

LBM

Decision No. 25152

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
MACLAY RANCHO WATER COMPANY)
for order authorizing issue of note.)

Application No. 18383

BY THE COMMISSION:

OPINION AND ORDER

ORIGINAL

Maclay Rancho Water Company, a corporation engaged in the business of distributing water for domestic purposes in that portion of the City of Los Angeles known as Pacoima, has applied to the Railroad Commission for permission to execute a note in the principal amount of \$6,000.00.

It appears that Maclay Rancho Water Company on December 29, 1931 borrowed from Pacific Mutual Life Insurance Company of California the sum of \$6,000.00 to pay items of indebtedness as follows:-

STREET IMPROVEMENT BONDS:	
Principal	\$3,257.49
Interest	911.78
INTEREST ON NOTES	1,706.25
MISCELLANEOUS EXPENSES	<u>124.48</u>
TOTAL.....	<u>\$6,000.00</u>

The application shows that the company, in evidence of the amount, issued its \$6,000.00 note dated December 29, 1931 and due August 10, 1933, with interest at the rate of six percent per annum and pledged as security for the payment of the note a

certain promissory note and mortgage executed in its favor by the W. C. Hay Corporation, dated August 8, 1930, in the principal amount of \$13,750.00 payable on or before August 10, 1933, with interest at the rate of six percent per annum.

The issue of the \$6,000.00 note by applicant was not authorized by the Commission. It appears that the company's failure to obtain the consent of the Commission was through inadvertence and with no intent to evade the conditions of the Public Utilities Act. When the matter was called to its attention it filed this application requesting permission to issue its note.

The company has filed a copy of the proposed instrument under which it will issue the \$6,000.00 note, which shows that payment will be secured by the following described collateral:-

"That certain promissory note and mortgage made by W.C. Hay Corporation, a California corporation, in favor of Maclay Rancho Water Company, a corporation, dated August 8, 1930 in the sum of \$13,750.00 payable on or before August 10, 1933, with interest at the rate of six (6) percent per annum, payable quarterly; mortgage covering Block Forty-four(44) of the Maclay Rancho Ex-Mission of San Fernando, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 37, Pages 5 to 16 both inclusive of miscellaneous records of said County. Except the Southwesterly forty(40) acres thereof.

ALSO that portion of Wentworth (formerly Garfield) Avenue, vacated by Ordinance No. 66036(new Series) of said City, adjoining said Block Forty-four(44) on the Southeast, bounded on the Southwest by the Southeasterly prolongation of the Northeasterly line of that portion of Fenton(formerly Eleventh) Street extending Northwesterly from Wentworth (formerly Garfield) Avenue; on the Southeast by the center line of Wentworth(formerly Garfield) Avenue, and on the east by the prolongation of the Easterly line of Lot Eight(8) in Block Nine(9) of the Los Angeles Land and Water Co's Subdivision of a part of the Maclay Rancho as per map thereof recorded in Book 3, Pages 17 and 18 of Maps, in the office of the County Recorder of said County; Said mortgage recorded August 19, 1930 in Book 10147, Page 387 of Official Records, Los Angeles County, California. Said Note and Mortgage have been duly assigned to The Pacific Mutual Life Insurance Company of California."

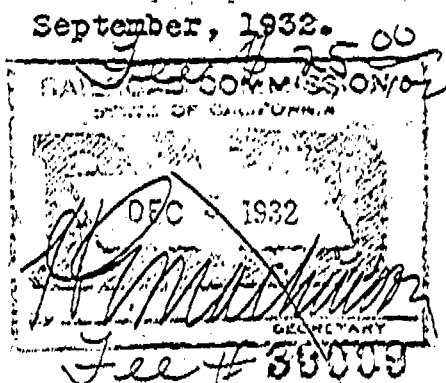
The Commission has given consideration to this application and is of the opinion that this is not a matter in which a public hearing is necessary and that the application should be granted as herein provided, and that the money, property or labor to be procured or paid for through the issue of the note, is reasonably required by applicant, therefore,

IT IS HEREBY ORDERED, that Maclay Rancho Water Company, on and after the effective date of this order and prior to December 1, 1932, be, and it hereby is, authorized to execute a note in the principal amount of \$6,000.00 payable on or before August 10, 1933, with interest at not exceeding six percent per annum, and to pledge the properties referred to herein to secure the payment of the note.

The authority herein granted is subject to the following conditions:-

1. Applicant shall keep such record of the issue of the note as will enable it to file within thirty(30) days thereof a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.
2. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five(\$25.00) Dollars.

DATED at San Francisco, California, this 10th day of September, 1932.



C. S. ...
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Commissioners.