

**ORIGINAL**Decision No. 49407

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Commission Investigation into the  
 operations of Thomas Lee; Leonard A.  
 Guiton; Philard, Inc., a corporation;  
 Philard Incorporated, a corporation;  
 A. L. Boles; Mrs. A. L. Boles; W. A.  
 Hansen; Jacumba Hot Springs Company,  
 Inc., a corporation; First Doe; Second  
 Doe; Third Doe; and Roe Company, a  
 corporation; in connection with a  
 public utility water system near Jacumba,  
 San Diego County.

Case No. 5454

W. A. Hansen, A. L. Boles, Mrs. A. L. Boles,  
 respondents, in propria personae; Hammons, Willard  
 and Todd, by Robert R. Willard for D. P. Bartlett,  
D. P. Bartlett, Renice Keith, C. D. Woolsey, T. H.  
Lamb, L. J. Baker, interested parties.

John Power and Roy E. Sutherland of the Com-  
 mission's staff.

O P I N I O N

The Commission instituted an investigation on its own  
 motion into the operations, practices, contracts, service, rates,  
 and rules of Thomas Lee; Leonard A. Guiton; Philard, Inc., a  
 corporation, Philard Incorporated, a corporation; A. L. Boles, Mrs.  
 A. L. Boles; W. A. Hansen; Jacumba Hot Springs Company, Inc., a cor-  
 poration; First Doe; Second Doe; Third Doe; and Roe Company, a  
 corporation; and each of them; each of the above names being desig-  
 nated as respondents in said investigation.

Public hearings were held at Jacumba on May 27, 1953, and  
 at Los Angeles on July 22 and September 30, 1953, before Examiner  
 Chiesa. Oral and documentary evidence having been adduced and con-  
 sidered, the Commission makes the following findings of fact and  
 conclusions of law:

That the water system used in supplying water for domestic purposes to residents of the Jacumba City Subdivision in the unincorporated community of Jacumba, San Diego County, is a public utility "water system", and as such is under the control and jurisdiction of the Public Utilities Commission of the State of California. (See Decision No. 41447 in Case No. 4882).

That W. A. Hansen and Nellie B. Hansen, husband and wife, as joint tenants, are the owners of said "water system".

That on or about May 18, 1953, D. P. Bartlett contracted to purchase from W. A. Hansen and Nellie B. Hansen real and personal property situated in said community of Jacumba, including the said public utility "water system", and that since said date the said D. P. Bartlett has controlled, operated and managed said water system for compensation.

That the escrow instructions pertaining to agreement of purchase of the said real and personal property, including said "water system", provides that in the event of the default by the Buyer (D. P. Bartlett) in the terms and conditions of the escrow or cancellation of said escrow by the Buyer, that all funds released to the Seller (W. A. Hansen and Nellie B. Hansen) or paid outside of escrow to the Seller shall be retained by him (Sellers) as liquidation damages.

That as of September 30, 1953, D. P. Bartlett had paid to W. A. Hansen and Nellie B. Hansen, or into escrow, on account of the purchase price of the said Jacumba property, including the said "water system", approximately \$39,500.

That in the event of default by D. P. Bartlett, or termination by him, W. A. Hansen and Nellie B. Hansen, husband and wife, will become the owners and the controllers, operators, or managers

(1)  
of said "water system".

That neither Thomas Lee, Leonard A. Guiton, Philard Inc., a corporation, Philard Incorporated, a corporation, A. L. Boles, Mrs. A. L. Boles, nor Jacumba Hot Springs Company, Inc., a corporation, own, control, operate or manage the said "water system" situated at Jacumba in the County of San Diego.

That there are approximately 110 consumers or water users being furnished water by W. A. Hansen and Nellie B. Hansen and/or D. P. Bartlett, and that said consumers pay a flat rate of \$1.50 per month.

That for several years last past, and at the present time, said water service has been unsatisfactory and inadequate in that (1) the water has been and is unpalatable and unfit for drinking or cooking purposes, due to necessarily heavy chlorination, (2) because of low water pressure and interrupted service due to faulty system construction, worn-out and under-sized pipes, leaks, and dead ends, and (3) because of excessive and inconsiderate use of water by some consumers.

