

**ORIGINAL**Decision No. 53858

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

In the Matter of the Application of )  
 DYKE WATER COMPANY, a corporation, )  
 for authority to extend its water )  
 service to additional territory in )  
 the vicinity of Garden Grove, in )  
 unincorporated territory, County of )  
 Orange, under Section 1001, Public )  
 Utilities Code of the State of )  
 California. )

Application No. 37097  
 Application No. 37161

Arlyne Lansdale, attorney, for applicant.  
Moss, Lyon & Dunn, attorneys, by George C. Lyon,  
 for Pacific Water Co.; O'Melveny & Myers,  
 attorneys, by Lauren M. Wright and Frederick N.  
Edwards, for Southern California Water Company;  
Eagleton & Petterson, attorneys, by Gail H.  
Eagleton, for Park Lane Water Company; George F.  
Holden, assistant county counsel, for Orange  
 County and Orange County Waterworks Districts  
 Nos. 3 and 5; Jack H. Croul, Lee T. Hollopeter,  
 secretary-treasurer and general manager, and  
John Amos Fleming, attorney, for Lakewood Water  
 and Power Company; Walter Rawlings, president,  
 for Rancho Water Company; E. T. Ibbetson,  
 president, for Ideal Petroleum Company;  
Richard T. Hanna, attorney, for 21 landowners  
 and for Willis Miller; Harry A. Keithly,  
 attorney, for Anaheim Sugar Company, Aldrich R.  
Peck, an individual, and for Aldrich R. Peck,  
Dorothy Thayer Peck and Charles H. Thatcher,  
 trustees; protestants.  
Mrs. Gladys M. Graves, Mrs. Lou R. Martin,  
Mrs. F. A. MacCrae, Mrs. Edna Kessler, Mrs. Peggy  
Chapman, Mrs. Margaret Moir, Mrs. Lee Parkinson,  
 for Mountain View Terrace Community Association  
 and in propria personae, and R. Bruce Kitchen,  
 in propria persona; protestants against installa-  
 tion of meters.  
John K. Colwell, city attorney, for City of  
 Santa Ana, and John E. Skelton, attorney and  
 vice president, for San Gabriel Valley Water  
 Company.  
Cyril M. Sarovan, Charles W. Mors, Theodore Stein  
 and Charles W. Drake, for the Commission staff.

O P I N I O N

Dyke Water Company,<sup>1/</sup> a corporation, by the above-entitled applications filed July 5, 1955, and July 26, 1955, respectively, seeks certificates of public convenience and necessity to extend, construct, and operate its public utility water system in unincorporated territory in southwestern Orange County in the areas delineated on the maps, Exhibit No. 1, attached to each application. The areas applied for comprise approximately 80 square miles, include the specific Tracts (infra), covered by Dyke's Application No. 37042, and include most of the areas covered by Applications Nos. 36592, 37172, and 37491 (infra).

Hearings

Public hearings on these matters were held before Commissioner Justus F. Craemer and Examiner Stewart C. Warner on September 28, 29 and 30, 1955, and before Examiner Warner on October 18, 19, 20 and 21, November 14, 15, 16, 17 and 18, and December 5, 6, 7 and 8, 1955, at Santa Ana. The matters were consolidated for hearing with Applications Nos. 36592 and 37096 of Pacific Water Co.,<sup>2/</sup> 37042 of Dyke, 37167 of Park Lane Water Company and Southern California Water Company,<sup>3/</sup> 37172 of Southern California Water Company,<sup>4/</sup> 37491<sup>5/</sup> of Lakewood Water and Power Company,<sup>6/</sup> and Case No. 5666 of Orange County<sup>7/</sup> and Orange County

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- <sup>1/</sup> Hereinafter referred to as Dyke, or applicant.  
<sup>2/</sup> Hereinafter referred to as Pacific.  
<sup>3/</sup> Heretofore granted by Decision No. 52834, dated March 27, 1956.  
<sup>4/</sup> Hereinafter referred to as Southern California.  
<sup>5/</sup> Filed November 16, 1955.  
<sup>6/</sup> Hereinafter referred to as Lakewood.  
<sup>7/</sup> Hereinafter referred to as the County.

Waterworks District No. 3 vs Dyke. Lakewood made its affirmative showing as to its application, and its protest to its instant captioned applications was heard. The matters were submitted on the last-named hearing date. Lakewood's application was continued to a date to be set. The two captioned matters are now ready for decision.

The record contains 1,815 pages of testimony and 120 exhibits.

Protests

Pacific, Southern California, and Lakewood protested the portions of Dyke's applications for certificates which overlap their applications; a group of landowners protested the inclusion of their properties within any area sought to be certificated; a group of applicant's consumers representing Mountain View Terrace Community Association filed a petition of 1,000 names protesting, and an individual consumer protested, against the recommendation testified to by the chairman of the County Board of Supervisors which requested that the Commission require all public utility water companies operating in this portion of the County to install meters on all consumers' premises for conservation purposes; the County protested any portion of the applications within the boundaries of Orange County Waterworks Districts Nos. 3 or 5;<sup>8/</sup> and Ideal Petroleum Company, and Rancho Water Company,<sup>9/</sup> public utility water companies under the jurisdiction of the Commission serving comparatively small areas inside the proposed areas,

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<sup>8/</sup> Hereinafter referred to as District No. 3, or District No. 5, or the Districts.

<sup>9/</sup> Rancho filed Application No. 37579, dated December 15, 1955, too late for consolidation herein. Said application seeks authority to extend Rancho's water system into an area west of its presently certificated area and within Dyke's proposed area in Application No. 37161. Rancho also filed Application No. 38238, dated July 11, 1956, for authority to sell its water system to Southern California. Both applications are pending.

protested the applications in so far as they, respectively, conflicted with their present certificated areas.

The rival applicants protested the applications on the grounds that they were themselves ready, willing and able to serve larger areas than they were presently serving. Each protested the "checkerboard" public utility water system growth in this portion of the County which has resulted in the creation of numerous isolated or so-called "island" water systems in separate tracts, sometimes adjacent or contiguous to operations of other public utility water companies, all leading to consumer confusion, disparity in rates and types of services, and inefficient and uneconomic operations.

