

Decision No. 61642**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of Dyke Water Company for an)
Order authorizing it to sell,)
transfer and convey its water)
system to the City of Garden)
Grove.)

Application No. 42454

Richard Roe, H. J. Van Petten and Frederick L. Simmons,
for Dyke Water Company, applicant;
Walter Chaffee and Garth R. Lipsky, for City of Garden
Grove; Preston Turner, for City of Anaheim; John R. Dean,
in propria persona; interested parties;
Richard R. Entwistle and C. O. Newman, for the Commission
staff.

O P I N I O N

Dyke Water Company, a corporation, by this application, filed July 12, 1960, seeks authority to sell and transfer its properties and assets to the City of Garden Grove. The City of Garden Grove, by its Resolution No. 1501A-61, adopted January 10, 1961, has joined in the application.

After due notice, public hearing in the matter was held on December 14, 15 and 27, 1960, at Los Angeles. The matter was submitted upon receipt of applicant's late-filed exhibit on March 3, 1961, and now is ready for decision. On March 8, 1961, applicant filed Application No. 43206 pertaining to the subject matter of the instant proceeding. Said new application will be disposed of by separate order to be issued contemporaneously herewith.

The property proposed to be transferred to the City of Garden Grove constitutes all of the utility's property and assets, including but not limited to all utility plant, system and property used or useful in serving the public. The water system serves about 24,000 customers in territory lying generally south of the Santa Ana Freeway, west of the City of Santa Ana, north of the City of

Huntington Beach and east of the westerly boundary of Orange County.

The terms and conditions of the proposed transfer are contained in three documents. The first document is titled "The City of Garden Grove-The Dyke Water Company-Waterworks Acquisition Agreement 1960", a copy of which is attached to the application, entered into on May 3, 1960. The second document is titled "The City of Garden Grove-The Dyke Water Company-Contract Supplementing Waterworks Acquisition Agreement 1960", a copy of which is Exhibit No. 7 in this proceeding, entered into on December 20, 1960. The third document is titled "The City of Garden Grove-The Dyke Water Company-Second Contract Supplementing Waterworks Acquisition Agreement 1960", a copy of which is Exhibit No. 10 in this proceeding, entered into on February 28, 1961 and filed on March 3, 1961. The transfer is contingent upon authorization of this Commission.

The agreed-upon purchase price is stated to be \$7,337,646.40, the payment of which is intended to be made from revenues received by the city from its operations of the properties. Payment of the purchase price is to be made in installments over a period of twenty-five years, with the declining balance of the obligation bearing interest at the rate of six per cent per year. The contract of purchase, in essence, creates a single-revenue obligation of the City of Garden Grove; however, the technique proposed to be employed effectively would divide this single obligation into many parts. This is to be accomplished by the utility assigning its rights to the purchase price to a non-profit corporation in consideration of which the utility will receive back from the non-profit corporation the latter's bonds in an aggregate amount equal to the purchase price and bearing the same interest rate as the purchase-price obligation. Upon dissolution of the utility the bonds, being then its sole assets, would be distributed to the utility's shareholders.

Applicant's water system provides service both within and without the limits of several cities. It is anticipated that the cities will acquire from the City of Garden Grove those portions of

the system which are contiguous to and within their individual city boundaries, with the prospective result that more than 95 per cent of the utility's customers would then receive water service from the municipalities in which they reside. Preliminary negotiations in this respect, between one or more of the cities and the City of Garden Grove, are now under way.

The sale of the assets of the utility is to be made to the City of Garden Grove free and clear of consumers' advances for construction. Substantially all of the agreements covering such advances constitute contingent or unmatured obligations. These advances, together with certain detailed information respecting them, are treated in Exhibits Nos. 3, 5, 6 and 9 in this proceeding. Applicant utility proposes to deposit in trust an amount of the hereinabove-mentioned bonds sufficient to make the required repayments of the construction advances as such repayments become due. The amounts of repayments depend almost invariably on the revenues derivable from the various extensions for which the utility received the construction advances. In this respect, the City of Garden Grove must initiate and maintain, until each refund obligation is paid out, such records as will permit determination of the revenues actually received from each extension in accordance with each of the agreements pertaining thereto.

Applicant's evidence shows that the construction-advance contracts which it holds have a refundable total outstanding balance of \$2,159,369.13 as of the time of hearing in this matter.^{1/}

The evidence^{2/} also shows that a number of the written agreements covering refunding of these construction advances are not in accordance with applicant's tariff rules applicable thereto. In view of the present circumstances, the Commission finds and concludes that the public interest requires that authority to deviate from the applicable tariff rules in these individual instances should be issued and that applicant should be required to carry out the existing terms of

^{1/} As appears from Exhibits Nos. 3 and 6 in this proceeding.

^{2/} As detailed in Exhibit No. 5 in this proceeding.

such agreements. The order herein will so provide.

The evidence further shows^{2/} that applicant in violation of his main extension rules, has collected other monies for extensions for which it has not entered into written contracts. These totaled \$22,934.60 as of June 30, 1958, and are recorded in applicant's contribution account. In this respect, the Commission finds and concludes that applicant should be required to execute written refunding agreements therefor, in accordance with its main extension rule in effect at the time these monies were collected and, further, that applicant should be required to provide for their refunding through the trust fund hereinbelow discussed. The order herein will so provide.

The evidence shows^{2/} that applicant has exacted monies for meter and service connections and certain extensions unlawfully and in violation of its tariffs. These monies totaled \$39,946.77 as of June 30, 1958. In this respect, the Commission finds and concludes that applicant should be required to repay such monies in cash and the order herein will so provide.

