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Decision No. _____

ORIGINAL

Decision No. 2892

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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In the matter of the Application of)
UNION HOLLYWOOD WATER COMPANY, a)
corporation, and the BOARD OF PUBLIC)
SERVICE COMMISSIONERS OF LOS ANGELES,)
a municipal corporation, for an order)
authorizing the lease of public utility)
property.)

Application
No. 1897.

Richard J. Culver for Union Hollywood Water Company;
W.B. Mathews for City of Los Angeles.

DEVLIN, Commissioner.

O P I N I O N.

In Decision No. 2607, dated July 16, 1915,
this Commission authorized UNION HOLLYWOOD WATER COMPANY
to lease, with option of purchase, that portion of its
water plant located within the City of Los Angeles, sub-
ject to the terms and conditions set forth in a contract
marked Exhibit "B" and attached to Application No. 1772.
Said contract also gives the City of Los Angeles an op-
tion to purchase that portion of the plant of the Union
Hollywood Water Company located outside of the city limits
of Los Angeles for the sum of \$38,000.00 plus the reason-
able value of all renewals, improvements, additions (includ-
ing services and meters), extensions and betterments subse-
quent to July 2, 1915.

In the application now before us, applicants
ask this Commission to approve a supplemental agreement

marked Exhibit "A" and attached to this application permitting Union Hollywood Water Company to lease to the City of Los Angeles that portion of its water plant located outside of the city limits of Los Angeles. The annual rental is fixed at \$1,000 per month.

(7)

The supplemental agreement amends option II of the initial contract marked Exhibit "B" and attached to Application No. 1772 by adding to the option price of \$38,000 the sum of \$1,810.00, representing the cost of improvements, additions and betterments subsequent to June 2, 1915 to that portion of the water plant of the Union Hollywood Water Company, which it now desires to lease to the City of Los Angeles; and the further sum of \$10,672.46 representing the agreed value of an auto car truck, pipe, pipe line, fittings and materials on hand. The agreement further provides that the sum of \$10,672.46 representing the cost of an auto car truck, pipe, pipe fittings and materials on hand shall be paid as follows: one-half on or before September 10, 1915 and the remaining one-half on or before October 10, 1915. Upon receiving payment, the water company agrees to give credit upon the said increased option price for the amount so paid and transfer the title to said auto car truck, pipe, pipe fittings and materials to the City of Los Angeles.

I find no objection to the transaction contemplated in the supplemental agreement marked Exhibit "A" and attached to this application, provided that the lessee will file with this Commission a stipulation that it will assume all the obligations of service from the leased system which at presents rests upon Union Hollywood Water Company and will give adequate and complete service to the consumers from this leased system and that the existing rate should not be increased without authority of this Commission.

I accordingly recommend that this application be granted and submit the following form of order.

O R D E R.


This proceeding having come on regularly for a hearing and the Commission being duly advised,

IT IS HEREBY ORDERED that Union Hollywood Water Company be, and it is hereby, authorized to lease and to sell its water system in accordance with the terms and conditions of that certain contract executed between Union Hollywood Water Company and the Board of Public Service Commissioners of the City of Los Angeles, copy of which contract is attached to this application in this proceedings and marked Exhibit "A" upon the following conditions and not otherwise:

- (a).- This order shall not become effective until the City of Los Angeles shall have filed with this Commission a stipulation that it will assume all the obligations of service from the leased system which at present rests upon Union Hollywood Water Company, and will give adequate and complete service to the consumers from this leased system.
- (b).- This order shall not become effective until the City of Los Angeles shall have filed with this Commission a stipulation that the existing rates will not be increased without authority of this Commission.

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 9th day of November, 1915.


Max Thelen
H. J. Hazard
W. H. ...
Edwin J. ...
Frank ...
Commissioners