Pacific objected to the "chiseling" methods employed not only by itself but by its rivals where, in efforts to obtain water service contracts, subdividers approached first one utility, then another, attempting to reduce the bid or estimate on the costs involved, resulting in one or more utilities underbidding another, not so much to render public service but, rather, to extend and enlarge, and protect their own operations against the encroachment of others.

Lakewood in its protest and its application contended that, although its main service area was in the City of Lakewood in Los Angeles County, across the Rio Hondo channel of the Los Angeles River, its water system facilities could and would be extended to furnish any water service required by future public convenience and necessity in southwestern Orange County.

The group of consumers who protested the installation of meters stated they had not noticed any wastage of water in their

areas, and felt that conservation of water supplies could be effected through community cooperation. They felt that the establishment of meters, with the consequent rise in monthly water bills, would constitute a hardship upon them. They testified that many consumers had purchased large-sized lots, and had installed swimming pools, gardens, and fruit trees with the understanding that unlimited water supplies would be available to them for domestic purposes at a nominal flat rate. Their petition, Exhibit No. 119, reflected their views.

#### General Information

Dyke was granted a certificate of public convenience and necessity by Decision No. 46758, dated February 13, 1952, in Application No. 32634, to acquire, construct and operate a public utility water system in Tract No. 1345 to serve 13 consumers. By five subsequent decisions in 1952, 1953, 1954 and 1955, applicant was granted certificates of public convenience and necessity to extend its water system into greatly enlarged areas.<sup>10/</sup>

#### Capitalization and Organization

Applicant's capital stock outstanding as of August 31, 1955, consisted of 80 shares of common stock owned by members of the Lansdale family of which L. D. Lansdale, Jr., was applicant's president, L. D. Lansdale, vice president, William M. Lansdale, vice president, and Arlyne Lansdale, secretary-treasurer and attorney. Said officers comprise the board of directors. Gross revenues for the year ended that date were \$149,399, and fixed capital was \$1,939,419.

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<sup>10/</sup> Decision No. 47058, dated April 29, 1952, in Application No. 33183; Decision No. 49393, dated October 1, 1953, in Application No. 34694; Decision No. 50041, dated May 11, 1954, in Application No. 35205; Decision No. 50339, dated July 27, 1954, in Application No. 35205; Decision No. 51352, dated April 19, 1955, in Application No. 35833.

On November 1, 1954, Dyman Corporation, a vendor of water system construction materials, with officers and directors identical to applicant's, acquired applicant's stock of construction materials and since that date has been responsible for all construction work on water systems in new tracts by applicant, either by company forces of Dyman Corporation or by other contractors. Applicant neither applied for nor obtained any order of the Commission authorizing the sale or disposition of such stock of construction materials, as required by Section 851 of the Public Utilities Code. Such transfer, we find, was unlawful and void.

The record discloses a complicated family control and corporate interrelationship between applicant, Dyman Corporation, members of the Lansdale family, Judy Corporation, and possibly other family affiliates. Ownership of water system properties including wells, well sites, pumping equipment, and interconnecting pipelines is disclosed in the record to be intermingled with applicant and members of the Lansdale family. In many instances it is questionable whether applicant has title to many of the items of water fixed capital claimed by it.

Description of the Proposed Areas

Generally speaking, Dyke's proposed areas are bounded on the north and northeast by the Santa Ana Freeway, on the east by the Santa Ana River, on the south by Garfield Avenue, and on the west by Bolsa Chica Road and Los Alamitos Boulevard.

The map, Exhibit No. 23, purports to show Dyke's certificated areas in solid red; tracts or territory in which Dyke was furnishing water service as of June 30, 1955, contiguous and non-contiguous to its certificated areas, in red crosshatching; and

the boundaries of the area requested to be certificated by its instant captioned applications by a red line.

Growth of the Area

The evidence shows, and the Commission takes judicial notice of, the unprecedented growth<sup>11/</sup> of the areas covered not only by the instant applications but by the applications of Pacific, Southern California, and Lakewood (supra),<sup>12/</sup> together with the manifold problems arising therefrom. Subdivisions have been and are being developed in areas formerly devoted to citrus orchards and to farm and dairy lands, and the character of the areas is rapidly changing from agriculture to residential and commercial suburban. Much of the proposed areas is suitable for and is being developed as subdivisions for homesites. However, a substantial portion of the southwest section is subject to lowland conditions, and is being reserved by landowners for oil well drilling possibilities, and for agricultural purposes. It is, nevertheless, manifest from the record that all of the areas hereinafter ordered to be certificated to applicant now, or within the near future, will need water service.

Exhibit No. 110, a Commission staff accounting and engineering report of applicant's operations, shows that the

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<sup>11/</sup> Exhibit No. 120 is a Monthly Summary of Business Conditions in Southern California for November 1955, published by the Security-First National Bank of Los Angeles. It shows that Orange County was exceeded in growth of building permit activity for new dwelling units in the first six months of 1955 by only eleven states of the Union.

<sup>12/</sup> The total area covered by these applications is in excess of 100 square miles.

presently certificated areas and the areas requested for certification comprised approximately 192 subdivisions as of August 31, 1955. The subdivisions in the areas proposed in the instant applications involve approximately 36 tracts in which 3,300 service connections had been installed and in which water service was being furnished to approximately 1,660 active consumers as of that date.

Applicant's growth has been incited and spurred by the spectacular subdivision development of the areas. Applicant has abetted this development by extending its water systems to subdivisions in which the Lansdale family was pecuniarily or contractually interested, or both.

Operations and Number of Consumers

As of August 31, 1955, applicant had 13 employees; its water system comprised some 91 wells, an extensive system of 8-, 6-, and 4-inch pipelines of standard materials; two 5-million-gallon reservoirs near Katella and Brookhurst Avenues; pumps, booster stations, an office-field radio communication system for contacting service and maintenance crews; and a headquarters office located at 11065 Penn Avenue, Garden Grove. As of that date, applicant was furnishing water service to 5,930 consumers and had installed a total of approximately 13,800 service connections throughout its water system. All consumers, except some 50 in number, were served on a flat rate basis.