The utility proposes to set up a trust fund for repayment of construction advances in the principal sum of \$1,500,000. The proposed "Declaration of Trust" constitutes Exhibit No. 4 in this proceeding. The utility believes that such principal amount, together with interest thereon, will provide monies sufficient to pay off the construction-advance liabilities as they fall due. In view of the evidence, the Commission finds and concludes that such sum is insufficient and, further, that protection of the public interest requires that no lesser a principal amount than \$2,182,303.73 be set aside in trust for such purpose.^{3/}

^{2/} As detailed in Exhibit No. 5 in this proceeding.

^{3/} This amount is composed of two groups of obligations: viz., \$2,159,369.13 for which applicant has outstanding contracts, and \$22,934.60 for which applicant must execute refund agreements.

This Commission has heretofore directed the utility to set up and maintain a special reserve account and a trust fund to which the utility shall credit and deposit the differential in revenues accruing under the water rates which the utility is charging as compared with those rates which the Commission has found to be reasonable.^{4/} The Commission finds and concludes that subject to the action of the Supreme Court of California in SF No. 20479, the public interest requires that any monies represented by such reserve and deposited in trust shall be refunded to the utility's customers as a condition precedent to transfer of the utility's properties and the order herein will so provide.

Based upon the record in this proceeding, the Commission finds and concludes that the proposed transfer will not be adverse to the public interest and that the application should be granted; provided, that full and unqualified compliance is had with each of the conditions precedent to the exercise of the authority to transfer. Further, the action herein taken shall in no manner be construed to be a finding of the value of the property herein authorized to be transferred.

O R D E R

Based upon the evidence, findings and conclusions herein,
IT IS HEREBY ORDERED that the action of this Commission granting the authorization to Dyke Water Company to transfer its assets and properties shall be of no force or effect unless and until this Commission by subsequent order shall have found that Dyke Water Company

^{4/} The reserve account is titled "Reserve and Revenue Adjustment" and the trust fund is a special trust account which shall maintain on deposit therein a sum of money equal to the balance in the reserve account. These result from the "Order Staying Effective Date of Decision", in re: Application No. 39303 and Case No. 5841, issued May 16, 1960, in connection with which applicant has petitioned the Supreme Court of the State of California for a writ of review, which petition was granted on January 25, 1961, in SF No. 20479 (Dyke Water Co. vs. Public Utilities Commission, et al.)

has fully complied with the requirements and conditions of each of the following paragraphs, numbered 1 or 2, and 3 to 8 inclusive, as conditions precedent to the exercise of such authorization:

1. (a) Dyke Water Company shall file with the Clerk of the Supreme Court of the State of California a written request for dismissal of its review proceeding entitled Dyke Water Co. vs Public Utilities Commission of the State of California, et al., SF No. 20479, on the docket of said Court, and shall file a verified copy of said request for dismissal in the record of this application proceeding, together with a copy of the order of said Court dismissing said review proceeding, and

(b) On or before May 1, 1961, Dyke Water Company shall have refunded to its customers any monies represented by its "Reserve and Adjustment Account" and the associated special trust fund heretofore directed to be established by the Commission's order in such respect issued May 16, 1960. Any monies which cannot be so refunded shall become the property of the State of California and shall be paid into the Treasury of the State of California.

2. As an alternative to complying with ordering paragraph 1, above, Dyke Water Company shall have established the trust fund heretofore ordered by this Commission on May 16, 1960, and shall have deposited therein an amount sufficient to permit full refunding to its customers of all monies collected on or before May 1, 1961, in excess of those due under the provisions of Decision No. 59828. The trust agreement shall provide that the trustee of said fund shall make appropriate refunds therefrom in the event said Decision No. 59828 is affirmed by the Supreme Court in SF No. 20479 (Dyke Water Co. vs Public Utilities Commission of the State of California, et al.).

A true copy of the trust agreement shall be filed in the record of this proceeding by not later than March 31, 1961. Further, a verified statement of the trustee setting forth the sums, as of March 31 and April 15, 1961 then deposited in said fund, shall be filed in the record in this proceeding within five days following each of said dates. Any monies which cannot be refunded shall become the property of the State of California and shall be paid into the Treasury of the State of California.

3. On or before May 1, 1961, Dyke Water Company shall have refunded all customers' deposits, in Account 227, which customers are entitled to have refunded, and shall have filed in the record in this application proceeding a verified statement as to the disposition of said account.

4. On or before May 1, 1961, Dyke Water Company shall have repaid in cash to each designee listed in Appendix A attached to this order the sum of money set forth opposite the name of each such designee. Any monies which cannot be so repaid shall become the property of the State of California and shall be paid into the Treasury of the State of California.

5. On or before May 1, 1961, Dyke Water Company shall have executed written refund main-extension agreements with or for each of the designees listed in Appendix B attached to this order, in accordance with the terms of applicant's lawful tariffs in effect on the date indicated, the amount of refund in each instance to be that appearing opposite the name of each designee in said appendix. Further, Dyke Water Company shall file in the record in this application proceeding, on or before said date, a true copy of each of said written agreements as executed.

