

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA:

In the matter of the Application of
TITLE GUARANTEE AND TRUST COMPANY,
as Trustee for the bondholders of
Glendale Consolidated Water Company,
and of RALPH ROGERS; for leave to
sell to the City of Los Angeles,
and of the CITY OF LOS ANGELES to
purchase pipe lines, connections,
meters, franchises and rights-of-way
connected with the water systems of
Title Guarantee and Trust Company
and Ralph Rogers, located principally
within the corporate limits of the
city of Los Angeles.

ORIGINAL

Application No. 1167.

Decision No. 1627

W. G. Cooke for Title Guarantee and Trust Company and
Ralph Rogers.

H. S. McCallum for water consumers in and about Bairdstown.

THELEN, Commissioner.

OPINION.

This is a petition for authority to sell certain water systems to the city of Los Angeles. The hearing was held in the city of Los Angeles on June 23, 1914.

The petition alleges, in effect, that Title Guarantee and Trust Company, as trustee for the bondholders of Glendale Consolidated Water Company, became the owner under purchase at foreclosure sale of all the property, water, water rights, pipe lines, reservoirs, franchises, rights-of-way and other property formerly belonging to and owned by Glendale Consolidated Water Company; that Title Guarantee and Trust Company, as trustee, is engaged in the business of distributing water in certain portions of Los Angeles, known as Herman District, York Valley District, Aurora District and Oak Hill District, as well as in five other municipalities; that Ralph Rogers is the owner of a water system in that portion of Los Angeles which is known as Glassell Park, and that he is now engaged in the business of distributing water to customers in said district; that a schedule of the property which Title Guarantee and Trust Company desires to sell to the city of Los Angeles is attached to the petition and marked "Exhibit B," and

that a schedule of the property which Ralph Rogers desires to sell to the city of Los Angeles is attached to the petition and marked "Exhibit C"; that Title Guarantee and Trust Company is now serving 633 consumers from that portion of its system which it desires to sell to the city of Los Angeles, all of whom reside within the corporate limits of Los Angeles except one, who resides in South Pasadena, and ten who reside in unincorporated territory outside of Los Angeles; that Ralph Rogers is now serving 141 consumers from his system, and that all of them reside within the city of Los Angeles except two, who reside in unincorporated territory outside the city limits; that the city of Los Angeles has agreed to supply water to the customers residing outside of the city limits, if a sale is made as prayed for; that Title Guarantee and Trust Company and Ralph Rogers have agreed to sell the property described in the exhibits for the lump sum of \$19,375.00, to be paid for both water systems, whereof Title Guarantee and Trust Company shall receive \$16,375.00 and Ralph Rogers \$3,000.00; that the city of Los Angeles, through the Board of Public Utilities, has agreed to purchase the property described in Exhibits "B" and "C" and to continue the service of water to all customers therefrom and to pay the sum of \$19,375.00, of which \$5,000.00 is to be paid in cash and the balance in installments of \$5,000.00 or more within one year, with interest at the rate of 6 per cent on deferred payments; that the parties have agreed that upon payment of the first installment of \$5,000.00, Title Guarantee and Trust Company and Ralph Rogers will execute to the city of Los Angeles a lease and option for one year and will deliver possession of their respective systems; that the value of the property to be sold to the city of Los Angeles exceeds the agreed purchase price; that the water system to be sold by Ralph Rogers comprises the entire system now owned by him, except the reservoir on Tract No. 607; that the water system to be sold by Title Guarantee and Trust Company is only a portion of its entire system, but that the portion to be sold can be severed from the balance of the system without injury to the remaining water system;

and that if the sale is made there will be no interruption in the service of water to the consumers located on the pipe lines which are to be sold and that the transaction will result in better service and a more satisfactory condition than has hitherto prevailed.

Petitioners accordingly ask that this Commission make its order granting to them the right to sell to the city of Los Angeles the properties described in Exhibits "B" and "C", attached to the petition, and to the city of Los Angeles the privilege of purchasing said property.