The record shows that applicant's water service operating record has been, for the most part, satisfactory.



Basis of Applications

Dyke contended that there had been created and there existed an immediate demand for domestic water service throughout all of the areas requested; that applicant was conducting engineering studies to interconnect its various water systems; that in the area north of Garden Grove (Application No. 37097) the total expenditure to extend applicant's water system would approximate \$500,000, of which approximately \$50,000 had been expended as of the date of the application; and that in the area south of Garden Grove (Application No. 37161) approximately \$400,000 would be expended to extend applicant's water system, of which approximately \$60,000 had been expended as of the date of the application.

Rates

Applicant proposed to apply its presently filed rates for water service to the areas requested, and alleged that it would extend service to subdividers in accordance with its duly established rules and regulations, and in full compliance with the Commission's jurisdictional and regulatory authority in such matters.

Advances for Construction, Deficit, Equity,  
Assets and Liabilities as of August 31, 1955

The record shows that as of August 31, 1955, the recorded balance in the advances for construction account was equal to approximately 86 percent of the recorded depreciated investment in utility plant; the recorded deficit of \$8,285 exceeded the stated value of the issued common stock of \$8,000, and applicant had no equity investment on that date. Applicant's current assets, including \$2,408 in cash, amounted to \$40,825; current

liabilities amounted to \$175,865; long-term debt was \$94,237; reserve for depreciation was \$30,083; advances for construction were \$1,645,348.

Contracts with Subdividers and  
Variations from Main Extension Rule

Exhibit No. 98 is a group of approximately 80 contracts with subdividers which applicant claims to have executed for water main extensions throughout the areas requested to be certificated. Said contracts in most instances were not in conformance with applicant's rules for main extensions to subdivisions, as said rules were on file with the Commission prior to November 17, 1954, neither were they in conformance with the new rules required by Decision No. 50580.<sup>13/</sup> After repeated notification by the Commission, applicant filed its new main extension rule under said decision on August 11, 1955, and it became effective August 15, 1955. Only five of the extension rule contracts reviewed by the staff were made since the new rule was filed. The variations from the filed main extension rule are summarized on pages 28 and 29 of Exhibit No. 110, and are too numerous to recite in this opinion. It is evident that applicant has negotiated and executed contracts with subdividers to suit its own competitive interests and its expansion ambitions, and it is clear that applicant has disregarded its obligations under said rules and its responsibilities as a public utility subject to regulation by this Commission, and has deliberately flouted the Commission's authority and orders.

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<sup>13/</sup> Issued September 28, 1954, requiring the filing of new rules by November 17, 1954 (53 Cal. P.U.C. 490).

Accounting Procedures

The record shows that applicant's accounting procedures have not been in accordance with the Uniform System of Accounts for Water Utilities as prescribed by the Commission. No property ledgers existed, no work order system was utilized, and materials and supplies inventory control was found by staff accountants to be inadequate. For these reasons, primarily, the facts concerning applicant's utility plant were not readily ascertainable by the staff. Inadequacy of inventory control and work in progress records resulted in the apparent recording of some utility plant at values other than cost, as prescribed. Some distribution systems had been transferred to Dyke but were not recorded on its books at August 31, 1955. As of that date the cost of materials and supplies delivered by Dyman Corporation to the water company since January 1, 1955, remained uncapitalized. Utility plant included no direct overhead costs. The record disclosed many other accounting omissions and improper and incorrect commissions.

Metropolitan Water District Water

The record shows that applicant has been negotiating for more than a year with the Metropolitan Water District of Southern California for three connections with said District's feeders traversing southwestern Orange County, north and south on Harbor Boulevard, and on Huntington Beach Boulevard (State Highway No. 39)-Stanton and Dale Avenues, to supplement its own well sources of water supply. Water from the Metropolitan Water District will cost between \$21 and \$23 per acre foot, is untreated, and is deliverable and must be taken on a 24-hour basis.

Landowners' Petitions for Exclusion of Their Lands

Exhibits Nos. 12, 12-A, 13, 13-A, 59, and 59-A, are the petitions of landowners requesting that specifically described lands be excluded from Dyke's certificated service areas.

County Franchise Ordinance

Exhibit No. 40 is a copy of Ordinance No. 765 of Orange County dated September 27, 1955, granting Dyke a franchise in the public streets and highways in all unincorporated territory of the County, except streets or highways within the boundaries of any Orange County Waterworks Districts as they existed on the effective date of the ordinance granting the franchise.

Tracts Covered by Application No. 37042

Applicant filed Application No. 37042 on June 15, 1955, and amended it on September 2, 1955. As amended, the application sought the certification of Tracts Nos. 2182, 2428, 2429, 2179, 2612, Tracts Nos. 2146, 2191 (subdivided into Tracts Nos. 2463, 2464 and 2465), and Tracts Nos. 2097 and 2433. All of said tracts are also included in the areas sought to be certificated by the instant captioned applications.

As to Tracts Nos. 2182, 2428, 2429, 2179 and 2612, County of Orange and Orange County Waterworks District No. 3, (each a body politic), (supra), filed its complaint with the Commission on July 28, 1955, (Case No. 5666), alleging that applicant had violated the Commission's order in Decision No. 50041, dated May 11, 1954, in Application No. 35205, by extending its water system into said tracts, subsequent to the date of said decision, without first having secured approval therefor from the Commission.

In the order concurrently made herewith by the Commission in Application No. 37042 and Case No. 5666 (consolidated) the Commission has determined the issues in Case No. 5666, with respect to Tracts Nos. 2428, 2429, 2179 and 2612, and has consolidated its decision in relation to Tracts Nos. 2182, 2146, 2191 (subdivided into Tracts Nos. 2463, 2464 and 2465), and Tracts Nos. 2097 and 2433 with its decision issued in the instant captioned applications.