6. On or before May 1, 1961, Dyke Water Company shall have executed a "Declaration of Trust" in the form and of the substance of Exhibit No. 4 in this proceeding. Such declaration of trust shall be modified, however, in the following two particulars:

a. Article II. The "Schedule of Reimbursement Contracts", referred to in such document as Exhibit III, shall be as set forth in Appendix C attached to this order and in addition thereto, the schedule of reimbursement contracts shall include reimbursement of each of the written agreements hereinabove ordered in paragraph 5 of this order.

b. Article IV. In the third sentence of this article the figures "\$2,182,303.73" shall replace the words "one million five hundred thousand dollars".

7. Contemporaneously with the execution of the declaration of trust as ordered in the foregoing paragraph of this order, the shareholders of Dyke Water Company shall execute the "Assumption and Guaranty Agreement" set forth as Exhibit II attached to the aforesaid "Declaration of Trust" as said agreement appears in Exhibit No. 4 in this proceeding.

8. Dyke Water Company shall have paid to the Secretary of this Commission the fine of \$3,000.00 ordered by Decision No. 61326 of this Commission, issued January 10, 1961.

IT IS HEREBY FURTHER ORDERED as follows:

9. Article IX of said declaration of trust, referred to in numbered paragraph 6 of this order, may be modified in such manner as will permit the reimbursement of the outstanding balance rather than the "present worth" thereof, should the Trustors and the Trustee so agree; the remaining provisions of said article shall remain substantially unchanged.

10. Dyke Water Company is authorized to deviate from the provisions of its main-extension rules as to each of the main-extension agreements covered by the "Schedule of Reimbursement Contracts" set forth in Appendix C attached to this order in so far as any of such agreements may not be in accordance with the provisions of Dyke Water Company's then applicable tariff rule and, further, Dyke Water Company is authorized and directed in each instance to carry out the existing terms and conditions thereof.

11. Upon a finding by this Commission that Dyke Water Company has met full compliance with each of the foregoing ordering paragraphs 1 or 2, and 3 through 8, and not before, Dyke Water Company may, on or after the effective date of this order and on or before May 3, 1961, transfer its public utility properties and assets to the City of Garden Grove pursuant to the agreement entitled "The City of Garden Grove-The Dyke Water Company-Waterworks Acquisition Agreement 1960", a copy of which is attached to the application herein as Exhibit A, pursuant to the supplemental agreements entitled (1) "The City of Garden Grove-The Dyke Water Company-Contract Supplementing Waterworks Acquisition Agreement 1960", a copy of which is Exhibit No. 7 in this proceeding, and (2) "The City of Garden Grove-Dyke Water Company-Second Contract Supplementing Waterworks Acquisition Agreement 1960", a copy of which is Exhibit No. 10 in this proceeding, as modified and conditioned by the decision herein.

IT IS HEREBY FURTHER ORDERED that within ten days after the date on which the hereinabove described "Declaration of Trust" and "Assumption and Guaranty Agreement" are executed, Dyke Water Company shall file in the record in this application proceeding a verified copy of each of the same as executed.

IT IS HEREBY FURTHER ORDERED that the City of Garden Grove shall set up and maintain the accounts and records respecting refund

obligations, as specified in the foregoing opinion, and such requirement shall be a condition subsequent, binding on said City of Garden Grove. The acceptance by said city of the properties herein concerned shall constitute consent by it to this condition and all other conditions of the decision herein applicable to said City of Garden Grove.

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

Dated at San Francisco, California, this 13th day of March, 1961.

Cecil W. Page
 President

John E. Mitchell

C. J. Fox

George H. Hoover

Fredrick B. Hallock
 Commissioners

APPENDIX A

(Cash to be repaid)

<u>Date</u>	<u>Designee and/or Description</u>	<u>Amount to be Repaid</u>
<u>1954</u>		
6/18	Services for Urich Station Brookhurst & Lincoln	\$ 1,485.00
7/31	Meters and services	3,197.76
10/31	Services	1,922.25
12/31	"	480.60
<u>1955</u>		
1/31	J. G. Weber F. M. Ingram Preston K. Allen A. L. Nieto Louis Zaich Roy H. Sagan	60.00 60.00 60.00 40.00 60.00 40.00
2/28	C. M. Hillman Cartright Smith Michael Mastergeorge Service Walter Woodworks Bill Morris	60.00 60.00 60.00 80.00 15.00
3/31	Ray W. Waer Drive-in Theatre Union Oil Co. Shell Oil Station - paid by M. & S. Maint. & Const. Co. S. C. Oertly Ralph L. Miller Lee Fabian	150.00 595.40 1,214.94 265.00 112.76 80.00 60.00 40.00 80.00
4/30	Art Vanderbilt Erickson Minor & Minor Contractors Tietz Construction Ed McDonald Service Sta. Maderois Mrs. Perkins Magnunon Van Druff Homes	325.50 257.50 205.50 265.50 60.00 60.00 40.00 40.00
6/30	Walter A. Lotze Emma Lenacher Jimmy Anderson Jack Morsby & Houston J. Nickens	60.00 130.00 60.00 120.00

APPENDIX A (cont'd.)