The evidence at the hearing substantiated the allegations of the petition. It appears that Title Guarantee and Trust Company, as trustee, intends to sell to the city of Los Angeles its entire water system in and adjacent to the city of Los Angeles, except that portion which serves Bairdstown and the territory contiguous thereto. As soon as this territory is annexed to Los Angeles, it is the intention both of the city and of Title Guarantee and Trust Company that this water system also shall be purchased by the city of Los Angeles.

Mr. H. S. McCallum appeared in behalf of consumers living in and outside of Bairdstown, stated that he and his clients desired some assurance that as the result of the transfer they would not be any worse off than they now are and desired, if possible, to have them placed in a better position. It appears that there has been an inadequate supply of water in and about Bairdstown and that this condition has resulted from insufficient size of the mains and from inadequate pressure. While the sale to the city of Los Angeles will relieve the system of the Title Guarantee and Trust Company of a large demand, and will accordingly probably increase the pressure for the remaining customers of the company, the evidence seems to show that a permanent solution of the difficulty can be secured only by the installation of enlarged or additional water mains. Mr. Cooke, representing Title Guarantee and Trust Company, thought that possibly some arrangement might be made with the city by which, if

the Trust Company made the necessary additions and betterments, the city would pay for them at cost when it takes over the property. It occurs to me that this would be an equitable and desirable arrangement and that if it meets with the views of the city officials, the people of Bairdstown and vicinity will be able to secure a much improved water service even before the system is actually taken over by the city of Los Angeles. While this is not a proper proceeding in which to make an order touching this subject, I desire to draw the attention of the parties to this situation and its solution.

The order in this case will not be taken in any way as prohibiting the residents of Bairdstown and vicinity from making such application to this Commission for relief as they may be advised to make in case satisfactory arrangements for the improvement of the service cannot be made.

The price agreed to be paid was ascertained after careful appraisalment had been made on behalf of the city and is entirely satisfactory to the city authorities.

As a portion of the consumers of the water systems to be conveyed to the city reside outside of the city limits, it will be necessary for the city, as is usual in these cases, to file with this Commission a stipulation to the effect that it takes the property subject to all outstanding valid obligations.

At the suggestion of the Commission, the city's water department has prepared a much simpler description of the property to be taken over than that attached to the petition herein, which description is satisfactory to the city and will be embodied in the order herein.

I recommend that the application be granted and submit herewith the following form of order:

O R D E R .

TITLE GUARANTEE AND TRUST COMPANY, as Trustee for the bondholders of Glendale Consolidated Water Company, and RALPH ROGERS having filed their petition for an order of this Commission authorizing the sale to the city of Los Angeles for the sum of \$19,375.00, of certain public utility water properties, hereinafter more specifically described, and a public hearing having been held on said application, and the Railroad Commission finding that public convenience and necessity will be served by granting the application,

IT IS HEREBY ORDERED that Title Guarantee and Trust Company, as trustee for the bondholders of Glendale Consolidated Water Company, and Ralph Rogers be and the same are hereby authorized to sell to the city of Los Angeles those portions of their respective water systems which are located in the territory in and adjacent to the city of Los Angeles, said property being described as follows:

Beginning at the intersection of Cazadok Street and Avenue 30, thence along Avenue 30 to Verdugo Road, thence across the Verdugo Road to the west line of the San Fernando Road; thence along the west line of the San Fernando Road to Fletcher Street; thence along Fletcher Street to Moss Avenue; thence along Moss Avenue to the westerly line of Marguerite Street; thence along the westerly line of Marguerite Street and its production to the easterly line of Eastera Avenue; thence along Eastera Avenue to the northerly line of Marguerite Street; thence along Marguerite Street to Ferndale Avenue; thence along Ferndale Avenue to the westerly boundary of the Los Angeles Railway Company's right of way; thence along said right of way to the easterly side of Verdugo Road; thence southerly along the Verdugo Road to Commonwealth Avenue; thence along Commonwealth Avenue to the produced west line of Paseo Court; thence along the west line of Paseo Court to Arthur Street; thence along Arthur Street to the Verdugo Road; thence along Verdugo Road to the east line of Avenue 30; thence along the east line of Avenue 30 to the point of beginning.