Tract No. 2182

As is noted in the decision in Application No. 37042 and Case No. 5666 (consolidated), the record showed that this tract was partly within and partly without the boundaries of the District as they existed on May 11, 1954; that said tract is contiguous to Tract No. 1861 on the southeast thereof, authority to serve which was granted to applicant by Decision No. 50041 (supra); and that it would not be practicable nor reasonable to split up the tract for water service purposes, nor would it be in the public interest to do so, despite the fact that the extension into the District's territory was in violation of the Commission's order. In its decision in Application No. 37042 and Case No. 5666 the Commission has ordered that the complaint in Case No. 5666 be dismissed as to Tract No. 2182; and inasmuch as it is a part of the area covered by the instant captioned applications its status will be determined hereinafter.

Tract No. 2146

This tract is contiguous to Tract No. 1861 (supra) on the east thereof and is a part of the area covered by this decision.

Tract No. 2191, Subdivided into  
Tracts Nos. 2463, 2464 and 2465

This tract and its subdivisions contain or will contain 304 lots when fully subdivided. Exhibits Nos. 33 and 34 are contracts made by applicant dated, respectively, February 10, 1955, and July 28, 1955, with Royal Crest Homes, a limited partnership, for water system installations to serve the initial 108 lots in Tracts Nos. 2191 and 2463, and the water system has been installed by applicant. The location of Tracts Nos. 2191, 2463, 2464 and 2465 is shown on the map, Exhibit No. 23, and they are contiguous to an area heretofore certificated to Pacific which, in Application No. 36592, seeks a certificate to serve an area including these tracts. They are not contiguous to any tracts heretofore certificated to applicant nor contiguous to any areas contiguous to such certificated areas. Applicant neither applied for nor received any authority from the Commission to construct and extend its water system into said tracts, as required by Section 1001 of the Public Utilities Code. The tracts are outside Dyke's spheres of operations as outlined hereinafter.

Tract No. 2097

This tract, containing 87 lots and in which the water system installation was about 75 percent completed as of the date of the hearings, is located on the north side of Trask Avenue and is bounded on the west by Roxey Drive. It lies directly between two service areas of Pacific as shown on the map, Exhibit No. 23. It is not contiguous to any of Dyke's presently certificated area or areas contiguous thereto. It does not lie within Dyke's spheres

of operations as outlined hereinafter, and is included in the area described in Application No. 36592 (supra). No authority to construct or extend applicant's system into said tract was sought or received.

Tract No. 2433

This tract, containing 102 lots, is contiguous to Tract No. 1626 on the south thereof, and its location is shown on the map, Exhibit No. 23. A certificate of public convenience and necessity to serve Tract No. 1626 was granted to Dyke by Decision No. 50041 (supra). This tract is a part of the area covered by this decision.

Findings and Conclusions

Consideration of the evidence received in the hearings on the consolidated record as to the applications hereinbefore referred to demonstrates that the competitive practices of public utility water companies, the authorized and the unauthorized extensions, and operations of water systems in southwestern Orange County as of June 30, 1955, have resulted in the following conditions:

- (1) Dyke was furnishing water service in at least 2 systems;
- (2) Pacific was furnishing water service in 9 systems;
- (3) Southern California was furnishing water service in 4 systems;
- (4) Ideal Petroleum Company and Rancho Water Company, public utility water companies, were each operating a system;
- (5) Orange County Waterworks Districts Nos. 3 and 5 were each operating a system; and
- (6) Lakewood was not operating, but now has an application pending (supra).

Unhealthy, uneconomic and improper competition existed and exists between public utility water companies; unauthorized extensions have been and are being made; extensions of existing operations were not established and are not being established in an orderly manner nor in the normal spheres of operations of the respective applicants and protestants; a variety of types of services and operations existed and now exists; and the respective consumers were and are being charged various levels of rates. There is no question but that uncontrolled competition for subdivision contracts for water system installations among public utility water companies, and the resultant variety of installations, services and rates, are contrary to the public interest and must cease.

It is the fundamental responsibility of the Commission to bring about a correction of the present conditions which are manifestly adverse to the public interest, and to establish stability of water system installations and operations in the general area under consideration. If the present activities of the utilities subject to regulation are not now checked by the Commission, the anticipated further increases in population will exaggerate the varieties of services, operations and rates, and uncontrolled uneconomic competition will continue adversely to the public interest.

The Commission finds, concludes and declares that a state of emergency adverse to the public interest exists in the public utility water company practices and operations in southwestern Orange County. The order which follows is designed to meet this emergency and to correct the existing intolerable conditions.



The Commission takes judicial notice of the creation, existence and operation of the Metropolitan Water District of Southern California, its contract rights with the Government of the United States for the use of the waters of the Colorado River, and the existence of its main transmission line commonly known as the "Colorado River Aqueduct," extensions of which are laid in the areas of Orange County under consideration. The Commission likewise takes notice of the semi-arid character of the areas under consideration, and of the fact that their ground water supplies are being mined and seriously depleted because of the unprecedented population growth and attendant use of water. This Commission accepts the predicate that water from the Colorado River, supplied through the medium of the Metropolitan Water District, and the known proposed development of other supplies, will meet the water needs of the areas under consideration for the foreseeable future. The record shows that each of the applicants has applied for and can obtain its needed water from the Metropolitan Water District. Due to the relatively high basic costs and special conditions of delivery of water from the Metropolitan Water District, logical spheres of operations in more or less concentrated and large areas in southwestern Orange County are prerequisites to the economic utilization of such water.

The Commission has carefully considered the exact locations and characters of the present operating water systems of each applicant in its respective certificated areas, together with areas contiguous thereto in which it was furnishing water service as of June 30, 1955, and also areas contiguous to such contiguous areas in which it was furnishing water service as of that date. The

Commission has considered the locations and characters of the operations of each applicant and protestant in connection with which certificates of public convenience and necessity have been granted, and in connection with which and to the extent identifiable, no certificate of public convenience and necessity has been granted. In addition, the Commission has considered the boundaries of Orange County Waterworks Districts Nos. 3 and 5 as they existed on June 30, 1955, the boundaries of the presently certificated areas of Ideal Petroleum Company and Rancho Water Company, the known boundaries of government military reservations, and the lands which have been requested to be excluded. The Commission has also considered the operating record of each applicant, its management practices and its financial capabilities.