<u>Date</u>	<u>Designee and/or Description</u>	<u>Amount to be Repaid</u>
1955		
6/30	Frances M. Craemer	Connection - 9631 Gray Drive \$ 40.00
	Shirley S. Hess	" - Gray Drive 60.00
	Lindsey	2-3/4" - 12235 Chapman 50.00
	Women's Club	" - Gilbert & Chapman 100.00
7/31	Dr. Edward W. Jaridt	" on Dennis Lynch property 60.00
	Raymond L. Curry	" 135.00
	Wayne W. Jones	" - 11762 Loraleen 60.00
6/30	Gale Development Co.	Meter inst., Lot 1, Tr. #1751 60.00
8/31	F. C. Walker	Service Connection - 10102 Edgewood 127.00
	Trouyla Peterson	" " - 9781 Bixby 60.00
	Robert Miller	" " - So. of Trask & Wright 350.00
	A. S. Ebbutt	" " 150.00
		" " 265.50
	Floyd B. or Damaris H. Toby	" " - Trask 225.00
		" " - 9952 Magnolia 140.00
	Dwight Ethridge	" " 116.00
9/30	Edw. V. Davis DDS	" " - 10941 Magnolia 60.00
	Sidney Harris	" " 100.00
	Johnson	" " - 9541 E. Hutson Lane 80.00
	James D. Tanner	" " - 14236 Willow Lane 80.00
	Horace T. Hartman	" " - 9562 Ball Road 200.00
	Elmer Hopkins	" " - 9581 Hudson Lane 100.00
	Mrs. R. D. Crowl	" " 100.00
	Mrs. Francis R. Hale	" " 100.00
	Ruth Ann Cliff	Special connection - 11332 Katella 100.00
	Standard Oil	Service connection - Lincoln & Brookhurst 770.94
10/31		" " - 14661 Katella 80.00
	Carl C. Noyes	" " - 9362 & 9372 Cerritos 120.00
	Ethel Jensen	1/2 cost service connection-12881 S.Haster 102.00
	Bert M. & Lilyan P. Lynn	Service connection-MacMurray 100N.Chapman 100.00
		" " - S. E. corner, Magnolia & Katella 500.00
	Elsie Ford	Special connection - 8821 Orangewood 100.00
11/30	Union Oil	1" meter - Broadhurst & Chapman 265.50
	Theodore F. Peters	Service connection - 14222 Newhope 100.00
	Jack E. Brodehault - Medical Center	Special connection - Gilbert & Ball 225.00
	G. G. Realty	Service connection - 14246 Newhope 60.00
12/31	Josephine M. Toel	Newhope south of Westminster 60.00
	Geraldine Folmer	Special connection - Hazard & Cannery 60.00
	F. E. Perrino	" " - 12231 Trask 80.00
		" " - 10701 S. Magnolia 100.00
	Frank A. Foote	Service connection - 11111 S. Magnolia 60.00
	James H. Russell	" " - Raisin Market 225.00

APPENDIX A (cont'd.)

<u>Date</u>	<u>Designee and/or Description</u>	<u>Amount to be Repaid</u>
<u>1956</u>		
1/31	S. C. Oertly H. W. Schmitt	Special connection - no address \$ 60.00 Service connection - 10418 E. Katella 80.00 Service for church - 10241 Chapman 150.00
2/28	Earl L. Crawford John W. Rushing	Special connection 160.00 " " - Lot 10, Tr. 1934 60.00 15721 Newhope 24.00 Special connection - 8721 Brookhurst 150.00
	Fred C. Lau	9322 S. Stanton 150.00 Special connection - 8791 Orangewood 60.00 " " S.E. corner Dole & Chapman 265.50
3/31	O. E. Christisen Edwin O. Hordahl	12202 S. Harbor 40.00 Temporary connection 80.00
4/30	Glenn Short General Petroleum Carlson Vernal P. Howard	8171 Bever 80.00 80.00 N/W corner Katella & Magnolia 265.50 Special connection - 12362 Orangewood 100.00 " " - 1085 Woodward Lane 40.00 " service - 12542 Sandalwood Lane 150.00 " connection - 7861 Trask 60.00 " " - 10881 Magnolia 80.00 Business " - 12191 Harbor Blvd. 60.00 Special " - Tr. 1991 300.00 " " - 8811 Orangewood 60.00 " " - 9331 Cerritos 80.00 " " - Mills Lane 80.00 " " - Gilbert & Cerritos 150.00 " " 100.00 " " - 12516 Buano Rd. 80.00
5/31	Geraldine Theiger Donald K. Pullman Shell Oil Co.	Main line extension 150.00 Water connection - Lot 39, Tr. 2797 150.00 Special connection - Berrydale So. of G.G. Blvd. 100.00
6/30	T. H. Hartman G. T. Lingren W. Anaheim Baptist Church Bldg. Fund Temple Lawrence C. Broady Gladys Lawson	Special connection on Cannery 80.00 Connection on Cannery 80.00 Service at Willow Lane 80.00 Filling station - Brookhurst & Katella 265.50 Special connection - 1661 Mills Lane 80.00 " " - 10371 Brookhurst 100.00 " " - 1640 Mills Lane 80.00 " " - for Material Supply Co. 80.00 " " 40.00 " " - Lewis St. School 700.00
7/31	Cunningham Co.	
8/31	Lorraine Hay	
9/30	Ray J. Rowe Paul S. Miranda Miller Tabak Ben Newman Gene Smith Mrs. J. B. Maddox A. E. Curry Mrs. Albert Jaehn Clarke Plumbing	

APPENDIX A (cont'd.)

