# ORIGINAL

Decision No. 48554

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) ORCHARD DALE SERVICE COMPANY, ) a corporation, for authority to ) Application No. 34157 Encumber Real and Personal Property) by a Deed of Trust and Chattel ) Mortgage. )

> Edmund F. Barker, attorney, for applicant. Reginald H. Knaggs and A. L. Gieleghem, for the Commission staff.

## <u>O P I N I O N</u>

Orchard Dale Service Company, a corporation, by the aboveentitled application filed March 13, 1953, seeks authority to encumber real and personal property by a deed of trust and chattel mortgage in connection with the acquisition of certain real property and the buildings thereon, a well, a deep well turbine pump and 10 hp electric motor. The form of the deed of trust and note, and terms of payment thereof, are attached to the application as Exhibit "B", and the form of the chattel mortgage is attached to the application as Exhibit "C".

A public hearing in this matter was held before Examiner Warner on April 16, 1953, at Los Angeles.

#### General Information

Orchard Dale Service Company is a public utility water company furnishing water service to approximately 1,000 consumers within its authorized service area in unincorporated territory southeast of the City of Whittier, Los Angeles County. The major portion of its water supply is obtained from wells located on the so-called Judson properties about 10 miles west of the service area. Water

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from this source is conveyed through transmission mains of La Habra Heights Mutual Water Company to a large storage reservoir located in the southwest portion of applicant's service area, from which the distribution system is supplied.

### Purpose of this Application

The stated purpose of this application for authority to acquire the well and real property is to obtain additional water which will enable applicant to serve new consumers in its franchised area.

#### Description of Property

The real property proposed to be acquired is described as the northerly 165 feet of the easterly 50 feet of Lot 32 of Tract No. 505 as per map recorded in Book 15, page 94, of the maps in the office of the County Recorder, Los Angeles County. It faces on the west side of Victoria Avenue as shown on the map designated Exhibit No. 1 filed at the hearing. The well located on such property is 125 feet deep, is about 30 years old, was sand pumped and converted to a gravel-packed well in 1944, was tested on February 16, 1953, for production of about 450 to 600 gallons per minute as shown in Exhibit No. 2, and has been used primarily for irrigation purposes. The pump and 10 hp motor presently installed in it will be replaced by new equipment. Applicant proposes to raise the well casing to approximately 18 inches above ground level, to insert a chlorination tube, and to pump directly from the well into a 6-inch domestic water distribution pipe line in Victoria Avenue. Thus, water will be mixed for domestic consumption with applicant's regular source of water supply. Exhibit No. 3 is a laboratory analysis of water from the well. It indicates a relatively high degree of water hardness but, when mixed with applicant's

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water from its Judson sources, the resulting hardness should not be excessive. However, before connecting the well to its distribution system, applicant should obtain a certificate from the Los Angeles County Health Department that water from the well has been tested for bacteriological content and has been found to be acceptable for domestic use, and the order which follows will so provide.

Applicant also proposes to acquire a galvanized ironclad, wood-frame pump house and a wood-frame barn with shingle roof. The barn will be remodeled and modernized and will become applicant's general office.

#### Financing

The purchase price of the above-described real and personal property is \$6,000. Applicant proposes to issue a promissory note in the principal amount of \$5,400, payable in monthly installments of \$60, with interest at the rate of 6 per cent per annum. The payment of the note will be secured by deed of trust covering the property and by a chattel mortgage on the improvements.

#### Conclusion

The Commission has considered this matter and is of the opinion that the application should be granted.

# <u>order</u>

Application having been filed, a public hearing having been held, the matter having been submitted, and the Commission being fully advised in the premises,

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#### IT IS HEREBY ORDERED as follows:

1.

- That Orchard Dale Service Company, on and after the effective date hereof and on or before December 31, 1953, may issue its promissory note in the principal amount of \$5,400 for the purpose of financing in part the cost of the properties referred to in this application, and may execute a deed of trust and a chattel mortgage, which note, deed of trust and chattel mortgage shall be in, or substantially in, the same form as those filed in this proceeding, it being the opinion of the Commission that the money, property or labor to be procured or paid for by the issue of the promissory note herein authorized is reasonably required by applicant for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.
- 2. That Orchard Dale Service Company shall file with the Commission monthly reports as required by General Order No. 24-A, which order, in so far as applicable, is made a part of this order.
- 3. That the authority herein granted will become frective when Orchard Dale Service Company has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.
- 4. That before connecting the well, authorized to be acquired by this order, to its distribution system, applicant shall obtain a certificate from the Los Angeles County Health Department that water from the well has been tested for bacteriological content and has been found to be acceptable for domestic use.

Dated at Mathhannis, California, this 28th day of Dhil , 1953. dent UBLIC UTILITIES COMMISSION STATE OF CALIFORNIA STATE OF 1953 MA

Commissioners