

ORIGINAL

Decision No. 6073.

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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In the Matter of the Application of)
DOWNEY LAND AND IMPROVEMENT ASSOCIATION) Application Number 4256.
for permission to sell water system to)
JOHN L. DOHERTY.)

J.H. Strine, for applicant.

LOVELAND, Commissioner.

O P I N I O N.

DOWNEY LAND AND IMPROVEMENT ASSOCIATION asks permission to sell and transfer properties described in Exhibit "1", attached hereto, to JOHN L. DOHERTY. He joins in this application.

Downey Land and Improvement Association was organized in 1905 for the purpose of handling the subdivision of a forty acre tract located north of Downey, Los Angeles County. To facilitate the sale of lots, the company installed a public utility water plant. The original cost of the water plant is reported at \$3,031.95 and the present estimated value at \$2,000.00. The system supplies water to about 22 residents. For the year ending December 31, 1917, the gross receipts from the water system are reported at \$463.15, the expenses at \$258.39, leaving net earnings of \$204.76. Downey Land and Improvement Association reports that it has no indebtedness and that it has issued \$11,500.00 of stock.

Since June 1, 1918, John L. Doherty has been in actual charge of the water system referred to herein. He has agreed to deliver to the company in exchange for its water system property

which he reports has a value of \$2,000.00, and being --

".....that certain property on West Second Street, being a part of Lot 14, Tract of the Downey Land Association, as per Book 2, Page 434, Miscellaneous Records of Los Angeles County."

Downey Land and Improvement Association is willing to accept this property as full payment for the properties which it intends to transfer to John L. Doherty.

The record shows that John L. Doherty is aware of the fact that he is undertaking to operate a public utility water plant. He believes that he will be able to finance any needed extensions and operate the water plant in a satisfactory manner.

I herewith submit the following form of Order:

O R D E R.

DOWNEY LAND AND IMPROVEMENT ASSOCIATION having filed with the Railroad Commission an application to sell and transfer a public utility water plant to John L. Doherty, and John L. Doherty having joined in the application, a public hearing having been held, and the Commission being of the opinion that this application should be granted:

IT IS HEREBY ORDERED that Downey Land and Improvement Association be, and it is hereby, granted authority to sell and transfer to John L. Doherty, a public utility water plant, described in Exhibit "I", attached hereto, it being understood that John L. Doherty will transfer to Downey Land and Improvement Association, in payment for its properties, the properties referred to in the petition herein.

The authority is granted upon the following conditions:

- (1).-- The consideration given for the properties herein authorized to be transferred shall not be taken before this Commission, or any other public body, as representing for rate fixing or any purpose, other than the transfer herein authorized, the value of the properties.
- (2).-- Within thirty days after the transfer of the properties herein authorized, John L. Doherty shall file with the Railroad Commission a verified copy of the instrument of conveyance.
- (3).-- The authority herein granted shall apply only to such properties as may be transferred on or before April 1, 1919.

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 20th day of January, 1919.

Edwin C. Egerton
H. J. Howard
Paul R. Weston
H. B. Bourdige

Commissioners.

EXHIBIT "1"

The properties which Downey Land and Improvement Association intends to sell and transfer to John L. Doherty are described in the petition herein as follows:-

"Lots Four (4), Five (5), and Six (6), of Block Two (2), Lot Nine (9) of Block Four (4), and Lot Nine (9) of Block Seven (7) of Downey Home Tract, as per map thereof recorded in Book 8, page 90 of Maps in the Records of said County; ALSO the well, tank, pump, pumping plant and all machinery and pipe, on or in said lot Nine (9), Block Seven (7), or connected thereto, and all meters, pipes, pipe lines, and the whole pipe and water distributing system joined to or in any way connected with said well, tank or pumping plant now owned or used by grantor to produce or distribute water to the various and several lots of said Downey Home Tract and the inhabitants thereof. ALSO all right heretofore reserved by said party of first part to lay gas, water and sewer pipes through the several lots of said Downey Home Tract heretofore sold by said party of the first part. SUBJECT to the duties and obligations of grantor to produce and furnish water to said Downey Home Tract and the several lots thereof, which duties and obligations of grantor, the grantee by acceptance hereof assumes and promises to perform."

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