All other matters being equal, an existing utility should have the first right to the normal extension of its service as the public convenience and necessity requires and as contemplated by Section 1001 of the Public Utilities Code.

To those ends, and in the light of the existing emergency, respective spheres of operations of the public utility water companies involved in these consolidated proceedings will be created in the orders being issued by the Commission in the applications before us. Each utility will be limited and restricted to its respective spheres of operations, subject to certain exceptions.

The Commission finds and concludes that the boundaries of the respective spheres of operations of the applicants shall be delimited as follows:

(1) The spheres of operations of Dyke Water Company shall consist generally of the area located north of Garden Grove

Boulevard to the limits of the Cities of Buena Park and Anaheim, and east of Dale Street to Lewis Street including Tracts Nos. 1425, 2519 and 2419 south of Garden Grove Boulevard, west of Lewis Street; and an area south of Garden Grove Boulevard to Bolsa Avenue, east of Bolsa Chica Road to Hoover Street; and an area north of Westminster Avenue to Trask Avenue between Wright and Verano Streets including Tract No. 2010; except there are excluded therefrom all operations of other water utilities lawfully operating within said boundaries, lands not heretofore or herein certificated within the boundaries of Orange County Waterworks Districts Nos. 3 and 5, and lands specifically requested by landowners to be excluded (Appendix B attached hereto). The Commission finds and concludes that the areas above referred to are the logical, economic and geographical spheres of operations within which Dyke Water Company shall operate.

(2) The spheres of operations of Pacific Water Co. shall consist of the area south of Garden Grove Boulevard to Smeltzer Avenue and east of Verano Street to the Santa Ana River; and an area south of Garden Grove Boulevard to Hazard Avenue east of Cedarwood/Arizona approximately to Bushard Street; and its Colonia Juarez system; except there are excluded therefrom all operations of other water utilities lawfully operating within said boundaries, lands not heretofore or herein certificated within the boundaries of Orange County Waterworks Districts Nos. 3 and 5, and lands specifically requested by landowners to be excluded (Appendix B attached hereto). The Commission finds and concludes that the areas above referred to are the logical, economic and geographical spheres of operations within which Pacific Water Co. shall operate in southwestern Orange County.

(3) The spheres of operations of Southern California Water Company shall consist of the City of Huntington Beach and its environs; and an area bounded by Garden Grove Boulevard on the south to Crescent Avenue on the north, Dale Street on the east to the Orange County-Los Angeles County dividing line on the west (excluding the United States Naval Reserve Air Base); except there are excluded therefrom all operations of other water utilities lawfully operating within said boundaries, lands within the boundaries of Orange County Waterworks Districts Nos. 3 and 5, and lands specifically requested by landowners to be excluded (Appendix B attached hereto). The Commission finds and concludes that the areas above referred to are the logical, economic and geographical spheres of operations within which Southern California Water Company shall operate in southwestern Orange County.

As noted hereinbefore, the Commission has considered the factors and elements justifying the establishment of the respective spheres of operations of Dyke, Pacific, and of Southern California. The Commission has noted that in each of said spheres of operations there are one or more isolated or "island" water systems being lawfully operated by one or more of the other applicants and protestants in these consolidated proceedings. Such lawful operations are the result of the issuance in the past by the Commission of certificates of public convenience and necessity. In the establishment of the respective spheres of operations, the Commission has excepted therefrom all operations of other water utilities lawfully operating within the boundaries thereof. In furtherance of the policy hereinbefore expressed in the establishment of spheres of operations, the Commission urges upon and recommends to each of the

water utilities involved in these consolidated proceedings, that it voluntarily negotiate and deal with the respective water utility certificated by the order which follows within a specific sphere of operations for the sale and purchase of such "island" water systems. This will permit and facilitate the establishment and maintenance of one homogeneous and economic water system in each of the spheres of operations hereinbefore created. The Commission invites applications seeking authority for such sales and purchases.

The Commission is greatly concerned with Dyke's violation of Commission orders, its unauthorized extensions and contracts, its improper, incorrect and incomplete accounting records, and its inadequate financial condition which is hereby found to be insufficient to support its present and future operations. Despite this concern, it is evident that Dyke's present operating plant, the growth of the areas, its proposed water system expansions (including the importation and utilization of water from Metropolitan Water District), and public convenience and necessity, justify its certification for additional areas, with appropriate limitations and upon specific conditions.

The Commission finds and concludes that public convenience and necessity do not require that Dyke's applications be granted in their entirety, and, in the order which follows, they will be granted in part and denied in part.

The Commission finds and concludes that public convenience and necessity require that Dyke be granted a certificate of public convenience and necessity, limited and conditioned as therein specified, to construct, extend and operate its public utility

water systems in the areas which are delineated in single cross-hatching, with the legend "Dyke Water Company" on the map (Appendix A) attached hereto, and which are hereby established as its authorized spheres of operations, and to exercise the franchise rights hereinbefore referred to. Such certificate of public convenience and necessity is subject to the following provision of law:

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

The Commission finds and concludes that, in order to stabilize the public utility water system development in the areas under discussion, the public interest requires that Dyke should not, without further order of the Commission, extend its water system beyond its spheres of operations and the boundaries of the areas which are certificated to it by the order which follows.

Tracts Nos. 2182, 2146 and 2433, (supra), are within Dyke's spheres of operations as hereinbefore specified, and are included in the areas certificated to Dyke by the order which follows. As to said tracts the instant applications will be granted.

The Commission finds and concludes that contracts or agreements offered in evidence in this record relating to contractual arrangements for extending or providing service in any of the certificated areas are not binding on the Commission and are not acted upon herein and, therefore, the certificate granted

by this decision is not to be construed in any way as authorization for the carrying out of any such contracts or agreements.

