

Decision No. _____

ORIGINAL

Decision No. 4328

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of F. A. WILSON and the CORTE)
MADERA WATER COMPANY for fixing)
and establishing rates in the)
Town of Corte Madera.)
-----)

Application No. 2751.

John J. Mazza for Town of Corte Madera.

BY THE COMMISSION:

OPINION ON PETITION FOR REHEARING

By Decision No. 4190 of March 19, 1917, the Commission fixed rates to be charged by F. A. Wilson, operating a public utility water system under the name of Corte Madera Water Company, for service of water in Corte Madera, Larkspur and vicinities, in the County of Marin, including a monthly rate of \$22.50 for fire service through 20 hydrants or less, and 50 cents through each additional hydrant installed.

The Town of Corte Madera filed a petition for rehearing, making objection to the rate fixed for fire

service and asking leave to introduce additional testimony on that question. The additional testimony and argument were heard on May 12th under the usual stipulation, to the effect that the testimony and argument then submitted would be considered by the Commission as the testimony and argument which would be submitted if the Commission should determine to grant a rehearing.

The additional testimony is to the effect that the assessed valuation of the property of the Town of Corte Madera for the last fiscal year was \$480,240.00, and that the total amount of the town's revenue for the year was:

General taxes.....	\$4,802.40
Penalties on delinquent	
taxes.....	27.87
Business licenses.....	454.90
Interest on deposits.....	3.80
Total - - - - -	<u>\$5,288.97</u>

The actual value of the property in the town was not developed nor was the percentage of actual value assessed, shown. It was stated, however, that the assessment was probably between 50 and 60 per cent of the actual cash value of the property. The necessary revenue can apparently be procured by raising the assessed valuation. The business licenses shown above did not cover a full year's period.

The Town of Corte Madera covers elevations ranging from about sea level to about 900 feet above sea level. Many of the hydrants are located upon high hills.

It was argued that the town having levied a rate of \$1.00 per \$100.00 of assessed valuation, the maximum limit permitted by law, the city is unable to raise additional

revenue, that its entire present revenue is required for purposes other than fire protection, and that the city is therefore unable to pay the flat rate for fire service fixed by the order. The answer to this argument is that the town should increase its assessed valuation, if necessary, to enable it to meet its proper obligations.

A similar question was before the Commission in the case of Eshelman v. Title Guarantee and Trust Company (Vol. 10, Opinions and Orders of the Railroad Commission, p. 680). The Commission, in its opinion on further hearing in that case, discussed quite fully the general subject of rates for fire service. It showed among other things, for purposes of comparison, a number of fire service rates fixed by California cities in various parts of the State, ranging in amounts from 25 cents to \$4.00 per month per hydrant. The rate heretofore fixed by the Commission for fire service supplied by Marin Municipal Water District, including service in a number of communities in Marin County similar to that of Corte Madera, is \$1.50 per month per hydrant.

After further careful consideration, we find that the rate for fire service established in said Decision No. 4190 is just and reasonable, and should stand.

O R D E R

The Town of Corte Madera having filed a petition for rehearing on the question of rates for fire service

and for leave to introduce additional testimony on said question, and said additional testimony and the town's argument having been received and the matter being now submitted and ready for decision,

IT IS HEREBY ORDERED that the petition for rehearing be, and the same is hereby denied.

Dated at San Francisco, California, this 21st
day of May, 1917.

Max Thelen
H. H. Howard
Edwin O. Edgerton
Franz R. Decker
Commissioners.