<u>Date</u>	<u>Designee and/or Description</u>	<u>Amount to be Repaid</u>
<u>1956</u>		
10/30	Lampson & Harbor Dolly Allred	Special connection 3 connections - #14582 and B. & C. Goldenwest
	H. E. Schied	3/4" service - 11719 Haster
	H. H. Warren	1-1/2" service - 8882 Cerritos
11/30	So. Cal. Baptist W. O. 10-22-125 Connection	250.00
	Fred W. May W. O. 10-29-138	100.00
	Texas Co.	Special connection - hot tap
	Kate E. McCullah	" " - Peter Pan School
	John Hanson	" " - 7566 Trask
	Frank Moeshie	" " - 1156 Hazard
	Henry L. and June Miller	" " - 7342 Cerritos
	H. J. Hamhauser	" " - 11702 Haster
12/31	Tidwell	Service - N.W. corner Magnolia & Katella
	Gene Cordra	Special connection - 11851 Harbor
	G. M. Simon	" " - 10695 Euclid
	M. H. Oster	" hook-up
		" connection - 9602 Ball Rd.
<u>1957</u>		
1/31	Louis Z. Vanderboom	Special connection - 10131 Brookhurst
	Bertha B. Nelson	" " - 12111 Buano St.
	Happyland Pre-School	" " - Magnolia & Stonybrook
	Bethel Baptist Church	" " - Bull & Knott
	Mary E. Morgan	" service - 8621 Orangewood
2/28	William Allen	Special connection - 8942-46 Brookhurst
	E. A. Call	Service at 14161 - 14161 1/2 Williams Lane
3/31	Jas. R. Smullen	Westminster
	J. C. Narrow	Special service - 8721 Orangewood
		1" special connection - Lot 32, Tr. 2619
4/30	Hospital	Special connection
	Eleanor E. Crill	" service - 13000 Simons
	Erma C. Summers	Connection - 12860 Palm
5/31	Mertz	Special connection - Haster No. of Chapmen
	Bertha Belt	" " - 10111 Magnolia
	Kenneth A. White	" " - Trask
	W. O. 5-28-380	Travis installation 10121 and 10141 Fern St. Stanton
		Special service - 11572 Montclair
		Special connection - 11711 & 11721 Gilbert

APPENDIX A (cont'd.)

<u>Date</u>	<u>Designee and/or Description</u>	<u>Amount to be Repaid</u>
<u>1957</u>		
<u>6/30</u>	Paul Uribe Special service - 12221 and 9 Harbor	\$ 80.00
	W. Lamb " " - 12412 Trask	80.00
	E. Lamb " " - 12232 Trask	80.00
	Reynolds " " - 102422 Trask	100.00
	G. H. Francis " " - 9671 Cerritos	80.00
	W. R. Burzlaff - W. O. 405" connection	80.00
	M. M. Mosely " "	40.00
	L. E. Woodcock " service - 8742 Hazard	40.00
	Alfred F. Moulton " " - 14501 Cannery	40.00
	Vernon F. Chandler " connection - 14634 Goldenwest	250.00
<u>7/31</u>	Margaret M. Barr 221½ - 13th St.	60.00
	E. Lloyd Brown Special service - Anaheim, 10862 Nutwood	60.00
	Coyt Brooks " " - 8682 Orangewood	60.00
	R. Yachik 9641 Bixby	60.00
	W. S. Thompson Nutwood	80.00
	Kinner Special service - 7361 Cerritos	40.00
	Kinner Add'l. special service - 7361 Cerritos	15.00
	Smith Special service - 14431 Cannery	40.00
	H. C. Stone " " - Cannery	40.00
<u>8/31</u>	Orin F. Coombs Chg. Advances - special service - 10622 Nutwood	100.00
<u>9/30</u>	Guy C. Kilgore Special service - S. E. corner Chapman & West	100.00
	Special service - 8362 Trask	80.00
	Robert Chuckrow Const. Co. #13141 - 3/4" meter, Harbor	115.00
	T. Bryson Special service - 12332 Lamoon	100.00
	Mrs. J. C. Blanton " connection - 9791 Orange	80.00
	Joe Cyeda " service - 12292 Harbor	100.00
	Goutien Talbert " " - 2" service	200.00
<u>10/31</u>	Dr. Reeves " connection - 12252 Harbor	100.00
	Grafton Pauls " " - 9191 Western-gas sta.	150.00
	McDonald Plumbing " service - Newland & Westminster	124.37
	Rex Construction " " - S/E corner Lincoln & Western	236.12
	Pollard Special service - 12715 E.G.G. Blvd.	150.00
	Nicolas Dovalis " " - 922 Magnolia	85.00
<u>11/30</u>	Ed. L. McPherson " connection - 11th St.	528.95
	Orange Co. Warrant #13289 " " - County dump	150.00
	Land Estates " service - 9371 Royal Palm	80.00
<u>12/31</u>	William D. Horton " connection - 8711 Orangewood	100.00

APPENDIX A (cont'd.)

