

Decision No. 30628

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
CLARA STREET WATER CO.,
a corporation, for a certificate of public
convenience and necessity covering addi-
tional territory to that heretofore granted
it, and petition of Earl Dimmitt, Bertha
V. Dimmitt, Kelis Gephart, Clydena Gep-
hart and Clara Street Water Co. for a permit
to exchange and issue stock for certain
water systems, pumping plants and wells,

ORIGINAL
Application No. 21730

C. F. Culver, for applicants.
C. Edwin Adams, for Park Water Company.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Commission is asked to enter its order granting to Clara Street Water Co. a certificate of public convenience and necessity to construct, maintain and operate a public utility water system in the following described territory:-

Commencing at a point in the northeast corner of Tract No. 180, which point is also on Florence Avenue; thence easterly along Florence Avenue to the Compton-Jaboneria Road; thence northeasterly along Compton-Jaboneria Road to Gage Avenue; thence easterly along Gage Avenue to the westerly line of the Southern California Edison Company's right of way; thence southerly along the westerly line of the Southern California Edison Company's right of way to the northerly line of Lot Eight of the I. Heyman Tract; thence easterly along the northerly line of said Lot Eight of the I. Heyman Tract to the northwesterly line of the Los Angeles Flood Control Channel of the Rio Hondo River; thence southwesterly along said northwesterly line of the Los Angeles Flood Control of the Rio Hondo River to the north line of the Southern Pacific Railroad Company's right of way; thence westerly along said northerly line of said right of way to the easterly line of the right of way of the Southern California Gas Company; thence northerly along the easterly line of said right of way of said Southern California Gas Company to its intersection with the north line of Clara Street; thence easterly along the north line of Clara Street to the easterly line of Tract No. 180; thence northeasterly along the easterly line of said Tract No. 180 to the place of beginning; also Tract No. 1927 as per map recorded in the office of the County Recorder of Los Angeles County.

The Commission is also asked to enter its order authorizing Clara Street Water Co. to issue \$500.00 par value of its common capital stock to Earl Dimmitt and Bertha V. Dimmitt in payment for a well and equipment appurtenant thereto and to issue to Kelis Gephart and Clydena Gephart \$500.00 par value of its common capital stock in payment for a well and equipment appurtenant thereto.

The Commission by Decision No. 27899 dated April 22, 1935 in Application No. 19535 granted to Clara Street Water Co. a certificate of public convenience and necessity to construct, maintain and operate a public utility water system in the area described in such decision. The record in the instant proceeding shows that territory adjacent to that described in said decision has been subdivided and that the residents of such area are demanding water service from the Clara Street Water Co. The original area in which the company was granted a certificate of public convenience and necessity and the additional area in which it desires to operate are contained in the foregoing description and are delineated on the map filed in this proceeding as Exhibit No. 1.

In Application No. 21668 the Park Water Company seeks a certificate of public convenience and necessity to operate in the areas mentioned in said application. Following the filing of that application Clara Street Water Co. filed the above numbered application and called attention to the fact that some of the area for which it is seeking a certificate is the same as that of Park Water Company. The two companies have amended their respective applications by the filing of a stipulation and are no longer seeking permission to operate in the same area.

The Clara Street Water Co. has heretofore operated under lease a well owned by Earl Dimmitt and Bertha V. Dimmitt and also a well owned by Kelis Gephart and Clydena Gephart. It is now believed that it is to the advantage of applicant that these two wells be transferred to it free and clear of all encumbrances in exchange for \$1,000. par value of common capital stock. The testimony shows that the cost of the wells is substantially in excess of the par value of the stock

applicant desires to issue.

O R D E R

A public hearing having been held in the above entitled matter before Examiner Fankhauser and the Commission having considered the evidence submitted at such hearing and it being of the opinion that the money, property or labor to be procured or paid for by Clara Street Water Co. through the issue of \$1,000.00 par value of its common capital stock is reasonably required for the purposes herein stated, that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income and that this application should be granted as herein provided, therefore,

IT IS HEREBY ORDERED that Clara Street Water Co. be, and it is hereby authorized to issue on or before April 1, 1938 to Xelis Gephart and Clydena Gephart five shares (\$500.00 par value) of its common capital stock in consideration of the transfer to it of their water system, well and pumping plant, referred to in paragraph seven of applicant's petition; and issue to Earl Dimmitt and Bertha V. Dimmitt five shares (\$500.00 par value) of its common capital stock in consideration of the transfer to it of their water system, well and pumping plant, referred to in said Paragraph seven, provided such water systems, wells and pumping plants are transferred to applicant free and clear of all encumbrances.

IT IS HEREBY FURTHER ORDERED that within thirty(30) days after the issue of such stock applicant shall file with the Railroad Commission a statement showing the persons to whom said stock has been issued and the actual or estimated cost to the present owners, of the water systems, wells and pumping plants acquired by it through the issue of said stock.

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require that Clara Street Water Co. construct, maintain and operate a water system for the purpose of supplying water for domestic and other purposes in the area

described in the foregoing opinion and in the map filed in this proceeding as Exhibit No. 1, therefore,

IT IS HEREBY FURTHER ORDERED that a certificate of public convenience and necessity for such purpose is hereby granted to Clara Street Water Co.

DATED at San Francisco, California, this 14th day of February, 1938.

W. H. Harrison
Leon Whittell
Francis J. Quinn

Commissioners.