A Commission engineer testified that repairs and improvements needed to provide consumers with an adequate water service include a roofed and screened structure to protect the collection basin at the water source; larger diameter of the present 4-inch main extending from the 6-inch main leading east from the booster station to the western boundary of the said subdivision at Heber Street;

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(1) On November 4, 1953, the Commission received a letter dated November 3, 1953, from Robert R. Willard, the attorney who represented D. P. Bartlett in this proceeding, advising the Commission that Bartlett had "terminated all relationships with Mr. W. A. Hansen for the purchase of the Hansen assets, including the water company, at Jacumba, San Diego County, California, and the parties have agreed that Mr. Hansen will assume responsibility immediately for operation of the water system".

enlargement and unification of the mains throughout the subdivision, and elimination of all dead ends. Said recommendations find support in the testimony of several other witnesses.

The record is clear and we hereby find that the method of storage, transmission, distribution and supply of water to the consumers is unsafe, improper, inadequate and insufficient. The Commission finds that additions, extensions, repairs, improvements and changes in the existing plant, as hereinafter set forth, are reasonable and ought to be made.

O R D E R

A public hearing having been held in the above-entitled proceeding, the Commission, being fully advised in the premises and having made its findings of fact and conclusions of law hereinabove set forth, makes the following order:

(1) That the rates, rules and regulations of the Jacumba Water Company now on file with this Commission shall be refiled within thirty days after the effective date of this order under the names of W. A. Hansen, Nellie B. Hansen, and D. P. Bartlett, in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such filing, W. A. Hansen, Nellie B. Hansen, and D. P. Bartlett may file a notice of adoption of said presently filed rates, rules and regulations.

(2) That W. A. Hansen, Nellie B. Hansen and D. P. Bartlett shall, within 180 days from and after the effective date of this order, make the following improvements, additions, and betterments to the "water system" hereinabove referred to and known as the Jacumba Water Company:

- (a) Provide adequate protection for the storage and collection basin located at the source of water supply by roofing, fencing and screening said storage facility and making such other improvements thereto as will ensure the consumers a potable water supply.
- (b) Replace present 4-inch main with 6-inch main between Heber Street and the point where present 4-inch main connects with present 6-inch main at a point easterly of the booster station.
- (c) Install a 4-inch main along Heber Street, Seeley Street, Campo Street and the southerly border of said subdivision along Imperial Highway (U. S. Highway No. 80).
- (d) Replace or install 2-inch lines between Heber Street and Campo Street, along each of the following streets:
  - Brawley, Holtville, Calexico and El Centro.
- (e) Increase and maintain a working pressure in said subdivision of not less than thirty pounds per square inch at each customer's service pipe connection.

(3) That W. A. Hansen, Nellie B. Hansen, and D. P. Bartlett, within thirty days from and after the effective date of this order shall file with this Commission detailed plans and specifications providing for the repairs and improvements as set forth in paragraph (2) hereof, and beginning on the sixtieth day after the effective date hereof, and monthly thereafter, until the further order of this Commission, shall file a written report showing the repairs and improvements, and the costs thereof, completed or in the process of completion as hereinabove required.

(4) That W. A. Hansen, Nellie B. Hansen and D. P. Bartlett may, within thirty days from and after the effective date of this order, file with this Commission an alternate proposal in lieu of the portions of the repairs and improvements as set forth in subparagraphs (2) (a) and (2)(b) above, as appropriate, providing for the acquisition or completion of a drilled well of adequate production capacity to replace the present spring source of water supply. Upon acquisition or completion of a well, producing pure, wholesome and potable

water in adequate quantities, said parties may petition this Commission for modification of such portions of said subparagraphs (2)(a) and (2)(b) as would no longer be required under the changed circumstances.

The hereinabove outlined permissive alternate proposal shall not be construed to relieve said parties of any of the requirements of subparagraphs (2)(a) and (2)(b) unless authority to deviate therefrom shall have first been obtained from this Commission.

(5) That if D. P. Bartlett now has no legal interest in said Jacumba property he may so show by appropriate petition to this Commission.

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

Dated at San Francisco, California, this 4 day of December, 1953.

*A. J. Anderson*  
 President

*Justice F. O'Connell*

*Kenneth L. Potter*

*John L. Mitchell*

*Gene Higgins*  
 Commissioners