

ORIGINAL

Decision No. 20646

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 MERCHANTS NATIONAL TRUST AND SAVINGS
 BANK OF LOS ANGELES, a national banking
 association, and CITY OF SAN CLEMENTE,
 a municipal corporation, for an order
 authorizing the sale of land, pumps,
 water and water rights, rights-of-way,
 pipe lines, etc. of the water system
 heretofore supplying water to the in-
 habitants of the City of San Clemente.

Application No. 15276.

BY THE COMMISSION:

OPINION

This is a request filed by Merchants National Trust and Savings Bank of Los Angeles, a national banking association, asking the Railroad Commission for authority to transfer to the City of San Clemente, a municipal corporation of the sixth class, which joins in the application, its domestic water system serving the inhabitants of the City of San Clemente.

It does not appear from the allegations in the application or from the records of the Commission that the Merchants National Trust and Savings Bank of Los Angeles has ever sold water for compensation, which would lead us to the conclusion that it has not been operating as a public utility. Ordinarily,

when the status of a firm or corporation is in question, we require that a public hearing be held so that the question can be determined upon facts presented in a formal way. However, in the present instance, it seems unnecessary to determine this question, in view of the fact that, even assuming the bank to be operating this water works as a public utility, the transfer of the properties from it to the city, as proposed, would not be detrimental to the public interest. We do not believe, therefore, that we should delay this transfer in order to hold a public hearing, and we believe that the requirements of the statute will be satisfied if we issue an order approving the transfer, in so far as our authority is required.

O R D E R

IT IS HEREBY ORDERED that Merchants National Trust and Savings Bank of Los Angeles, a national banking association, be and it is hereby authorized to transfer to the City of San Clemente, a municipal corporation of the sixth class, all those certain water rights, real properties, rights-of-way, reservoir sites, pumps, pipe lines and other appurtenances heretofore used in the furnishing of domestic water service to the inhabitants of said City of San Clemente, County of Orange, State of California, upon the following terms and conditions:

1. The consideration for the transfer herein authorized 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 shall have been made on or before the thirty-first day of January, 1929, and a certified copy of the final instrument of conveyance shall be filed with this Commission by Merchants National Trust and Savings Bank of Los Angeles within thirty (30) days from the date on which it is executed.

3. Within ten (10) days from the date on which Merchants National Trust and Savings Bank of Los Angeles actually relinquishes control and possession of the property herein authorized to be transferred, it shall file with this Commission a certified statement indicating the date upon which such control and possession were relinquished.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 5th day of January, 1929.

Leon Whittell
Al Seamy
Ernesto
John D. Douthett

Commissioners.