

ORIGINAL

Decision No. 6348.

BEFORE THE RAILROAD COMMISSION OF
THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
LAGUNA CLIFFS WATER COMPANY,)
a corporation, and)
CATHERINE A. BROOKS,)
applicants, for permission for said)
Laguna Cliffs Water Company to sell)
and said Catherine A. Brooks to buy)
certain lands, water rights, ease-)
ments and water system devoted to)
the public service of water.)

Application Number 4514.

Joe W. Skidmore for Catherine A. Brooks,
E.G. Heisler and E.B. McKnight for Laguna Cliffs
Water Company.

BRUNDIGE, Commissioner.

O P I N I O N.

LAGUNA CLIFFS WATER COMPANY asks permission to sell its water system to CATHERINE A. BROOKS for the sum of \$3,000. A description of the properties is set forth in Exhibit "A" attached to the petition herein.

In general the properties to be transferred consists of all right, title and interest in and to water rights, rights-of-way, and easements described in a deed dated November 13, 1907, made by and between F. and W. Thum Company and Laguna Beach Company, which deed was recorded in Book 160 at page 158 of Deeds, in the office of the County Recorder of Orange County, California, together with all the water works, tanks, reservoirs, machinery, apparatus and pipes constructed, placed and laid upon the lands described in

the deed and the property used by Laguna Cliffs Water Company in the development and distribution of water in the vicinity of the town of Laguna Beach.

Catherine A. Brooks operates a public utility water plant in Laguna Beach. She joins in this application and asks permission to purchase the water properties now operated by Laguna Cliffs Water Company. It is alleged by applicants that their interests, as well as that of the public, will be advanced by the sale of the properties, that contiguous territory is being served by the two water systems, that through the consolidation of the two properties overhead expenses can be eliminated and that better and cheaper service can be given through one organization.

Catherine A. Brooks asks permission not only to purchase the properties, but also to issue three \$1,000 notes, one payable on January 1, 1922, another on January 1, 1923 and the third on January 1, 1924. Under the agreement of sale, Catherine A. Brooks may pay the \$3,000 prior to January 1, 1922. After January 1, 1922, the deferred payments bear interest at the rate of 6 per cent per annum.

I herewith submit the following form of Order.

O R D E R.

LAGUNA CLIFFS WATER COMPANY having applied to the Railroad Commission for permission to sell and transfer, and CATHERINE A. BROOKS to purchase, certain public utility water properties, and the latter to issue \$3,000 face value of notes in payment therefor, a public hearing having been held and the Commission being of the opinion that this application should be granted;

IT IS HEREBY ORDERED that LAGUNA CLIFFS WATER COMPANY be, and it is hereby, granted authority to sell the properties described in Exhibit "A" attached to the petition herein, to CATHERINE A. BROOKS, said sale to be made pursuant to the terms of the agreement attached to the petition herein and marked Exhibit "C".

IT IS HEREBY FURTHER ORDERED that CATHERINE A. BROOKS be, and she is hereby, authorized to issue \$3,000 face value of notes pursuant to the terms and conditions of the agreement of sale attached to the petition herein and marked Exhibit "C".

The authority herein granted is upon the following conditions and not otherwise.

- 1.-- Within thirty days after the execution by the petitioners herein of an instrument of conveyance transferring the properties herein referred to, a certified copy of such instrument of conveyance shall be filed with the Railroad Commission by Catherine A. Brooks.
- 2.-- The issue of the notes herein authorized shall not be interpreted by the purchaser of the properties as a measure of value of said properties for rate-fixing or any purpose other than the transfer herein permitted.
- 3.-- Catherine A. Brooks shall keep such record of the issue of the notes herein authorized and of the disposition of the proceeds as well enable her to file on or before the twenty-fifth day of each month a verified report, as required by the Railroad Commission's General Order Number 24, which order, in so far as applicable, is made a part of this order.

4.-- The authority herein granted shall not become effective until Catherine A. Brooks has paid the fee prescribed by Section 57 of the Public Utilities Act.

5.-- The authority herein granted shall apply only to such notes as may be issued on or before September 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
22nd day of May, 1919.

Edwin O. Edgert
H. B. Brundage
James Watson

Commissioners.