The record in these proceedings discloses, and the Commission hereby finds and concludes that Dyke, without first having applied for and obtained a certificate of public convenience and necessity, and in violation of Section 1001 of the Public Utilities Code, has extended its water system into Tracts Nos. 2191, 2463, 2464, 2465 and 2097, (supra), which are without Dyke's and are within Pacific's spheres of operations, each as hereinbefore specified. Said tracts are covered by the decision issued concurrently herewith in Applications Nos. 36592 and 37096, (consolidated). As to said tracts, the Application No. 37161 will be denied.

The record shows that Tracts Nos. 2191, 2463, 2464, 2465 and 2097, (supra), contain in the aggregate 391 lots to which domestic water service is being or is about to be furnished by applicant without lawful authority. Obviously, these domestic water services must be continued, and the order which follows will be tempered by the realities of the situation. As stated above, the tracts last above described are within the spheres of operations being allocated to Pacific, notwithstanding which applicant will be directed to continue to furnish its present water services to said tracts, at its present rates, until Pacific has provided substitute services. Therefore, the order in Applications Nos. 36592 and 37096, issued concurrently herewith, provides that Pacific shall certify in writing to the Commission, over the signature of a responsible executive, the exact date that it is ready to and

will serve domestic water to all consumers in said tracts then being served by applicant. Upon the receipt by the Commission, not earlier, however, than the effective date of the order herein, of such certification, the Commission will issue its supplemental order or orders herein.

By its decision in Application No. 37042 and Case No. 5666, consolidated, issued concurrently herewith, the Commission finds and concludes that applicant violated the Commission's order in Decision No. 50041, (supra), by extending its water system into Tracts Nos. 2428, 2429, 2179 and 2612, (supra). As to said tracts, Applications Nos. 37097 and 37161 are denied.

The record indicates, (Exhibit No. 23), and the Commission finds and concludes that, without first having obtained the necessary authority from the Commission, Dyke has, in numerous but not identifiable cases, constructed and extended its water systems into areas, tracts and subdivisions which are not contiguous to any area or areas heretofore certificated to it by the Commission, and which are outside Dyke's spheres of operations hereinbefore described. Dyke will, therefore, be ordered to submit to the Commission, in writing, within 10 days after the effective date of the order herein, a true and accurate list of such water system constructions and extensions, accompanied by a true, accurate and comprehensive map, of such areas, tracts or subdivisions showing in detail the tract numbers, (if any), or other legal descriptions, together with a true and accurate statement of the number of consumers and lots in each of such areas, tracts or subdivisions. On receipt of said list, the Commission will issue its further order or orders herein.



No change in applicant's present rates for water service will be authorized by the order herein, and applicant will be authorized and directed to apply its presently filed schedules of rates for water service in the areas certificated to it hereinafter. However, applicant is put on notice that the Commission reserves the right and recognizes its duty at all times to review the reasonableness of applicant's charges for water service in its spheres of operations.

It is evident, and the Commission finds and concludes that applicant is financially unable at this time to completely meter its water systems. Such a program based on an average cost of \$30 per meter installation, for in excess of 13,000 service connections, would cost about \$400,000. However, it appears that the conservation of ground water supplies is necessary and would be promoted by the installation of meters on consumers' services. The order which follows will direct applicant to forthwith institute and thereafter diligently complete a program of metering its water services over a period of not less than four years. Applicant shall report its progress, in writing to the Commission, every ninety days hereafter.

Applicant will be directed to carry out the staff recommendations contained on pages 32 and 33 of Exhibit No. 110. Additionally, applicant will be directed to report in writing to the Commission within sixty days hereafter, and every ninety days thereafter for two years, its progress in financing and in carrying out its plans for expansions of its water system within its spheres of operations, including the importation and utilization of water from Metropolitan Water District.

In view of Dyke's inadequate financial condition as noted hereinbefore, applicant will be ordered immediately to submit to the Commission a program leading toward the substantial improvement of such condition through the issuance of equity securities to provide more working cash capital and to increase its equity investment.

The protests of Pacific, Southern California, Lakewood, Ideal, and of Rancho will be denied.

O R D E R

Applications as above entitled having been filed, public hearings having been held, the matters having been submitted, and now being ready for decision,

IT IS HEREBY ORDERED as follows:

1. That Dyke Water Company, a corporation, be and it is granted a certificate of public convenience and necessity to construct, extend and operate its public utility water systems in its spheres of operations in the areas delineated on the map attached hereto as Appendix A, and to exercise the rights and privileges granted by Ordinance No. 765 of Orange County dated September 27, 1955, subject, however, to the following limitations and conditions:
  - (a) That Dyke Water Company shall not extend its water system outside its certificated service area boundaries as shown on Appendix A without further order of the Commission.
  - (b) That, pending further order of the Commission, Dyke Water Company shall continue to furnish its water services in Tracts Nos. 2191, 2463, 2464, 2465 and 2097, at its present rates. That when Pacific Water Co., a corporation, shall be ready to and will serve applicant's consumers in Tracts Nos. 2191, 2463, 2464, 2465 and 2097, with domestic water service;

and when Pacific Water Co. shall fix the exact time for the substitution of its services for those of applicant in said tracts; and when Pacific Water Co. shall have certified to the Commission, in writing, over the signature of a responsible executive, that it is ready to and will serve said tracts, and fix the exact time for the substitution of its services for those of applicant, the Commission will issue its supplemental order or orders herein.

