

Decision No. _____

ORIGINAL

Decision No. 4241

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application
of INTERURBAN LAND COMPANY for
permission to sell, and of RIVER
STREET DITCH COMPANY for permis-
sion to buy that certain water
right and water ditch commonly
called "River Street Ditch" in
Ventura County, California, and
of River Street Ditch Company for
permission to issue \$5,000.00 par
value of its capital stock.

Application No. 2780.

Geo. E. Ferrand for applicants.

BY THE COMMISSION:

O P I N I O N

A public hearing was conducted by
Myron Westover, Examiner, on above application to trans-
fer to the River Street Ditch Company, a corporation, an
irrigating ditch about four miles long conducting water
from the Santa Clara River onto lands near Santa Paula,
Ventura County, and for said company to issue 50 shares of
its stock at par to procure the \$5000 purchase price.

The River Street Ditch, known also
as the Gries Ditch, was originally constructed many years
ago by the farmers of the vicinity. was later sold to the
Artesian Water Company, which subsequently sold it to

Interurban Land Company, the present owner, which purchased the ditch, right of way and right to divert 600 miner's inches of water in connection with a large ranch which it owns and operates. It supplies irrigation water to some 20 to 25 consumers who irrigate areas varying from 800 to 1000 acres of land. It now wishes to separate the public utility water business from its other operations.

The size of the ditch is roughly $4\frac{1}{2}$ feet wide and $2\frac{1}{2}$ feet deep, but cut in places to 6 or 7 feet deep. Its capacity is about 1200 miner's inches. The first mile is constructed through a former river bed, the material excavated being principally sand and large boulders. The next two miles are constructed through sandy loam soil and the fourth mile through a silty heavy soil.

Applicants were unable to show the original cost of the ditch. Mr. Jas. Armstrong, one of the Commission's assistant hydraulic engineers, made a rough estimate of the reproduction cost from the approximate data furnished at the hearing. His estimate is about \$4000 exclusive of right of way or any water rights.

River Street Ditch Company, a corporation, was organized in December, 1916, for the purpose of acquiring the ditch in question and engaging in the business of supplying irrigation water. Its capital stock is \$20,000 divided into 200 shares of the par value of \$100 each. It originally applied for authority to issue for cash 50 shares of its capital stock at the par value of \$100 per share, and use the proceeds in the purchase of the ditch, right of way and water right at the agreed price of \$5000. At the hearing it asked leave to amend the application to request authority to issue 5 shares

additional at par for cash, to cover organization expenses and qualification of directors. Leave to so amend was granted. Amendment to the application has since been filed. All of the stock proposed to be issued by River Street Ditch Company is to be taken and paid for by Thermal Belt Water Company, a mutual organization.

Thermal Belt Water Company caused the organization of the River Street Ditch Company to secure through the ditch in question a supplemental supply of water. It gave assurance at the hearing that the present rates and contracts for water will be carried out, and that it will discharge all of the obligations of Interurban Land Company to serve the public and will extend such public service through the River Street Ditch to the extent of said water right, as demand arises.

O R D E R

INTERURBAN LAND COMPANY and RIVER STREET DITCH COMPANY having applied to the Railroad Commission for the authority herein granted, and a public hearing having been held upon said application,

IT IS HEREBY ORDERED that Interurban Land Company be and it is hereby authorized and empowered to convey to River Street Ditch Company the irrigation ditch known as the "River Street Ditch" and also as the "Gries Ditch" conveying irrigation water from the Santa Clara River onto lands ^{near} Santa Paula in Ventura County, together with the right of way and water right used in connection therewith upon payment of the sum of \$5000 cash.

IT IS FURTHER ORDERED that said River Street Ditch Company be and it is hereby authorized and empowered to issue at par for cash 55 shares of its capital stock of the par value of \$100 per share and to apply \$5000 of the proceeds thereof in payment for the ditch, right of way and water right hereinabove described, and to apply \$500 or so much thereof as may be necessary to defray the expenses of its organization, for attorney's fees and other expenses.

The authority hereby granted is upon the following conditions, to-wit:

1. River Street Ditch Company shall assume and discharge all of the obligations to serve the public heretofore resting upon Interurban Land Company, and shall extend said public service as the demand arises therefor to the extent of its said right to divert and use the waters of Santa Clara River.

2. The authority herein granted to convey said property and to issue stock shall not be treated or considered in any proceeding before this Commission or any court, tribunal or public body as a finding by this Commission of the value of the property herein described for any purpose other than the purposes of this proceeding.

3. The authority hereby granted shall extend to only the delivery of such conveyance and to the issue of such stock as may be respectively delivered or issued within 30 days from date hereof.

4. Within 20 days after delivery of any such conveyance or the issue of any such stock, River Street Ditch Company shall report to the Commission in writing the fact and date of the delivery of said conveyance with a copy

thereof and also the fact and date of issue of said stock
with the information required under General Order No. 24,
which in so far as applicable is made part of this order. ⁴

Dated at San Francisco, California, this 11
day of April, 1917.

Max Thelen

Edwin O. Egan

Frank C. Decker
Commissioners.