

DECISION NO. 44445

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
ISIDORE MALAMUD for a Certificate of
Public Convenience and Necessity to
operate a public utility water company.

Application No 31029
Amended

Eugene Best, for applicant.

O P I N I O N

Isidore Malamud, an individual, doing business as Godfrey Heights Water Company, by the above-entitled application filed February 15, 1950, requests a certificate of public convenience and necessity authorizing him to construct and operate a water system. Applicant's proposed service area is located in unincorporated territory near Highgrove, in San Bernardino County, California. A map submitted at the hearing as Exhibit No. 1, and amending the map attached to the application, more particularly delineates the proposed area.

A public hearing on this application was held before Examiner Warner on June 15, 1950 at San Bernardino, California.

Isidore Malamud in his application avers that he is sole owner of the water system properties, and the record indicates that applicant is financially responsible to assume obligations for and engage in the operation of a public utility water system.

The proposed service area includes the Cal Neb Ranch which comprises some 125 acres, and in which is located Tract No. 3444, San Bernardino County, which is more particularly described as a portion of Lot 13 and a portion of Lots 11, 12, and 14 of R.W.A.

Godfrey's subdivision as per plat recorded in Book I of Maps, Page 35, San Bernardino County, California. The Cal Neb Ranch contains approximately 400 surveyed residence lots of which Tract No. 3444 contains 66 residence lots and one lot reserved for business purposes. In addition, applicant proposes to serve Tract No. 2966 which is immediately adjacent to Tract No. 3444, and comprises $1\frac{1}{2}$ acres.

At the present time, there are seven new houses in Tract No. 3444, and, together with three houses outside of this tract, they comprise a total of 10 services. Each is located on one-third acre parcels.

Water is obtained from a conduit during the irrigation season from Riverside Highland Water Company, a mutual company, through a covered weir box located near the storage tanks at the north portion of the service area and at an elevation of 70 feet above it. This water is obtained through the ownership by applicant of 31 shares of stock in the Riverside Highland Water Company. Each shareholder is entitled to $4\frac{1}{2}$ miners inches of water per share per month, at an annual assessment cost of between \$15 and \$21 per share. This water, as shown in the certificate of chemical analysis attached to the application as Exhibit "C," has been found to be potable. In addition to this water supply, applicant owns a 12-inch cased well 240 feet deep in which is installed a 10 hp deep-well turbine pump. This pump has a rated capacity of 90 gallons per minute and it pumps directly into the system and boosts water through a 6-inch main to two 10,000-gallon storage tanks on ground level located some 3,000 feet northeast of the well at a high part of the service area. The well has a tested capacity of 135 gallons per minute.

A standby supply is available from two other cased wells. One well has a diameter of 8 inches and is 240 feet deep. Applicant's

witness testified that it might produce seven miners inches. It has not been tested for potability. Another well located on three lots in Tract No. 2966 has been tested at 395 gallons per minute. It is 12 inches in diameter and 190 feet deep with a static water level of 150 feet, and had a drawdown of 3 feet during a test made December 21, 1949, as shown in Exhibit "E" attached to the application. There are no pumping installations on the standby wells.

The distribution system consists of approximately 3,000 feet of 6-inch welded steel, single-dipped pipe and 1,600 feet of 4-inch pipe of the same type, and 170 feet of 2-inch galvanized steel screw pipe, all of which were located in streets before the streets were dedicated; thus no easements were necessary.

From a review of the record regarding the source of water supply, as outlined hereinabove and as otherwise contained in the record, it appears that the water supply available to the applicant is adequate to serve the proposed area.

Applicant stated that it has not been necessary to secure a franchise from San Bernardino County but that he would be willing to secure such a franchise if it were found at a later time to be necessary.

There are no other public utility water systems in contiguous or immediately adjacent areas. The record shows that notice of the hearing in this proceeding was sent to Riverside Highland Water Company, which as hereinbefore noted, is a mutual water company. It serves irrigation water, primarily, but also serves some domestic consumers. It serves an area completely surrounding applicant's proposed service area, but it made no appearance at the hearing.

An appraisal of the properties by a Commission staff engineer, introduced as Exhibit No. 2, shows as of June 15, 1950 the estimated historical cost of the properties at \$20,727 and a corresponding reserve for depreciation of \$482.

Applicant proposed both flat and meter rates but stated he intended to utilize the flat rate only. Meters will not be installed unless future operating conditions warrant such installation. The proposed flat rates are \$3 per connection per month.

The proposed meter rates include a minimum charge of \$2 per meter per month for a 3/4-inch meter, which includes the first 2,000 cubic feet of usage per meter per month and the next 2,000 cubic feet at 10 cents per 100 cubic feet.

The rates as proposed appear to be reasonable in view of the small number of customers at present being served, and they will be authorized.

The Commission has considered the request for a certificate of public convenience and necessity and is of the opinion that it should be granted, subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate, or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

The action taken herein shall not be construed to be a finding of the value of the property of Isidore Malamud.

O R D E R

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY FOUND AS A FACT that public convenience and necessity will require the operation of a public utility water system by Isidore Malamud, an individual, doing business as Godfrey Heights Water Company, in the unincorporated area known as Cal Neb Ranch comprising some 125 acres in which is located Tract No. 3444,

San Bernardino County, and, in addition, in the area adjacent thereto known as Tract No. 2966, San Bernardino County; this entire area being located on the north side of Palm Avenue on the Riverside-Redlands Highway near Highgrove, California, and being more particularly delineated on the map filed as Exhibit No. 1 at the hearing in this proceeding; therefore,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is granted to Isidore Malamud to operate a public utility water system for the distribution and sale of water within the territory hereinbefore described.

IT IS HEREBY FURTHER ORDERED that applicant shall:

1. File rates set forth in Exhibit A attached to this order, to be effective on and after July 15, 1950, together with rules and regulations and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96
2. File, within thirty (30) days after the effective date of this order, four copies of a comprehensive map drawn to an indicated scale of not less than 400 feet to the inch, delineating by appropriate markings the various tracts of land and territory served and the location of the various properties of applicant.

The effective date of this order shall be fifteen (15) days after the date hereof.

Dated at San Francisco, California, this 27th day of June, 1950.

R. E. Indarum

Charles F. ...

Harold P. ...

Commissioners.

Schedule No. 1

FLAT RATES - GENERAL

APPLICABILITY

Applicable to all flat rate service.

TERRITORY

Within the authorized service area comprising the 125 acres of the Cal Nob Ranch, which includes Tract No. 3444, San Bernardino County, together with other unsubdivided area. Also included is Tract No. 2966, San Bernardino County, comprising one and one-half acres. The service area is located along the north side of Palm Avenue near Highgrove, California, on the Riverside-Redlands highway.

RATES

For connection per month..... \$3.00

SPECIAL CONDITIONS

1. Meters may be installed at option of utility or customer for above classifications in which event service will thereafter be rendered only on the basis of Schedule No. 2, General Metered Service.

Schedule No. 2

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

Within the authorized service area comprising the 125 acres of the Cal Neb Ranch, which includes Tract No. 3444, San Bernardino County, together with other unsubdivided area. Also included is Tract No. 2966, San Bernardino County, comprising one and one-half acres. The service area is located along the north side of Palm Avenue near Highgrove, California, on the Riverside-Redlands highway.

RATES

	<u>Per Meter</u> <u>Per Month</u>
Quantity Charge:	
First 2,000 cubic feet or less.....	\$2.00
Over 2,000 cubic feet10
Minimum Charge:	
For 5/8 x 3/4-inch meter.....	2.00

The Minimum Charge will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the Quantity Rates.