A L S O,

Beginning at the junction of the east line of Verdugo Road with the Los Angeles Railroad right of way; thence along said right of way to West View Avenue; thence along West View Avenue to Campus Road; thence along Campus Road to its intersection with Annandale Avenue; thence along Annandale Avenue to the North City boundary; thence following the North City boundary to the production of a north line of Coringa Drive; thence along Coringa Drive to its intersection with the boundary line of the city of Los Angeles; thence along the boundary line of the city of Los Angeles to Stratford Street; thence easterly on Stratford Street to Milwaukee Street; thence on Milwaukee Street to Weaver Street; thence on Weaver Street to Bottsford Street; thence on Bottsford Street to Walnut Avenue; thence on Walnut Avenue to Eagle Rock Avenue; thence along Eagle Rock Avenue to San Pascal Avenue; thence along San Pascal Avenue to the south line of Pollard Street; thence westerly along Pollard Street to its western terminus; thence across Pollard Street to the northerly line; thence easterly along the northerly line to Pasqual Avenue and the production thereof to the boundary line of the city of Los Angeles; thence along said boundary line to the easterly line of Chestnut Avenue produced to meet said City Boundary; thence along the easterly line of Chestnut Avenue to Spaulding Street; thence southerly to Arroyo Verde Street; thence along Arroyo Verde Street to Marmion Way; thence along Marmion Way to the southerly line of Paseadero Monterey; thence along the southerly line of Paseadero Monterey to the boundary line of the city of Los Angeles; thence along the said boundary line to Lomitas Drive; thence on Lomitas Drive to Milford Street; thence along Milford Street to the east line of Paseadero Monterey; thence along Paseadero Monterey to "Avenue 60"; thence westerly ^{along} "Avenue 60" to Hays Avenue; thence along Hays Avenue to Pasadena Avenue; thence along Pasadena Avenue to "Avenue 57"; thence along "Avenue 57" to Paseadero Monterey; thence along Paseadero Monterey to Isleta Drive; thence on Isleta Drive to Wheeling Way; thence on Wheeling Way to

"Ladue Way"; thence along "Ladue Way" to Pullman Street; thence along Pullman Street to Hellman Street; thence along Hellman Street to "Avenue 60"; thence along "Avenue 60" to Paseadero Monterey.

EXCEPTING THEREFROM, that portion of York Boulevard between the west line of Milwaukee Avenue and the northerly line of Avenue 62.

ALSO--Aldama Street between Avenue 56 and Avenue 57.

ALSO--Aldama Street between Avenue 52 and Union Street.

ALSO--the reservoir on tract number 607 belonging to Ralph Rogers.

Title Guarantee and Trust Company, as trustee, and Ralph Rogers are also authorized, upon the payment of the first installment of \$5,000.00 on the purchase price of the above described property, to execute to the city of Los Angeles a lease and option for one year and to deliver to the city the possession of the property hereinbefore described.

The authority hereby given is conditioned, with reference to the sale, upon the payment by the city of Los Angeles of the sum of \$19,375.00 for the property ~~xxxxxxxxxxxxxxxxxxxxxxxxxxxx~~ and upon the filing by the applicants of a certified copy of such lease and deed as may be executed, and upon the filing by the city of Los Angeles of a resolution of its City Council stipulating that the city acquires the property subject to all outstanding obligations, including, among others, the rights of the present consumers located outside of the city limits of the city of Los Angeles.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 29th day
of June, 1914.

John McKeilman

H. D. Loveland

Ed. Gordon

Max Thelen

Edwin C. Edgerton

Commissioners.