<u>Date</u>	<u>Designee and/or Description</u>	<u>Amount to be Repaid</u>
<u>1958</u>		
1/31	Russell R. Pickett Capri Swimming Pools	Special service - 12134 Harbor 60.00
	D. B. McFarland	Special connection - 11071 Magnolia 150.00
	D. D. Horton	" " - 14241-43 Willow Land 80.00
2/28	Yutaka Nakamura	" " - 11263 Westminster 100.00
	James - Cedric Const. Co. Business	" " 576.43
	Mangun Villas	Water service - 7782 Trask 812.27
	G. Lugenbeel	Special service - 11031 S. Magnolia 150.00
	Mary Davis	Special connection - 7501 Cerritos, Stanton 100.00
	Alice & John Shanafelt, Jr.	Connection - 13641 Chapman 100.00
	John M. Bonina	Special service - 8892 Katella 80.00
3/31	Hancock Oil	" " 150.00
	M. A. Fitch	" " - 8752 Hazard 150.00
	W. R. Campbell	" " - 12272 Harbor 100.00
	Mrs. R. G. Mitchell	" " - 12691 Harbor 355.63
	Harry Whittaker	" " - 9301 Chapman 265.00
	Richard Leusch	Special connection - 12272 Tamer Lane 150.00
	Ted King	Special service - 10662 Magnolia 40.00
	Vandruff	" " - 908 Stanton Blvd. 80.00
4/30	Earl A. Dunn	" connection - 1636-38-40-42 Euclid 385.00
	E. N. Berger	" " - 11252 Cerritos 80.00
5/31	Russell	" service - 14614 Cannery 100.00
	Frey	" " - 12422 Pentagon 142.50
	Ervin Pitra	" " - 8911 Katella 80.00
	Erles O. Hann	" " - 9692 Chapman 300.00
	Harry Coffan	" connection - 10971 Chapman 250.00
6/30	Dan Cobb	Special connections - 3208 Teranimar, 841 Western 160.00
	W. E. Otis	Special service - 12802 Chapman 30.00
	Lockley	" " - 11741 Gilbert 60.00
	Donald L. Sanderfield	Main extension - Lot 27, Tr. 2295 267.50
<u>1957</u>		
3/29	Krist Kneverich	Special service - 9312 Cerritos 80.00
	Tunnis Nichols	" " - 12262 Haster 150.00
4/5	Betty Jo Claw	" " connection - 13101 Simmons 80.00
5/17	City of Garden Grove	" " installation, Craft I 65.00
8/23	Ed McDonald Plumbing & Heating Co.	" " at 8472 Katella (Katella & Dale) 350.00
9/19	J. E. Cramer	Service for Shell Station, Harbor & Lampson 150.00
11/18		Special service - 9381 Bolsa Ave. 60.00
11/20	John J. Moore Co.	Special connection - S/W Euclid & Katella 80.00
	Celia A. Gorofalo	" " - 9736 Westminster 80.00
	Melvin A. Cook	" " , Lot 31, Tr. 2619 80.00
11/29	Floyd A. James	" service - 14221 Willow Land 80.00
	TOTAL	39,946.77

APPENDIX B

(Refunding Agreements to be executed)

<u>Date</u>	<u>Designee and Description</u>	<u>Amount</u>
<u>1953</u>		
2/28	Bryan & Kraack	Tract #1569
12/31	Wm. Gutosky	Partial system - Tract #1543
	Robert Shannon	" " - Tract #1594
		\$ 4,641.00
		3,475.70
		2,455.00
<u>1954</u>		
2/28	Charles Brunzel	Donated system
5/27	Louis Palm - paid by Mrs. A. Hartlett	4" pipe for service re: Rowland Well
		1,800.00
		1,000.00
<u>1955</u>		
3/31	Thomas J. McCarthy	Donated mains
8/31	C. H. Druse	Extra work on Tracts #2027 & #1934
		1,140.21
		700.00
<u>1956</u>		
1/31	Clyde Plumbing	Tietz job - Brookhurst & Chapman
2/28	Richfield Oil	Water laterals to meters-Katella & Euclid
	Rodney V. Jackson	
		910.00
		531.00
		100.00
<u>1958</u>		
2/28	William E. Otis, Jr.	2856 Chapman S/E corner
	Oscar Milbrat	Service station, 13041 Chapman
3/31	Mary Finley	Mains - Ball Road
	Ora J. Range	Mains - Ball Road
	Albert Ballsted Gulik	Mains - Ball Road
	Mrs. J. Mitchell	Mains - Ball Road
6/30	Hubert Kleinendorst	Main extension to trailer court
	Panorama Gardenland #1	Installation
		1,483.55
		1,748.00
		130.19
		130.19
		130.19
		130.19
		130.19
		885.38
		<u>1,544.00</u>
	TOTAL	22,934.60

