

Decision No. ¹³¹¹³~~14043~~

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
J. A. GRAVES)
for authorization and approval to)
sell that portion of his water system)
which lies within the City of Alhambra)
to the City of Alhambra, and to sell)
water to said City at wholesale, and)
for authorization for the City of Al-)
hambra to enter into the agreement)
above described.)

Application No. 9652.

O'Melveny, Millikin, Tuller & Macneil, by
Sayre Macneil, for applicant.

Grant M. Lorraine, City Manager, for City
of Alhambra.

BY THE COMMISSION:

O P I N I O N

J. A. Graves, applicant herein, owns a one-half interest in certain water rights, wells, tunnels, transmission pipe line and reservoirs located in the cities of Pasadena and San Marino, Los Angeles County. From this system applicant receives one half of the water developed, which is used to supply service, through a distribution system owned solely by applicant, to approximately 250 consumers within the incorporated City of Alhambra and three other consumers within the city limits of San Marino. It is the desire of applicant to sell and transfer to the City of Alhambra the entire distribution system and service connections within the city limits, and retain the service of water

to the three remaining consumers within the city limits of San Marino, namely, R. H. Lacy, E. S. Armstrong and H. F. Steward. Authority is also requested to enter into a contract with the City of Alhambra by which applicant agrees to furnish water to said city for a period of five years at a rate of six cents per one hundred cubic feet. The City of Alhambra joins in the application.

A public hearing in this matter was held before Examiner Williams at Los Angeles, after due notice thereof had been given so that all interested parties might appear and be heard.

The evidence indicates that the City of Alhambra proposes to purchase the Graves distribution system within the city limits for \$10,230.64, plus the sum of \$21.50 for each service installed as of January 1, 1924, over and above 227 services. The purchase price is to be paid from a bond issue approved by the voters of the City of Alhambra for that purpose. The City owns and operates its municipal water system and wishes to have all water distribution within its boundaries under its control. The acquisition of the Graves system will allow the City to make improvements which will not only benefit the consumers on the Graves system by a reduction in rates and improved service, but will also benefit the entire municipal system of Alhambra by reason of the acquisition of additional storage facilities and an increased supply through water purchased from the Graves system.

No one appeared at the hearing to contest the granting of the application and after careful consideration of all the evidence it is believed that the authority requested by applicants should be granted, subject to the conditions set out in the accompanying order.

O R D E R

J. A. Graves having applied to the Railroad Commission

for authority to sell his water distribution system and service connections within the city limits of Alhambra to the City of Alhambra and enter into a five-year contract with said City to supply water at a wholesale rate of 6 cents per 100 cubic feet, a public hearing having been held thereon, the matter having been submitted and being now ready for decision,

IT IS HEREBY ORDERED that J. A. Graves be and he is hereby authorized to sell to the City of Alhambra his water distributing system and service connections located within the limits of the City of Alhambra, Los Angeles County, excepting therefrom any pipes laid in Tract No. 2700, Los Angeles County records; also to enter into a contract for a five-year period to sell water to said City at a wholesale rate, all in accordance with the terms of the Bill of Sale and amended contract filed at the hearing of this application, and upon the following conditions and not otherwise:

1. The purchase price agreed upon between the applicants herein shall not be urged before this Commission or any other public body as a finding of value for rate fixing or any purpose other than the transfer herein authorized.
2. The authority herein granted shall apply only to such transfer as may have been made on or before July 31, 1924, and a certified copy of the instrument of conveyance shall be filed with the Commission by J. A. Graves within thirty (30) days of the date on which it is executed.
3. Within ten (10) days from the date on which J. A. Graves actually relinquishes control and possession of the properties herein authorized to be transferred, a certified statement shall be filed with this Commission indicating the date on which such control and possession was relinquished.
4. The contract between the parties hereto covering the sale of water by J. A. Graves to the City of Alhambra shall,

as is provided in General Order No. 53,
approved November 1, 1918, by the Rail-
road Commission of the State of Califor-
nia, at all times be subject to such
changes or modifications as the said
Commission may, from time to time, di-
rect in the exercise of its jurisdiction.

Dated at San Francisco, California, this 12th day
of February, 1924.

C. Seaver

H. B. Bondage

J. Whitney
Commissioners.