

ORIGINAL

Decision No. 28718

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
GARDENS WATER CORPORATION)	
for permission to issue capital)	
stock and for certificate of public)	Application No. 19210
convenience and necessity and for)	
approval of rate schedule.)	

Schauer, Ryon, Goux and McMahon, by
Fred H. Schauer, for applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Commission is asked to enter its order (a) granting a certificate of public convenience and necessity permitting Gardens Water Corporation to construct, maintain and operate a public utility water system in the area described in Exhibit "B" attached to the petition in this proceeding; (b) authorizing applicant to issue 453 shares of its no par capital stock for the purposes hereinafter stated; and (c) to charge certain rates for water.

It is of record that the Realty Subdivision Company subdivided a tract of land known as Subdivision No. 1 of Oak View Home Gardens located in Ventura County on the Ventura-Ojai Highway about nine miles from Ventura. The City Building and Loan Association of Santa Barbara has recently come into possession of the properties through foreclosure proceedings. The former owners had installed a well and distributing system on the tract. The well has proven inadequate. The present owners have installed a new well and contemplate the installation of other improvements.

The properties which the City Building and Loan Associa-

tion proposes to transfer to the Gardens Water Corporation consist of real and personal property located in and on Oak View Home Gardens Subdivision No. 1, being a subdivision of part of lots 33 and 34 of the Robinson, Fawcett and Dean Subdivision, as said lands are shown upon the plat and described by the field notes recorded in Volume 1, page 32, seq., County Surveyor's records in the office of the County Surveyor of Ventura County, State of California.

In Exhibit "B" as amended at the hearing, applicant reports the value of the properties now installed at \$7,581.62. R. E. Savage, an assistant engineer for the Commission, estimates the original cost of the properties at \$11,020.00 and the original cost depreciated at \$7,688.00. According to R. E. Savage's report, the distribution mains comprise 7,586 lineal feet of main, varying from 1-3/4 inches to 4 inches in diameter. Storage consists of two tanks with a total volume of 120,000 gallons. At present there are 65 services on the system. In exchange for these properties, Gardens Water Corporation proposes to issue 299 shares of its no par common capital stock. For the purpose of paying for the properties, it has placed a value of \$25.00 per share upon the stock. The company also seeks permission to issue 3 additional shares of stock to its incorporators and directors and 151 additional shares for the purpose of installing improvements to the existing properties. It intends to install a new pump in the well located on lot 178 and lay a 5 inch wrought iron pipe on Oak View Avenue to connect the new well to the distribution system and storage tanks. The cost of these two improvements is estimated at \$1,800.00. The balance of the proceeds will be used to install meters and for working capital.

The Board of Supervisors of Ventura County has granted to Gardens Water Corporation a permit (Exhibit "2") to lay water

pipes in the "following streets of Subdivision No. 1 of Oak View Home Gardens, namely, Oak View Avenue, Valley Road, Mountain View, Olive, Apricot, Bundren, High and Prospect Streets and that portion of the Ventura and Oaji Boulevard crossing said subdivision, providing that immediately following the installation of said pipe lines, said avenue, road, streets and boulevard be restored to the same condition as before the installations were made."

While the water properties which applicant desires to acquire were installed in 1927, it is of record that they have not to date been operated as a public utility. It is the intention of the City Building and Loan Association, which as stated has acquired the properties through foreclosure proceedings, to transfer the same to applicant, which will operate them as a public utility.

No one appeared at the hearing to protest the granting of this application, nor did any one object to the rate schedule set forth in the order following.

At this time none of the services are metered. Applicant desires permission to charge a meter rate in the event it finds it necessary to install meters to conserve its water supply and reduce its operating expenses.

ORDER

The Commission having been asked to enter its order as indicated in the foregoing opinion, a public hearing having been held before Examiner Fankhauser and the Commission having considered the evidence submitted at said hearing and being of the opinion that this application should be granted as herein provided, therefore,

IT IS HEREBY DECLARED BY THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA, that public convenience and necessity require

and will require Gardens Water Corporation to acquire, construct, maintain and operate a public utility water system in the area described in Exhibit "B" filed in this proceeding, and to exercise the rights and privileges granted to it by the Board of Supervisors of Ventura County on December 1, 1933 (Exhibit "2").

