

Decision No. 13865

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
the TUSTIN WATER WORKS for permission
to make a loan.

Application Number 10190

Walter Rawlings, for Applicant.

BY THE COMMISSION :

OPINION

C. E. Utt and Margaret R. Utt, his wife, doing business under the firm name of Tustin Water Works, ask permission to execute a mortgage and to issue notes in the aggregate sum of \$40,000.00. Applicants intend to forthwith issue a \$10,000.00 three year seven per cent note and to secure the payment of such note by a mortgage which will be a lien on the following property :-

Lots Ten (10), Eleven (11) and Twelve (12) in Block Forty-six (46) of the Tustin Land and Improvement Company's Subdivision of a part of Tustin, as shown on a Map recorded in Book 13, page 81 of Miscellaneous Records of Los Angeles County, California. Reserving 20 feet for alley off the North end of the West one-half ($W\frac{1}{2}$) of said Lot Ten (10).

The \$10,000.00 which applicants have now arranged to borrow will be used for the general extension of their water system. Applicants have approximately 425 consumers connected with their water system. There is now no mortgage on the public utility properties. The operating revenues for 1923 are reported at \$6,116.37 and for 1922 at \$5,400.00. The operating expenses for 1923, including \$1,000.00 for depreciation, total \$4,581.90 and for 1922 \$3,604.22.

No arrangements have been made to borrow the remaining \$30,000.00. It is of record that if applicants undertake the construction of a reservoir it may be necessary for them to borrow in excess of the \$30,000.00. If it becomes necessary to borrow the additional \$30,000.00 applicants should file a supplemental application showing

the specific purposes for which they propose to expend the \$30,000.00.

ORDER

C. E. Utt and Margaret R. Utt, his wife, doing business under the firm name and style of Tustin Water Works, having asked permission to execute a mortgage and to issue notes, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for through the issue of the notes herein authorized is reasonably required by applicant,

IT IS HEREBY ORDERED, as follows :-

1. C. E. Utt and Margaret R. Utt, his wife, doing business under the firm name and style of Tustin Water Works, are hereby authorized to execute a mortgage substantially in the same form as the mortgage filed in this proceeding on July 27th. to secure the payment of the \$10,000.00 three year seven per cent note, the issue of which note is hereby authorized. The proceeds obtained from the issue of the note shall be used by applicants to pay for extensions, additions and betterments to their water properties.
2. C. E. Utt and Margaret R. Utt, his wife, may upon obtaining a supplemental order from the Commission, issue additional notes in the amount of not exceeding \$30,000.00.
3. C. E. Utt and Margaret R. Utt, his wife, shall keep such record of the issue and delivery of the notes herein authorized and of 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 Number 24, which order in so far as applicable is made a part of this order.

4. The authority herein granted to issue notes will become effective when applicants have paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$40.00.

5. Under the authority herein granted, no note may be issued after February 1, 1925.

DATED at San Francisco, California, this 4th day of August, 1924.

C. Leary
H. K. Brundage
Iwing Martin
Egerton Shore

Commissioners.

Fee \$40.00

Iwing Martin
Commissioner