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Decision No. \_\_\_\_\_

ORIGINAL

Decision No. 3265

BEFORE THE RAILROAD COMMISSION OF  
THE STATE OF CALIFORNIA.

In the matter of the application  
of CARMICHAEL IRRIGATION DISTRICT  
to fix the compensation to be  
paid for the water distributing  
system owned by L. A. HILBORN in  
Carmichael Colony No. 1.

Application

No. 2101.

Frank K. Atkinson, of Elliott & Atkinson,  
for Carmichael Irrigation District.

E. P. Hilborn for L. A. Hilborn.

BY THE COMMISSION.

O P I N I O N

The petitioner herein is an irrigation district and makes application in accordance with Section 47 of the Public Utilities Act, as amended, to take, under eminent domain proceedings, the public utility system hereinafter described and to have this Commission fix a price upon the water distributing system supplying Carmichael Colony No. 1. A general description of the property is as follows:

All that certain redwood stave pipe water system, together with all water pipes, main line and laterals, water connections and taps of every kind, nature and description, together with all equipments, tools and personal property of every nature kind and description, belonging thereto and used in connection with said water pipe system, together with all rights of way acquired and belonging to said system now being situated and located in and on that certain tract of land commonly known as The Carmichael Colony situated in Sacramento County, California - the above described pipe system being the same distributing system sold and conveyed by D. W. Carmichael of the County of Sacramento to the American Canon Water Company by bill of sale dated November 30, 1912.

Also all the right, title and interest of Lewis A. Hilborn in and to the following water contracts and agreements, to wit:

(1) Contract dated February 21, 1910, made by and between the American Canyon Water Company, party of the first part, American Irrigation Company, party of the second part, and D.W. Carmichael, party of the third part; acreage, 2069.42.

(2) Contract made November 30, 1912, by American Canyon Water Company, party of the first part, and D. W. Carmichael, party of the second part; acreage, 1126.64.

(3) Contract, Bill of Sale, and Agreement dated November 30, 1912, made by and between D. W. Carmichael, party of the first part, and American Canon Water Company, American Irrigation Company, and California Corporation, parties of the second part.

(4) Contract made May 21, 1910, between American Canon Water Company, party of the first part, American Irrigation Company, party of the second part, and H. A. Lewis, John C. Ing, and W. E. Trainor, the parties of the third part, acreage, 400.

(5) Contract dated November 16, 1910, between the American Canyon Water Company, party of the first part, American Irrigation Company, party of the second part, and W. E. Trainor, party of the third part; acreage, 270.

(6) Contract dated February 8, 1911, between American Canyon Water Company, party of

the first part, American Irrigation Company, party of the second part; and W. E. Trainor, party of the third part; 150.91 acres.

(7) Contract made on the 4th day of April, 1911, between American Canyon Water Company, as first party, American Irrigation Company, second part, and Orange Land Company, a corporation, third party; 158.69 acres.

(8) Contract made on the 27th day of May, 1911, between American Canyon Water Company, party of the first part, and Walter E. Trainor, party of the second part; 1272.00 acres.

(9) Contract made the 27th day of June, 1912, between American Canyon Water Company, party of the first part, and Walter E. Trainor, party of the second part.

The distributing system and the contracts hereinabove described are those conveyed to Lewis A. Hilborn by trustee's deed made July 6, 1914, by and between First Federal Trust Company, a corporation, trustee, named in that certain mortgage or deed of trust executed by American Canyon Water Company under date of July 1, 1909, party of the first part, and Lewis A. Hilborn of the County of Alameda, party of the second part, which said deed was recorded July 15, 1914, in Book 406 of Deeds, Page 231, Sacramento County Records.

The lands on which said system is located are included in what is known as Carmichael Colony No. 1, in the County of Sacramento, State of California, map of which said colony was filed for record in the office of the County Recorder of said County of Sacramento on March 11, 1910.

At a public hearing in Sacramento, March 8, 1916, testimony was introduced tending to show the value of different portions of the water distributing system.

No detailed records of original cost are obtainable. In Application No. 1701, which was a proceeding for the adjustment of rates and the testimony in

which was by stipulation made a part of the testimony herein, the statement was made, however, by L. A. Hilborn, the owner, that the original cost of the system in 1909 was \$35,087.00.

A valuation of the physical properties of this system was presented at the hearing by the Commission's hydraulic engineers and amounted to the following:

Reproduction cost ..... \$24,484.

Reproduction cost less  
depreciation ..... \$10,145.

The stipulation was made, however, that deferred maintenance and the cost of taking up some of the mains and relaying in other locations would materially reduce the worth of the system below reproduction cost less depreciation. It was estimated that these items would amount to about \$3,000.

No estimate was made of the value of water contracts or other rights owned by L. A. Hilborn in connection with this pipe system, and no opinion was expressed as to what extent consideration should be given them.

It is in evidence that an offer was made by L. A. Hilborn to sell the above property to the district for \$7,500, which price was considered as being reasonable by the attorney for the irrigation district.

We find as a fact that \$7,500. is a just compensation to be paid by the Carmichael Irrigation District to L. A. Hilborn for the property listed and described in this opinion.

O R D E R

CARMICHAEL IRRIGATION DISTRICT having applied to this Commission to fix a just compensation to be paid to L. A. Hilborn for the water distributing system described in the opinion herein, and a hearing having been held and being fully apprised in the premises,

The Commission hereby finds as a fact that Seventy-five Hundred (\$7,500.) Dollars is a just and equitable compensation to be paid by the Carmichael Irrigation District to L. A. Hilborn for the property described in the opinion hereto.

Dated at San Francisco, California, this 19<sup>th</sup> day of April, 1916.

Max Shelen  
H. D. Boardman  
Frank R. Doherty  
Commissioners.