APPENDIX C

SCHEDULE OF REIMBURSEMENT CONTRACTS

<u>Tract No.</u>	<u>Number of Units</u>	<u>Date of Contract</u>	<u>Original Amount</u>	<u>Present Outstanding Balance</u>
1234	57	6/19/53	\$ 9,256.40	\$ 5,557.14
1286	40	4/14/55	7,015.95	4,514.26
1345	18	10/31/51	5,905.80	4,210.63
1390	56	9/ 4/52	8,400.00	3,094.75
1417	58	5/ 7/52	8,700.00	2,980.47
1425	77	12/19/55	15,853.10	13,293.29
1436	42	11/10/55	6,390.00	4,019.71
1446	30	6/21/55	4,107.88	1,977.90
1475	76	2/23/55	11,779.58	6,972.31
1547	64	5/17/54	8,183.54	3,851.95
1549	52	7/21/52	6,500.00	1,537.56
1567	158	8/24/56	17,000.00	12,818.10
1619	36	3/27/53	5,855.00	3,081.25
1621	50	6/16/54	7,092.75	3,451.42
1626	157	11/21/52	28,898.00	15,557.38
1640	62	4/ 3/53	9,300.00	4,212.99
1641	81	4/ 3/53	12,150.00	6,571.44
1642 & 1775	131	11/17/52	19,400.00	8,009.62
1656 & 2219	86	5/10/54	11,835.00	5,760.28
1662	146	2/28/53	27,725.44	15,110.16
1667	40	12/15/52	7,438.00	4,203.98
1692	68	3/ 1/53	10,890.70	4,456.33
1695	52	2/28/53	6,172.70	1,750.63
1698	169	8/30/54	22,800.00	11,391.27
1715	101	3/ 1/53	12,215.00	3,667.50
1719	48	5/ 9/53	7,116.00	3,772.48
1725	19	9/ 8/54	2,100.00	1,083.95
1729	50	6/19/53	10,959.51	6,780.41
1730	57	6/19/53	7,339.00	2,690.45
1749	33	3/ 1/53	3,944.45	1,520.70
1750 & 1751	103	3/11/54	14,267.00	7,763.06
1754	126	7/30/54	22,969.41	14,400.94
1774	61	8/19/54	9,355.33	5,383.48
1781	117	3/ 1/54	23,400.00	14,704.04
1783	45	11/17/53	6,415.00	3,395.95
1787	165	1/29/54	21,144.70	8,923.97
1796	35	6/19/53	4,553.00	1,827.47
1798 & 1799	165	6/19/53	23,874.23	11,527.63
1808	83	6/26/53	12,550.00	6,051.38
1820	179	5/26/53	28,072.20	12,653.18
1822	83	7/30/54	10,111.95	8,602.63
1830	81	2/ 2/55	12,156.98	5,245.17
1835	87	3/27/53	10,352.00	2,818.26
1836	33	3/ 1/53	5,453.77	2,298.78
1848	12	2/27/54	2,525.00	1,767.42
1851	70	1/30/54	11,669.48	6,460.11
1857	137	8/ 5/54	17,614.94	8,539.49
1861	98	2/16/54	12,184.00	5,563.33
1868	47	3/15/55	7,269.22	4,111.53
1869	25	6/19/53	3,749.00	1,895.26
1892	34	6/ 2/55	3,838.00	2,431.17
1894	156	1/ 6/54	23,202.70	11,651.71
1903	32	6/26/54	5,639.09	4,130.60
1923	90	12/ 1/53	12,500.00	5,511.81
1931	86	4/ 2/54	13,050.00	6,450.69
1934	190	2/25/54	36,100.00	23,361.42

SCHEDULE OF REIMBURSEMENT CONTRACTS--Contd.

<u>Tract No.</u>	<u>Number of Units</u>	<u>Date of Contract</u>	<u>Original Amount</u>	<u>Present Outstanding Balance</u>
1941	31	2/17/54	\$ 5,169.25	\$ 3,390.65
1946	77	8/17/54	13,468.00	7,693.02
1947	97	8/ 2/54	14,191.15	7,378.47
1951	177	9/20/54	35,400.00	24,116.95
1963	85	6/19/53	13,690.95	8,078.51
1975	59	6/19/53	10,252.00	5,838.14
1976	45	6/19/53	11,077.20	7,665.45
1990	44	7/30/54	8,727.00	7,303.40
1991	44	7/30/54	5,251.50	2,587.65
2000	87	6/19/53	22,392.30	16,715.58
2006	55	6/19/53	8,374.30	4,931.71
2010	44	4/ 7/54	9,495.82	6,324.72
2012	217	2/17/54	28,500.00	11,964.84
2013	51	8/17/54	7,650.00	4,229.35
2014	70	6/19/53	17,372.90	13,682.06
2015	84	4/23/54	10,808.00	5,108.03
2027	151	5/ 3/55	22,530.39	13,772.81
2036	41	12/ /58	7,062.25	6,679.66
2038	81	5/29/56	12,825.57	10,748.24
2046	104	7/ 1/54	15,600.00	8,523.87
2060, 2185 & 2227	218	5/10/54	21,800.00	8,759.90
2062	53	6/29/55	8,266.36	4,989.37
2063	32	6/ 8/55	5,300.00	3,786.45
2074	55	3/27/53	6,717.43	2,072.50
2076	89	3/27/53	9,888.50	2,658.52
2080	20	2/23/55	2,385.27	1,104.77
2081	91	2/ 2/55	12,226.40	6,331.19
2083 & 2166	190	5/ 2/55	25,791.21	15,203.50
2084	21	8/3/54	4,318.45	2,827.79
2091	74	7/ 2/55	10,250.00	6,986.29
2097	87	4/14/55	12,334.49	7,318.48
2100	80	12/14/55	13,300.00	10,760.66
2103	64	6/19/53	10,910.00	6,746.15
2110	19	8/19/54	2,167.00	940.99
2111	171	9/15/54	23,027.00	12,289.29
2116	136	4/ 9/54	27,200.00	18,065.02
2126	181	2/25/54	34,390.00	22,412.43
2131	115	8/ 2/54	17,392.62	9,603.98
2133	129	7/29/54	19,787.31	11,381.99
2139	46	7/30/54	4,462.90	1,101.77
2142	17	1/20/56	3,139.24	2,456.84
2145	71	10/21/54	10,650.00	6,290.21
2146	82	5/11/55	10,554.68	5,724.26
2148	125	6/ 2/54	15,750.00	6,923.47
2153	61	12/ 3/54	7,081.70	2,992.95
2159	58	2/23/55	10,951.28	7,292.13
2176	28	6/15/54	3,959.58	1,880.82
2177	28	6/15/54	4,215.60	2,144.73
2179	177	12/29/54	26,500.00	15,429.05
2180	42	12/27/54	10,368.80	8,351.24
2181	111	12/27/54	18,538.90	11,355.65
2182	135	4/18/55	16,703.69	8,482.21
2183	84	12/15/54	13,337.88	7,815.09
2189	85	11/17/54	9,871.00	4,325.17
2190	67	8/19/54	11,473.24	7,176.06
2191	48	2/10/55	12,799.07	9,981.90
2195	63	6/19/53	10,901.40	6,598.29
2196	4	3/27/53	479.84	168.60

APPENDIX C

SCHEDULE OF REIMBURSEMENT CONTRACTS--Contd.