- (c) That Dyke Water Company shall submit to the Commission, in writing, within ten days after the effective date hereof, a true and accurate list of the constructions and extensions of its water systems into areas, tracts and subdivisions which are not in any area or areas heretofore or herein certificated to it by the Commission, accompanied by a true, accurate and comprehensive map showing in detail the tract numbers (if any), or other legal descriptions, together with a true and accurate statement of the number of consumers and lots in each of such areas, tracts or subdivisions. On receipt of said list, the Commission will issue such further order or orders herein as it may deem appropriate.
- (d) That Dyke Water Company immediately shall submit to the Commission, in writing, a program leading toward the substantial improvement of its financial condition through the issuance of equity securities to provide more working cash capital and to increase its equity investment.
- (e) That Dyke Water Company shall forthwith institute a program of metering of water service in the certificated areas shown on the map, Appendix A, and shall report its progress in writing to the Commission within ninety days after the effective date hereof and every ninety days thereafter for a period of four years.
- (f) That Dyke Water Company shall institute appropriate procedures to bring and maintain its accounting practices into conformance with the Uniform System of Accounts for Water Utilities, effective January 1, 1955. These procedures shall include accounting for operating expenses by primary accounts, establishment of a work order system and work order records to cover construction work.

classification of utility plant among the various plant accounts in accordance with the prescriptions of the Uniform System of Accounts, appropriate retirement accounting procedures including a definite plan of accounting for retirements as between retirement units and maintenance replacements and depreciation accounting procedures to insure that retirements are charged to the depreciation reserve and that cost of removal and gross salvage are recorded as charges and credits to the depreciation reserve. Applicant shall report in writing within thirty days after the effective date of this order and every thirty days thereafter its progress in connection with these procedures until further order of the Commission.

- (g) That Dyke Water Company shall provide sufficient and properly qualified personnel to perform adequately and efficiently (1) engineering planning, (2) construction work and construction contracting, (3) maintenance of its own materials and supplies, (4) maintenance of appropriate records and tariffs including adequate maps and statistical data of the water operations, and (5) all other work necessary to conform to the requirements of the Public Utilities Code and all applicable rules and orders of this Commission. Within ninety days after the effective date of this order applicant shall report in writing its progress in this regard and shall continue such reports every ninety days thereafter until further order of the Commission.
- (h) That Dyke Water Company shall, within ninety days after the effective date of this order, file, in accordance with the provisions of General Order No. 96, copies of all contracts relating to utility service, including any existing main extension contracts not already filed and the standard contract form for main extensions which applicant customarily follows.
- (i) That Dyke Water Company shall, within sixty days after the effective date hereof, and every ninety days thereafter for a period of two years, report to the Commission in writing its progress in financing and carrying out its plan for the importation and utilization of Metropolitan Water District water.
- (j) That Dyke Water Company shall, within ninety days after the effective date of this order, file, in accordance with the provisions of General Order No. 96, tariff schedules to provide for all services presently being furnished which are not provided for in presently filed Schedules Nos. 1 and 2, including

tariff sheets providing for bimonthly billing, irrigation service, fire hydrant service, construction, street work and water for settling of ditches service, service for hauling of water by tank trucks and such other services as applicant may be furnishing, except that where any services being furnished cannot reasonably be covered by filed tariff schedules, contracts covering these services shall be filed.

- (k) That Dyke Water Company shall, within ninety days after the effective date of this order, amend its presently filed tariff schedules in accordance with the provisions of General Order No. 96 to provide for the application of said tariff schedules for water service in the areas certificated by this order and consistent with the filings to be made in accordance with subparagraph (j).
2. That failure by Dyke Water Company to strictly comply with and carry out the conditions attached to the granting of the Certificate of Public Convenience and Necessity as hereinbefore specified, shall constitute grounds for the institution and prosecution of proceedings as specified by Sections 2101 through 2113 of the Public Utilities Code, as well as for the issuance by the Commission of all orders appropriate in the circumstances.
- 3(a) That Dyke Water Company be and it is authorized and directed to apply its presently filed rates and rules for water service to the areas certificated by this order. No change in applicant's presently filed rates is authorized.
- (b) That Dyke Water Company shall, within thirty days after the effective date hereof, revise its tariff schedules, including its tariff service area maps, to include the certificated areas shown on the map, Appendix A, in a manner acceptable to the Commission and in accordance with General Order No. 96. Such rates, rules and tariff service area maps shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.
- (c) That Dyke Water Company shall file, within forty days after the effective date hereof, four copies of a comprehensive map drawn to an indicated scale not smaller than 600 feet to the inch, delineating by appropriate markings the various tracts of land and territory served; the principal water production, storage and distribution facilities; and the location of the various water system properties of applicant in the areas certificated by this order.

4. That Dyke Water Company shall review annually the accruals to depreciation reserve which shall be determined for each primary plant account by dividing the original cost of plant less estimated future net salvage less depreciation reserve by the estimated remaining life of the surviving plant of the account; and the results of the reviews shall be submitted annually to the Commission.
5. That the protests of Pacific Water Co., Southern California Water Company; Lakewood Water & Power Company, Ideal Petroleum Company, and of Rancho Water Company, be and they are hereby denied.
6. That the lands specifically requested by land-owners to be excluded (Appendix B attached hereto), be and they are hereby excluded from the certificate herein granted.
7. That in all other respects the applications of Dyke Water Company be and they are denied.

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

Dated at San Francisco, California, this 1st day of October, 1956.

John E. G. ...  
President  
 Justice J. ...  
 ...  
 ...  
 ...  
Commissioners

