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Decision No. <u>45445</u>

BEFORE THE FUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

GEORGE TADIC and MARY TADIC, husband) and wife, whose Post Office address is) Route 1, Box 83, Fontana, California,)

Complainants,

vs.

) Case No. 5244

))

SAN GABRIEL VALLEY WATER COMPANY, whose Post Office address is 11142 E. Garvey, El Monte, California,

Defendant.

Waldo Willhoft, attorney; for complainants; Henry F. Rager, attorney, Edgar Skelton, and S. M. Fisher, for defendant.

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Complainants, George Tadic and Mary Tadic, filed the above-entitled complaint on November 17, 1950, asking the Commission to establish an equitable contribution to the cost of construction of pipe line between themselves and San Gabriel Valley Water Company, defendant.

A public hearing was held before Examiner Warner in San Bernardino, California, on January 31, 1951.

Complainants are the owners of all of the lots contained in Tract No. 3450 in the Fontana District, San Bernardino County, California, as shown on the map attached to the complaint as Exhibit A. This tract is located about one mile southwest of the town of Fontana and comprises a triangularly shaped piece of property which includes a total of 17 lots. Lots 1 to 10, inclusive,' face along Fontana Avenue, Lots 11, 12, 13, and 14 face along Athol Street, on the north thereof, and Lots 15, 16, and 17 face along

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Athol Street, on the south thereof. The tract is bounded on the north by Merrill Avenue and on the southeast, for its entire length, by Fontana Avenue, which runs northeast and southwest from its intersection with Citrus Avenue. The terrain is flat and all lots are suitable for home sites, except Lots 7, 8, 9, and 10, which are set back from Fontana Avenue at Citrus Avenue and may be suitable for commercial purposes. As shown on the street map of Fontana, California, filed at the hearing as Exhibit 1, the tract lies within the service area of San Gabriel Valley Water Company and about two miles due east of the Kaiser steel plant. At present, the record shows, no lots have been sold, but negotiations are in progress for the sale of Lots 7, 8, 9, and 10. Complainants live on what is now Lot 4 of the tract.

Complainants allege that defendant's estimated cost to install water distribution mains to serve the subdivision are excessive. The record shows that in March of 1949 complainants solicited an estimate of construction costs from defendant and received an estimate of \$874.50, to which would be added the cost of installing two fire hydrants at \$125 each, making the total estimated cost of installation \$1,124.50. This estimate was based on an unrecorded, proposed subdivision map of Tract No. 3450 which showed 12 lots, 10 of which faced Tadic Avenue and two of which faced Fontana Avenue. A copy of this proposed subdivision map was filed at the hearing as Exhibit No. 2. Complainants deposited with defendants the sum of \$87.45 in accordance with the provisions of a contract, dated March 1, 1949, copy of which was submitted at the hearing as Exhibit No. 5. This contract contained a provision for the refund of the total sum advanced by complainants in accordance with defendant's Rule No. 19. The record shows that the proposed subdivision was not accepted by the public authorities in San Bernardino County

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and complainants, on May 13, 1949, requested defendant to cancel the contract and to refund the sum of \$87.45, which complainants had deposited. Defendant complied with the request.

In March, 1950, complainants submitted to defendant a new map of the subdivision, Tract No. 3450, which had been accepted by proper authorities and had been recorded in San Bernardine County, and requested defendant to submit an estimate to furnish water service thereto. This map, copy of which is Exhibit A attached to the complaint, and copy of which was filed at the hearing as Exhibit No. 8, shows the relocation of Tadic Avenue and the change in the name thereof to Athol Street, and an increase of the number of lots from 12 to the hereinbefore mentioned number of 17 lots. In June, 1950, defendant submitted an estimate of \$1,853 which included the cost of the installation of 390 feet of 6-inch pipe along Athol Street and 700 feet of 6-inch pipe southwesterly along Fontana Avenue, at \$1.70 per foot. Connection of the 6-inch main along Fontana Avenue would be effected at the intersection of Citrus Avenue and Fontana Avenue with an 8-inch main now existing in and running north and south along Citrus Avenue. To said estimated cost of installation of 6-inch pipe would be added the cost of installing one fire hydrant at \$125, making a total estimated price of \$1,978. This estimate was submitted to complainants in the form of a pencil notation which was filed at the hearing as Exhibit No. 4.

