

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Joint Application)
of the INGLEWOOD WATER COMPANY and the)
CITY OF INGLEWOOD, for an order grant-)
ing permission to said company to lease)
to said city, a certain portion of the)
water distributing system of said In-)
glewood Water Company, with the right)
and option to purchase the same, and)
for permission to convey unto the said)
City of Inglewood, by good and suffi-)
cient deed, the said portion of said)
system upon the exercise of said op-)
tion.)

Application No. 11116.

Harry Lee Martin, for Inglewood Water Company.

Garner White, Acting City Attorney, for City of
Inglewood.

BY THE COMMISSION:

O P I N I O N

In this proceeding, as entitled above, joint applica-
tion is made by the Inglewood Water Company, an incorporated pub-
lic utility, and the City of Inglewood, a municipal corporation,
for an order of the Commission authorizing the water company to
lease to the City with the right and option to purchase a certain
portion of its distribution pipe system, including the service
connections and meters thereon.

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

Heretofore, certain portions of the water distribution system and properties of Inglewood Water Company, including the water-bearing lands, pumping plant and well, were transferred and sold to the City of Inglewood, the Commission having authorized the transactions by its Decision No. 6960 in Application No. 5152, rendered November 28, 1919, and by its Decision No. 11735 in Application No. 8732, rendered March 1, 1923. By agreement, the Inglewood Water Company has the right to purchase and has purchased from the City of Inglewood at a fixed wholesale rate all the water required for serving its consumers on the portion of the system which it still retains and operates.

Recently the City of Inglewood annexed an additional area which is now being served by the Inglewood Water Company, and it is the purpose of this proceeding to permit the City to acquire the portion of the company's distribution system within the annexed area. The evidence shows that a few of the consumers having services connected to the distribution system it is now proposed to transfer, are located just outside the boundary line of the said City's incorporated territory, and that it would be impractical and difficult for the Inglewood Water Company to serve these few outside consumers from the mains of which it retains ownership. In order to provide these consumers with water service the City of Inglewood has agreed to take over this service and has also agreed to furnish water service to such other consumers as are similarly located. The portion of the distribution system, including 205 service connections, which it is proposed to lease and transfer in this proceeding is more particularly described and listed in the instrument entitled "Lease with the Option to Purchase", a copy of which is attached to the application and marked Exhibit "C". No protest was filed to the granting of this application and it appears that public convenience and necessity will be best served by granting the authorization sought.

O R D E R

The Inglewood Water Company and the City of Inglewood having made joint application to this Commission for an order authorizing the lease of certain public utility property to said City with the right and option to purchase same, a public hearing having been held thereon, and the Commission being fully informed in the premises,

IT IS HEREBY ORDERED that Inglewood Water Company be and it is hereby authorized to lease, with the right and option to purchase, to the City of Inglewood, that certain portion of its distribution system which is particularly described and listed in Exhibit "C" attached to the application herein and entitled "Lease with Option to Purchase", upon and in accordance with the conditions and stipulations and for the rentals and consideration as set out in said Exhibit "C" hereby referred to and made a part of this order.

IT IS HEREBY FURTHER ORDERED that in the event the City of Inglewood shall exercise its option mentioned above to purchase said properties, the Inglewood Water Company is hereby authorized to transfer and sell these certain properties to the City of Inglewood in accordance with the terms and conditions mentioned in said Exhibit "C" and upon the consummation of the transfer and sale thereof, it will be henceforth relieved of its public utility obligations within the territory served by this certain portion of its distribution system thus transferred.

The authority herein granted is upon the following conditions and not otherwise:

- (1) The authority herein granted shall apply only to such lease with the option to purchase as shall have been made on or before October 1, 1925, and to such transfer and sale as shall have been consummated prior to December 31, 1926.

- (2) Within ten (10) days after said lease with option to purchase has been made and executed, the Inglewood Water Company shall file with this Commission a verified copy of the lease, which must be of the same form and substance as said Exhibit "C".
- (3) Should the City of Inglewood exercise its right and option to purchase said properties as is contemplated under the terms of said lease, the Inglewood Water Company shall within ten (10) days after said sale and transfer is consummated, file with this Commission a verified copy of the instrument of conveyance which shall be substantially in the form of deed as set forth in Exhibit "D" attached to the application herein.
- (4) The consideration involved in this transfer shall not be urged before this Commission or any other public body as a measure of value for rate fixing purposes.

For all other purposes, the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 30th day of July, 1925.

W. B. Bunnell

George D. Quinn

Leon Whitehall
Commissioners.