

Decision No. 16376

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
T. H. FORSHEY and LAURA FORSHEY
for an order authorizing them to sell
water utility, and Ford L. Howland,
Mayme J. Howland and W. Lavern How-
land to purchase said water utility
and for an order approving execution
of trust deed and chattel mortgage upon
said utility by Ford L. Howland, Mayme
J. Howland and W. Lavern Howland.

Application No. 21536

ORIGINAL

BY THE COMMISSION:

OPINION AND ORDER

This is an application for an order of the Railroad Commission authorizing T. H. Forshey and Laura Forshey to sell a public utility water system located near El Monte to Ford L. Howland, Mayme J. Howland and W. Lavern Howland and authorizing the purchasers to execute a chattel mortgage, a deed of trust and a promissory note for \$6,400. in payment for said system.

It appears that T. H. Forshey and Laura Forshey, doing business under the firm name and style of Valley Center Water Company, are, and for some time have been, engaged in supplying water for domestic purposes in Tract 7700, Los Angeles County, near El Monte, having acquired the water properties they now operate, from Robert Hicks pursuant to authority granted by the Commission by Decision No. 21980 dated January 3, 1930, in Application No. 16140. Their financial reports filed with the Commission show 60 consumers and gross revenues of \$1,344.70 for 1936; 40 consumers and gross revenues of \$782.10 for 1935; and 42 consumers and gross revenues of \$898.15 for 1934.

The present application sets forth that T. H. Forshey and Laura Forshey have made arrangements to sell the water system to Ford L. Howland, Mayme J. Howland and W. Lavern Howland for the sum of \$6,400. to be evidenced by a 7% note in the amount of \$6,400. payable in monthly

installments of \$75. secured by a chattel mortgage and by a deed of trust. Copies of the proposed instruments are attached to the application. The properties subjected to the liens of the indentures include Lot 16 of Tract No. 7700, 1 turbine pump, 1 pressure tank, 62 meters and approximately 5700 feet of 1½", 3" and 4" pipe and other equipment and personal property.

The records of the Commission show that Ford L. Howland at this time is engaged in the operation of two public utility water systems, one known as the Valley Water System and the other as Mariposa Wells, which are located in the San Gabriel Valley near El Monte and Temple City.

The Commission has considered the present application and is of the opinion that it should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of the note is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:-

1. T. E. Forshey and Laura Forshey may sell and transfer, after the effective date hereof and prior to February 1, 1938, to Ford L. Howland, Mayme J. Howland and W. Lavern Howland the water system known as Valley Center Water Company, referred to in this proceeding.

2. Ford L. Howland, Mayme J. Howland and W. Lavern Howland may execute a chattel mortgage and a deed of trust in substantially the same form as those filed with the application herein, provided that the authority here given is for the purpose of this proceeding only and is given only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said chattel mortgage and said deed of trust as to such other legal requirements to which they may be subject.

3. Ford L. Howland, Mayme J. Howland and W. Lavern Howland may issue a note in the principal amount of not exceeding \$6,400. payable in monthly installments of \$75. with interest at not exceeding 7% per annum in payment for the properties herein authorized to be transferred to them.

4. Ford L. Howland, Mayme J. Howland and W. Lavern Howland, within 30 days after acquiring the properties referred to herein, shall file with the Commission (a) a copy of the note as issued, (b) a statement showing the exact date upon which they acquired and commenced operating the Valley Center Water Company, and (c) a copy of each deed or other instrument of conveyance.

5. The authority herein granted shall become effective when Ford L. Howland, Mayme J. Howland and W. Lavern Howland have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five(\$25.00) Dollars.

DATED at San Francisco, California, this 6th day of December, 1937.

Walter H. Hays
Leon Abbeville
Frank R. Hays

Commissioners.

\$25.00
7-10-37
W. L. Howland