land Company, which operates a public utility serving some ninety consumers with water for domestic purposes in Laurel Canyon in the City of Los Angeles.

A public hearing in these matters was held in Los

Angeles before Examiner Satterwhite, at which time it was stipulated that the two proceedings might be consolidated for hearing and decision.

The Laurel Canyon tract involved in this proceeding consists of approximately 200 acres in the foothill region which has been subdivided and developed into a high-class residential district. It is located about nine miles in a northwesterly direction from the center of the business district of the City of Los Angeles, to which it has been recently annexed.

The Laurel Canyon Land Company was organized about 1908, and has since been engaged in the business of selling real estate and supplying water for domestic use to purchasers of property in the subdivision. On October 6, 1926, the company still owned 65 acres of the original tract. The water plant, which consists of shallow wells, pumping equipment, storage tanks and a distribution system, was constructed primarily to aid in the sale of real estate. The water supply is obtained close to the surface of the ground, and is dependent very largely upon the rainfall which occurs each year.

The evidence shows that there has been a gradual increase in the number of consumers supplied by the system during the past three years, and that notwithstanding the fact that defendant has made an effort to increase its water supply by the construction of new wells, there has been a shortage in the amount of water furnished to consumers during the summer months.

Mr. F. C. Finkle, a consulting engineer, testified in behalf of C. J. Milliron, one of the complainants herein, to the effect that defendant could materially increase its water supply by the construction of an impervious wall to bedrock across the canyon in the vicinity of its main pumping station. No estimate

of the cost of the proposed improvement was presented, and it appears that no investigation has been made to determine the distance from the stream bed to bedrock or of the character of the material beneath the surface. The supply which could be made available by the suggested cut-off wall was estimated by Mr. Finkle to be from 12,000 to 15,000 gallons per day during years in which the precipitation was similar to that which occurred in 1923.

The Engineering Department of the Board of Public Utilities of the City of Los Angeles has rendered vital and material assistance in this matter by furnishing the Commission with a special report on the water supply problems of Laurel Canyon. This report states that the city mains near the district have a surplus of water now available, which, with the Company's water resources, is amply sufficient for the present needs and the reasonable future demands of the consumers of Laurel Canyon Land Company; and that the Municipal Water Bureau of Los Angeles is willing and will permit the company to install a 2 inch connection with the city water main in the vicinity of Laurel Canyon Road and Sunset Boulevard. The defendant herein will be allowed to purchase any such surplus water available at that location provided the Water Bureau be not considered bound to deliver a fixed or specified amount of water, or be held liable or accountable for any damage or inconvenience caused by possible shortage or failure of its supply, and provided further that the Laurel Canyon Land Company shall derive no profit from the resale of water so obtained.

Concerning the purchase of water from the City of Los Angeles the report further states:

"This the Engineering Department of this Board feels is the most practical temporary solution for this problem, and farther, the Board is of the opinion that there can be no permanent solution for this problem until the City of Los Angeles incorporates Laurel Canyon into a municipal water district and supplies it with water from the municipal mains direct. Until that time, however, any plan that will afford adequate relief at the least possible cost to both the rate payers and the company is the one most desired."

The records of the Water Bureau of the City of Los Angeles show that during the months of July, August and September, 1923, there was a monthly average of approximately 3,627,000 gallons of water available for delivery to Laurel Canyon Land Company had there been at that time a connection with the city water main.

After a careful consideration of the evidence submitted it appears that the most practicable method for increasing the supply of water for delivery to consumers of this utility, until such time as the district is supplied by the City of Los Angeles, will be for the utility to install a connection with the city mains as suggested by the Engineering Department of the Board of Public Utilities. While it may be possible that the utility can increase its water supply to a limited extent by further development in the vicinity, either by the sinking of additional wells or the construction of an impervious wall in Laurel Canyon, it is by no means certain that such procedure would result in an additional supply of water equal to that which could be secured from the City of Los Angeles.

Defendant contends that several consumers located on the lower service levels and having large and extensive grounds laid out in lawns, gardens, and ornamental shrubbery, have used such excessive amounts of water that the consumers living on the

higher elevations have thereby been deprived of an adequate supply. However, it appears from the evidence that the Laurel Canyon Land Company promoted and developed this tract of land as a high class residential district and sold a portion of the land in large plots for the purpose of providing suitable and desirable surroundings for beautiful and permanent homes. Under such circumstances it would appear inequitable for this same company whose efforts were directly responsible for the existence of such conditions, to contend that the same large lawns and extensive gardens and grounds should now be deprived of sufficient water for their proper upkeep and maintenance. Furthermore, had these large home sites been sold as regulation city lots, the greater number of consumers thereby resulting would have created as great or perhaps a greater demand for water than exists under present conditions.

It is apparent that this utility cannot supply water to additional consumers without injuriously affecting the supply of those consumers who have heretofore been supplied by the system. The taking on of additional consumers, therefore, will be expressly forbidden until such time as an additional and adequate source of supply be obtained by the defendant herein.

#### O R D E R

Complaints having been made as entitled above against the Laurel Canyon Land Company, alleging inadequacy of water service furnished by that utility to its consumers, a public hearing having been held thereon, the matter having been submitted, and the Commission being now fully informed in the premises,

It Is Hereby Found as a Fact that the present water supply of the Laurel Canyon Land Company is inadequate to provide

properly for the reasonable requirements of its consumers; and basing the order on the foregoing finding of fact and the statements of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that Laurel Canyon Land Company be and it is hereby directed to file with this Commission within thirty (30) days from the date of this order, for its approval plans for increasing its present water supply, such plans to make provision for the acquisition within a reasonable time of a supply of water adequate for the reasonable requirements of its consumers.

IT IS HEREBY FURTHER ORDERED that upon receiving approval by this Commission of the plans submitted, Laurel Canyon Land Company shall proceed with due diligence to install the improvements so authorized and upon completion thereof shall so notify this Commission.

IT IS HEREBY FURTHER ORDERED that Laurel Canyon Land Company be and it is hereby directed to make no connections to its mains and pipe lines to supply additional consumers, until further order of this Commission.

Dated at San Francisco, California, this 1st day of February, 1924.

C. Sawyer  
H. B. Brundage  
Dwight Martin

Commissioners.