IT IS HEREBY ORDERED, that Gardens Water Corporation be, and it is hereby, directed to file with the Railroad Commission within thirty (30) days from the date of this order, the following schedule of rates to be charged for all service rendered subsequent to the 31st day of January, 1934:

MONTHLY FLAT RATES

1. Residences, boarding houses, apartments, lodging houses, tenements and flats of six rooms or less, including one toilet and one bath.....\$1.50
 For each additional room..... .10
 For each additional bath, toilet or urinal..... .20
 Additional for private barn and dairy with not more than two horses, cows or goats..... .50
 For each additional horse, cow or goat..... .15
 For each 100 chickens, or other fowl, or a fractional part of 100, over the first 100 chickens or other fowl..... .10
2. Sprinkling or irrigation of lawns, shrubbery, trees, gardens, etc., per square yard actually under irrigation and payable each month of the year that irrigation is used in excess of 200 square yards..... .003
3. Small stores, shops or offices..... 1.50
4. Drug stores, bakeries and confectioneries..... 2.00
 Additional for soda fountain service..... 1.00
5. Lumber yards..... 3.00
6. Barber shops, one chair..... 1.50
 Each additional chair..... .50
 Additional for public bath, each tub or shower..... .75
7. Restaurants and eating houses, base rate..... 3.00
 Additional for soda fountain service..... 1.00
8. Service stations, base rate..... 2.50
 Additional for each toilet..... .25
 Additional for wash rack..... 1.00
9. Garage, base rate..... 2.50
 Additional for wash rack..... 1.00
 Additional for each toilet..... .25

10. Construction Work:
- | | |
|---|--------|
| For each 1,000 bricks laid..... | \$.25 |
| Concrete sidewalks and floors, each 100 square feet of construction work..... | .25 |
| Concrete curb, per lineal foot..... | .25 |
| For other purposes, per barrel of cement..... | .15 |
| Graded streets, water used in settling streets, per 100 lineal feet..... | 1.00 |
11. Service connections on vacant lots..... 1.50
- Sprinkling or irrigation of lawns, shrubbery, trees, gardens, etc., per square yard actually under irrigation in excess of 200 square yards, and payable each month of the year that irrigation is used..... .003

METER RATES

Monthly Minimum Charges:

5/8 to 3/4 inch meter.....	\$1.50
3/4 inch meter.....	2.00
1 inch meter.....	3.00
1 1/2 inch meter.....	7.50
2 inch meter.....	10.00

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to the quantity of water which that minimum monthly charge will purchase at the following "Monthly Quantity Rates."

Monthly Quantity Rates:

From 0 to 2,000 cubic feet, per 100 cubic feet....	\$0.20
From 2,000 to 10,000 cubic feet, per 100 cubic feet....	0.175
All over 10,000 cubic feet, per 100 cubic feet....	0.15

IT IS HEREBY FURTHER ORDERED, that Gardens Water Corporation be, and it is hereby, directed to file with the Railroad Commission within thirty (30) days from the date of this order, rules and regulations governing relations with its consumers, said rules and regulations to become effective upon their acceptance for filing by the Railroad Commission.

IT IS HEREBY FURTHER ORDERED, that Gardens Water Corporation be, and it is hereby, authorized to issue on a basis of not less than \$25.00 per share, 453 shares of its no par common capital stock

for the following purposes:

1. Three (3) shares of said stock may be sold to applicant's incorporators and directors and the proceeds used to pay organization expenses.
2. Two Hundred Ninety-Nine (299) shares of said stock may be delivered to City Building and Loan Association in full payment for the properties described in Exhibit "B" filed in this proceeding.
3. One Hundred and Fifty-One (151) shares of said stock may be sold to City Building and Loan Association and the proceeds used to pay for the improvements referred to in this application and for working capital.

IT IS HEREBY FURTHER ORDERED, that within thirty (30) days after the effective date hereof Gardens Water Corporation shall file with the Commission a certified copy of the deed under which it acquires and holds title to said properties.

IT IS HEREBY FURTHER ORDERED, that Gardens Water Corporation shall file with the Railroad Commission reports such as are required by the Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.

IT IS HEREBY FURTHER ORDERED, that the authority herein granted will become effective twenty (20) days after the date hereof, and that under such authority no stock may be issued after December 31, 1934.

DATED at San Francisco, California, this 15th day of January, 1934.

J. C. Kearney
Leon A. Whittell
M. A. Ann
W. B. Harris
Arthur M. ...

Commissioners.