With respect to the proposed installation in Athol Street, the record shows that there are no distribution mains installed in Athol Street at present; that seven lots would be served from defendant's proposed 6-inch pipe installation therein; and that the one fire hydrant, recommended by the Fontana Fire Protection District as necessary to serve the subdivision, would be located at the northwest corner of Athol Street and Fontana Avenue. A witness for defendant testified that the 6-inch main on Athol Street was necessary in

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order to provide for possible expansion and subdivision development westerly of Tract No. 3450 to Catawba Avenue. This witness also attempted to show that the installation of a 6-inch main in Athol Street was necessary in order to assure adequate fire protection to that area of the subdivision. It is apparent from the record, however, that, if the fire hydrant proposed to be installed at the intersection of Athol Street and Fontana Avenue be served with a 6-inch main in Fontana Avenue from the 8-inch main at Citrus Avenue, the tract will have the necessary fire protection not only along Athol Street but also throughout its entirety, from a water service standpoint. We believe that, in order to serve complainant's properties along Athol Street, an installation of no larger than 4-inch pipe is necessary and that, if defendant wishes to install excess capacity in Athol Street to provide for possible future subdivision development westerly thereof, the difference in the cost between installing a 4-inch main and a 6-inch main should be borne by defendant, and the order herein will so provide.

With respect to the proposed installation in Fontana Avenue, the record shows that for many years a 2-inch main has existed for about a mile and one-half along Fontana Avenue southwesterly from the intersection of Fontana Avenue and Citrus Avenue. From this 2-inch main about 19 consumers have been and are being served. Complainants object to being charged by defendant for the replacement of the 2-inch main with the 6-inch main to serve their lots facing on Fontana Avenue, especially Lots 1 to 6, inclusive, which lie southwesterly of the intersection of Athol Street and Fontana Avenue. It appears from the record that that part of defendant's plan which includes the proposed installation of a 6-inch main, southwesterly from Citrus Avenue, along Fontana Avenue to the northwest corner of the intersection of Athol Street and Fontana Avenue is necessary in order, among other things,

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to furnish adequate water service to the proposed fire hydrant installation at that intersection. The order herein, therefore, will provide that defendant's estimate of cost to serve Tract No. 3450 shall include the cost of the installation of a 6-inch main to that point. However, beyond that point, we believe that it is defendant's responsibility to increase its water service facilities at its own cost and at such time as its presently installed facilities prove to be inadequate due to increased demands thereon, of whatever type. The order herein, therefore, will provide that the cost of replacing the 2-inch main southwesterly along Fontana Avenue, from the intersection of Athol Street and Fontana Avenue, shall be borne by defendant.

ORDER

IT IS HEREBY FOUND AS A FACT that defendant's total estimated price to furnish water service to Tract No. 3450, Fontana District, San Bernardino County, California, of \$1,978 is excessive due to (1) inclusion therein of a proposal to install 6-inch pipe throughout the tract, and (2) inclusion therein of cost of replacing 2-inch main along Fontana Avenue southwesterly of Athol Street with a portion of said 6-inch pipe.

IT IS HEREBY FURTHER FOUND AS A FACT that the installation of a 4-inch main along Athol Street in Tract No. 3450 will provide adequate water service facilities to Lots 11 through 17, inclusive, as now planned to be developed, and that the 2-inch main which now exists in Fontana Avenue southwesterly of Athol Street has been

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furnishing water service to consumers along said Fontana Avenue southwesterly of Citrus Avenue for many years, therefore,

IT IS HEREBY FURTHER ORDERED that the cost of replacing the presently existing 2-inch main in Fontana Avenue from the intersection of Athol Street and Fontana Avenue southwesterly on Fontana Avenue, if such replacement is found to be necessary in order to render adequate service, be borne by San Gabriel Valley Water Company.

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IT IS HEREBY FURTHER ORDERED that defendant shall within thirty (30) days file with this Commission & copy of the estimate ordered to be submitted herein for the Commission's information.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this <u>13th</u> day of <u>Mahch</u>, 1951.

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(U)ssigners.