PRIVATE PROPERTIES EXCLUDED FROM CERTIFICATED AREAS  
SHOWN ON MAP, APPENDIX A

<u>Parcel No.</u>	<u>Name</u>	<u>Exhibit No.</u>	<u>Legal Description</u>	<u>Acreage</u>
1	Mary K. Smith and Howard K. Smith	12-A	S $\frac{1}{2}$ of the S $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 21, T5S, R11W, SBB & M	40
2	Greenwing Land and Water Co. by John A. Murdy, Jr., secty.	12-A	NW $\frac{1}{4}$ of Sec. 15, T5S, R11W, SBB & M	160
3	John A. Murdy, Jr.	12-A	W $\frac{1}{2}$ of the E $\frac{1}{2}$ of SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 22, T5S, R11W, SBB & M	10
4	"	"	E $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 22, T5S, R11W, SBB & M	20
5	"	"	N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Sec. 23, T5S, R11W, SBB & M	80
6	"	"	N $\frac{1}{2}$ of the E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Sec. 23, T5S, R11W, SBB & M	10
7	John A. Murdy, Jr.* undivided one-half interest		W $\frac{1}{2}$ of the S $\frac{1}{2}$ of the SE $\frac{1}{4}$ of Sec. 15 T5S, R11W, SBB & M	40
	*Other one-half interest, Home Investment Co., Long Beach, by L.S. Whaley, pres.			
8	C. O. Graham by Alvin Graham	12-A	S 30 acres of the W $\frac{1}{2}$ of the NW $\frac{1}{4}$ of Sec. 16, T5S, R11W, SBB & M	30
9	"	"	NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 21, T5S, R11W, SBB & M	40
10	"	"	W $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 22, T5S, R11W, SBB & M	20
11	Alban Holtz and Bernadine Holtz	12-A	W 80 acres of the NW $\frac{1}{4}$ of Sec. 4, T5S R11W, SBB & M	80
12	"	"	W 80 acres of the SW $\frac{1}{4}$ of Sec. 4, T5S, R11W, SBB & M	80
13	"	"	SW $\frac{1}{4}$ of Sec. 4, T5S, R11W, SBB & M, excepting therefrom the W 80 acres	80
14	Adrian O. Hubbell, DDS	12-A	SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 21, T5S, R11W, SBB & M	40
15	"	"	S $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 21, T5S, R11W, SBB & M, plus 3 acres at 15881 Golden West St., Rt. 3, Santa Ana	23

APPENDIX B  
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PRIVATE PROPERTIES EXCLUDED FROM CERTIFICATED AREAS  
SHOWN ON MAP, APPENDIX A

<u>Parcel No.</u>	<u>Name</u>	<u>Exhibit No.</u>	<u>Legal Description</u>	<u>Acreage</u>
16	Wilford G. Lewis, Trustee	12-A	E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 22, T4S, R11W, SBB & M	20
17	"	"	E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 22, T5S, R11W, SBB & M	20
18	The Artesian Land Co., by H. K. Bagley, secretary	12-A	Sec. 21 and 28 (portions thereof), T4S, R11W, SBB & M	718.44
19	Willis L. Miller	13-A	W $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 4, T5S, R11W, SBB & M	80
20	"	"	E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 4, T5S, R11W, SBB & M, except the southerly 120 ft.	(above) 45
21	Aldrich R. Peck, and Aldrich R. Peck, Dorothy Thayer Peck and Charles H. Thatcher, Trustees	58-A	Commencing in the center of Sec. 9, T5S, R11W, SBB & M, and running thence N25.60 chains to the com- promise boundary line between the Ranchos Las Bolsas and La Bolsa Chica, and the Rancho Los Alamitos; thence S49° 30'W along the said comp. line 52.91 chains to the W line of Sec. 9; thence S12.29 chains thence E40.04 chains to $\frac{1}{2}$ Sec. lines; thence N20 chains to the place of beginning; est. to contain 115.5 acres	115.5
22	"	"	S $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Sec. 9, T5S, R11W, SBB & M	80
23	"	"	S $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 9, T5S, R11W, SBB & M	80
24	"	"	SE $\frac{1}{4}$ of Sec. 9, T5S, R11W, SBB & M	160
25	"	"	SW $\frac{1}{4}$ of Sec. 10, T5S, R11W, SBB & M	160
26	"	"	S 30 acres of the W 50 acres of the S $\frac{1}{2}$ of the NW $\frac{1}{4}$ of Sec. 10, T5S, R11W, SBB & M	30
27	"	59-A	SW $\frac{1}{4}$ , except the easterly 40 acres of Sec. 15 T5S, R11W, SBB & M	120
28	"	"	E $\frac{1}{2}$ , and the E $\frac{1}{2}$ of the W $\frac{1}{2}$ of Sec. 16, T5S, R11W, SBB & M	480
29	"	"	W $\frac{1}{2}$ of the NW $\frac{1}{4}$ , except the southerly 30 acres of Sec. 16, T5S, R11W, SBB & M	50



PRIVATE PROPERTIES EXCLUDED FROM CERTIFICATED AREAS  
SHOWN ON MAP, APPENDIX A

<u>Parcel No.</u>	<u>Name</u>	<u>Exhibit No.</u>	<u>Legal Description</u>	<u>Acreage</u>
30	Aldrich R. Peck, and Aldrich R. Peck, Dorothy Thayer Peck and Charles H. Thatcher, Trustees	59-A	SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 22, T5S, R11W, SBB & M	40
31	"	"	NW $\frac{1}{4}$ , except 3 acres in the NE corner thereof, of Sec. 23, T5S, R11W, SBB & M	157
32	"	"	SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 23, T5S, R11W, SBB & M	40
33	"	"	W $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ , and the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 23 T5S, R11W, SBB & M	30
34	"	"	S $\frac{1}{2}$ of the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ , and the N $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 23, T5S, R11W, SBB & M	60
35	"	"	SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 24, T5S, R11W, SBB & M	40
36	"	"	N $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 24, T5S, R11W, SBB & M	80
37	Aldrich R. Peck, and Aldrich R. Peck, Dorothy Thayer Peck and Charles H. Thatcher, Trustees	60-A	Easterly 23.94 acres of the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 1, T6S, R11W, SBB & M	23.94
38	"	"	Easterly 23.94 acres of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ , except 4 acres along the east side thereof, of Sec. 1 T6S, R11W, SBB & M	19.94
39	"	"	E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 1, T6S, R11W, SBB & M	20
40	"	"	E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Sec. 1, T6S, R11W, SBB & M	20
41	"	"	W $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Sec. 1, T6S, R11W, SBB & M	80
42	"	"	NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 1, T6S, R11W, SBB & M	40
43	"	"	NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 13, T6S R11W, SBB & M	40
44	"	"	NE $\frac{1}{4}$ of Sec. 7, T6S, R10W, SBB & M	160
45	"	"	SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Sec. 7, T6S, R10W, SBB & M	40