

Decision No. 27801

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of  
PALM SPRINGS WATER COMPANY, a cor-  
poration, for authority to execute a  
contract with the Southern Pacific Rail-  
road Company, a corporation, and the  
Southern Pacific Company, a corporation.

Application No. 19831.

C.L. McFarland, for Applicant.

C.W. Cornell, for Southern Pacific Company  
and Southern Pacific Railroad Company.

BY THE COMMISSION:

O P I N I O N

This is an application on behalf of the Palm Springs Water Company, a corporation, supplying water to the residents of Palm Springs and vicinity, Riverside County, asking for authority to execute a contract with the Southern Pacific Railroad Company, a corporation, and Southern Pacific Company, a corporation.

A public hearing in this matter was held before Examiner MacKall at Palm Springs.

According to the evidence, the increased growth of Palm Springs during the past few years has placed such a demand upon this utility's existing water supply that it is now unable to serve adequately its present consumers. Since 1930 the metered users have increased 208 in number, of which 110 new patrons were given service during the past year of 1934. During the past two years efforts have been made by the company to obtain additional

water from wells; however, after an expenditure of approximately five thousand dollars (\$5,000) on two wells which produced no water at all, this possible source was abandoned.

Palm Springs Water Company heretofore had obtained a permit from the Division of Water Resources of the State of California to appropriate and divert one and one-half ( $1\frac{1}{2}$ ) second feet or seventy-five (75) miner's inches of water from Snow Creek, a stream having its source on the slopes of Mt. San Jacinto, in Riverside County, subject to a prior appropriation of three and two-tenths (3.2) second feet held jointly by the Southern Pacific Company, a corporation, and the Southern Pacific Railroad Company, a corporation,<sup>(1)</sup> in the same stream. However, attempts on the part of applicant to develop and divert water from Snow Creek were enjoined by Nev-Cal Electric Securities Company which claimed prior diversion rights in Snow Creek by reason of certain purported appropriations and through ownership of certain lands riparian to said creek. In order to avoid further litigation on this stream and to secure the immediate use of as much water as possible, applicant entered into an agreement under date of September 12, 1934, supplemented by an agreement dated October 30, 1934, (Exhibits Nos. 3 and 4, respectively) with said Nev-Cal Electric Securities Company wherein and whereby the Water Company for the sum of six thousand dollars (\$6,000) purchased 800 acres, more or less, of riparian lands of said Securities Company and as between the two parties agreed upon their respective rights thereunder to divert and appropriate waters of

---

1. For convenience, the joint rights of these two corporations will be referred to hereafter as Southern Pacific Company.

Snow Creek.

The Southern Pacific Company claims the right to the first three and two-tenths (3.2) second feet flow of Snow Creek and diverts water therefrom through its own pipe line consisting of approximately 15,000 feet of 8-inch main running from the point of diversion to Palm Springs Station situated in the floor of the valley on the main line of its railroad. In order to obtain the necessary rights of way and to satisfy the prior claims of the Southern Pacific Company, applicant has been forced to enter into an agreement with said company adjusting the respective rights of the two parties to divert and appropriate the waters of Snow Creek and providing further for the joint use of the pipe line and facilities of the Railroad Company. At present the Railroad Company is using not in excess of one (1) second foot of water through its Snow Creek pipe line for tank, engine, and station service at Palm Springs Station with occasional use and demand for water for tank-cars and also for use at the Railroad Company's Garnet Station and other incidental railroad uses. It appears therefore, according to the testimony, that there should be an ample surplus of water not required by the Southern Pacific Company which under the proposed contract will be made available for use by Palm Springs Water Company.

Mr. Raven, one of the engineers for the Southern Pacific Company, testified that the estimated capacity of the Southern Pacific pipe line at its present point of diversion in excess of the combined rights of the Southern Pacific Company and the Water Company is four and seven-tenths (4.7) second feet. This capacity should be increased considerably by the installation by the Water Company of a proposed extension of 6,300 feet of 10-inch main

which will permit diversion at a higher elevation and also eliminate the present large amount of loss of water through natural channel seepage.

The agreement which applicant desires to be granted permission to enter into with the Southern Pacific Railroad Company and the Southern Pacific Company provides for the joint use of the Snow Creek pipe line now owned by the Southern Pacific Company, the right to extend the present pipe line to a new intake, and the right to carry all waters which the said Water Company may be entitled to divert in Snow Creek through said pipe line, together with the right to use at any and all times such surplus waters as may not be required by the Southern Pacific Railroad Company for its own uses through the above facilities. As the Palm Springs Station is several miles from the reservoir of the Water Company located in the Town of Palm Springs, it will be necessary for applicant to install and maintain a connecting pipe line from said tank to the reservoir. This installation, together with the extension of the pipe line from the present point of diversion and the installation of the necessary diverting facilities, is estimated to require an expenditure on the part of applicant of approximately ten thousand dollars (\$10,000). In view of the money already spent in the fruitless endeavor to obtain water from other sources, applicant is willing to make this expenditure in order to obtain water from the known developed source and avoid the alternative of constructing an independent pipe line.

The proposed contract provides, among other things, that, in consideration for the joint use of the present Snow Creek water facilities of the Southern Pacific Company and its surplus waters, Palm Springs Water Company shall pay for all necessary costs of installation of additional pipe lines and structures,

shall maintain at its own expense the entire pipe line from point of diversion to the Palm Springs Station tank and will permit the title of the entire Snow Creek pipe line as extended to remain in the Southern Pacific Company. In addition to this, the Water Company also agrees to pay for the salary of a caretaker to look after said Snow Creek system provided said salary shall not be in excess of fifty dollars (\$50.00) per month. The term of this agreement is for a period of four years and six months from and after the twenty-fourth day of December, 1934, and provides further that said agreement shall continue in full force and effect thereafter until terminated by either party upon the giving of six months' notice to that effect. Although the fixed duration of this proposed agreement is for a rather short period of time, yet the mutual advantages accruing thereunder to each of the parties interested indicate that undoubtedly it will be continued in effect for at least a considerable number of years in the future. As there is no other public utility water system operating in this area capable of providing proper service to the community of Palm Springs and vicinity and no other known local source of additional water available in adequate quantities other than from Snow Creek, it appears that the authority requested should be granted.

#### O R D E R

Palm Springs Water Company, a corporation, having made application as entitled above, a public hearing having been held thereon, the matter having been duly submitted and the Commission being now fully advised in the premises,

IT IS HEREBY ORDERED that Palm Springs Water Company, a

corporation, be and it is hereby authorized to enter into an agreement with the Southern Pacific Railroad Company, a corporation, and the Southern Pacific Company, a corporation, in substantially the same form as the copy of the proposed agreement by and between said parties as set out in Exhibit "A" attached to the application herein which is hereby made a part of this Order by reference.

IT IS HEREBY FURTHER ORDERED that Palm Springs Water Company, a corporation, file with this Commission, within twenty (20) days from the date of its execution, two certified copies of the agreement as finally consummated.

The authority herein granted shall become effective upon the date hereof.

Dated at San Francisco, California, this 8<sup>th</sup> day of March, 1935.

Leon A. Whelan

W. B. Harris

W. B. Harris

Commissioners.