

CEM

Decision No. _____

ORIGINAL

Decision No. 3819

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

---ooOoo---

In the Matter of the Joint Ap-
plication of FRANK S. LOOMIS
and the CITY OF SAN DIEGO, For
Authority to Transfer and Con-
vey a Water Distributing System
in the City of San Diego.

}
}
}
} Application No. 2581

T. B. Cosgrave, City Attorney, for Applicants.

BY THE COMMISSION.

O P I N I O N

Under this application Frank S. Loomis seeks authority to execute a certain lease and option to purchase, and also a deed, of his water distributing system, hereinafter more particularly described, to the City of San Diego, a municipal corporation. Copies of the proposed lease and option to purchase and also of the proposed deed, are annexed to the application in the above-entitled matter under the designation of "Petitioners' Joint Exhibit B".

The distributing system in question consists of water mains and laterals, gate valves, meters and other fittings used for distributing water for domestic purposes in that particular section of the City of San Diego commonly known as Beverly, a detailed description of which system is set forth in the order following this opinion.

Mr. Loomis at present buys his water at wholesale from the system known as the Encanto System, which system, in turn, purchases its water from the City of San Diego. Mr. Loomis retails his water at present to his consumers at the rate of 25¢ per thousand gallons, while the City furnishes water to its consumers for 8¢ per hundred cubic feet, and, according to the evidence of Mr. George Cromwell, City Engineer, the City intends to furnish water to the present consumers of Mr. Loomis at the same rate it charges its other consumers.

The lease, option and deed which Mr. Loomis desires authority to execute provide for the immediate leasing of the property of the distributing system to the City of San Diego for \$600.00, giving the City the option to purchase the system at a total price of \$1237.84 on or before January 15th, 1917, said initial payment of \$600.00 to apply upon said purchase price in event the City exercises its option. The practical effect of the execution of this lease would be that of an agreement to sell the property to the City for \$600.00 cash and \$637.84 additional on or before the 15th of next January.

It further appears that the so-called Encanto System and the system under consideration are the only privately owned water systems operating within the City of San Diego and that steps are being taken by the City to acquire the Encanto System as well. There appears to be no question but that the consumers served by the Beverly System will be at least as well served by the City and at approximately 40% of the present rate.

From the evidence of Frank S. Loomis it further appears that he is the sole owner of said system; that the

same is not mortgaged, and that it is free from liens, debts and all other encumbrances. The application should, in our opinion, be granted.

O R D E R

FRANK S. LOOMIS and the CITY OF SAN DIEGO, a municipal corporation, having applied to the Railroad Commission of the State of California for an order authorizing said Frank S. Loomis to execute in favor of said City of San Diego a certain lease and option to sell and a certain deed of the water distributing system referred to in the foregoing opinion, and a public hearing having been held, and it appearing to this Commission for the reasons set forth in said opinion that the application should be granted;

IT IS HEREBY ORDERED that said Frank S. Loomis be, and he is hereby, authorized to execute to the City of San Diego a certain lease and option to sell and a certain deed of that water distributing system in the City of San Diego commonly known as the Beverly Water System and comprising the following property:

	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Age in Years</u>
3" Std., black screw pipe				
dipped				
2" Std., " " main line,	2800	Lin.Ft.	0.323	6
pipe				
Dist.line,	5353	" "	0.157	6
1 1/2" " " " "	2309	" "	0.1105	6
1" " " " "	1790	" "	0.0685	6
3/4" Galvanized iron pipe	500	" "	0.071	6
3 inch expansion joint,	1	Each	9.00	6
3 " gate valve,	2	"	6.00	6
2 " " "	1	"	3.75	6
2 " meter Trident, Style 3,	1	"	60.00	6
1 " " Empire,	1	"	18.00	6
5/8 " " Trident,	6	"	9.60	6
5/8 " " Lambert,	10	"	8.60	6
3/4 " to 3 inch service cocks and ground, valves	70	"	0.875	6

The authority herein granted shall apply to the execution of a lease and option and a deed substantially in the form of the drafts of said instruments set forth under the designation of "Petitioners' Joint Exhibit B" and annexed to the aforementioned application.

Dated at San Francisco, California this 24th-
day of October, 1916.

Max Thelen

H. H. Howard

Alex Gordon

Edwin O. Edgerton

Frank R. Derbin

Commissioners.