<u>Tract No.</u>	<u>Number of Units</u>	<u>Date of Contract</u>	<u>Original Amount</u>	<u>Present Outstanding Balance</u>
2199	58	6/19/53	\$ 10,091.45	\$ 6,167.60
2210	37	2/18/55	6,813.20	4,280.62
2216	25	4/11/55	4,809.48	3,289.42
2217	15	7/27/54	2,452.00	1,355.41
2223	80	7/20/54	12,827.09	7,899.40
2224	47	3/31/55	8,741.78	6,097.60
2228	168	1/24/55	25,200.00	14,832.82
2229	73	2/10/55	8,968.96	4,769.42
2232	40	6/23/55	4,969.00	3,149.61
2243	42	3/31/55	7,280.18	5,503.54
2255	131	8/31/54	16,959.39	8,700.64
2263	81	11/30/54	14,314.57	9,451.13
2271	32	9/ 7/54	4,309.54	2,237.78
2272	34	9/15/54	4,578.89	2,365.54
2273	53	9/ 7/54	7,137.68	4,045.11
2274	46	9/ 7/54	4,322.42	3,233.58
2275	40	9/ 7/54	5,386.93	2,865.47
2276	22	1/24/55	2,678.75	1,275.26
2283	58	4/ 5/55	9,606.98	6,403.02
2289	79	4/ 2/55	9,857.38	7,378.88
2294	37	10/21/54	5,550.00	3,207.62
2295	47	8/24/54	6,385.10	3,017.79
2298	224	6/ 2/55	35,000.00	25,386.09
2309	142	5/ 9/55	22,813.12	15,477.58
2311	194	3/ 2/55	42,551.60	21,837.48
2319	73	2/28/55	14,830.81	11,129.42
2328	50	3/15/55	7,979.97	4,713.07
2342	83	7/20/55	10,358.00	4,646.77
2352	49	4/ 4/55	6,988.75	3,755.69
2365	34	5/ 2/55	5,500.00	3,334.57
2376	19	6/23/55	3,102.30	2,139.07
2379	37	4/20/55	4,430.72	2,481.98
2383	59	1/ 2/56	10,629.74	9,451.26
2384	7	3/18/58	955.00	838.60
2400	172	3/31/55	26,278.70	15,463.30
2404	56	2/17/58	11,852.00	10,861.21
2410	81	3/25/55	13,122.00	8,596.38
2413	75	7/13/55	15,967.91	15,967.91
2416	81	10/18/55	12,494.50	9,933.99
2417	109	5/11/56	16,350.00	13,158.28
2418	21	2/25/55	3,150.00	1,791.64
2419	162	7/28/55	28,505.15	23,228.01
2420	133	8/31/55	16,625.00	11,195.52
2428	42	5/ 3/55	4,695.14	1,865.14
2429	21	5/ 3/55	1,271.69	92.32
2430	42	12/ 7/54	7,886.68	4,930.43
2431	40	12/ 7/54	4,892.90	2,084.15
2433	102	5/20/55	15,099.14	9,855.71
2447	130	1/31/56	21,209.37	17,451.98
2455	61	2/28/55	11,264.91	7,769.50
2463	60	7/28/55	13,768.28	10,818.82
2464	110	7/30/56	19,163.63	15,999.94
2465	87	7/30/56	11,710.05	9,139.65
2470	83	3/25/55	13,445.60	9,115.67
2471	123	6/19/53	14,471.53	6,686.31
2473	22	5/ 4/55	2,153.61	968.73
2477	16	6/19/53	3,847.59	2,984.59
2478	28	6/ 2/55	4,475.00	2,979.11

APPENDIX C

SCHEDULE OF REIMBURSEMENT CONTRACTS--Contd.

<u>Tract No.</u>	<u>Number of Units</u>	<u>Date of Contract</u>	<u>Original Amount</u>	<u>Present Outstanding Balance</u>
2485	38	5/ 6/55	\$ 5,077.28	\$ 2,931.51
2503	163	8/30/55	15,998.45	8,707.13
2518	125	12/19/55	19,495.38	15,784.93
2519	26	7/28/55	4,373.75	2,925.24
2520	152	10/25/56	22,725.00	18,691.46
2522 & 3265	108	12/23/54		14,505.64
2524	175	8/31/55	21,875.00	19,685.16
2527	38	4/20/55	5,698.75	3,695.57
2529	70	6/21/55	12,410.84	7,994.17
2532	35	4/21/55	5,389.26	3,726.01
2535	81	4/ 9/55	12,077.50	7,012.48
2536	145	2/22/56	18,125.00	13,671.22
2545	28	4/29/57	5,300.00	4,625.56
2559	101	7/19/55	16,858.09	14,424.80
2563 (1)	1-Hospital	10/10/55	2,006.98	1,128.48
2563 (2)	1-Clinic	10/14/55	1,042.49	825.13
2563 (3)	37	10/10/55	7,201.59	2,086.23
2563 (4)	23 (1 sta)	10/10/55	4,637.49	3,253.92
2611	202	12/ 5/54	32,239.80	23,472.28
2612	35	7/ 8/55	4,308.49	2,514.61
2619	33	6/19/53	13,531.30	10,709.53
2621	33	8/ 4/55	4,250.00	2,237.37
2622	32	8/29/55	5,100.00	3,237.33
2623	34	9/28/55	5,300.00	3,363.48
2653	173	5/20/55	26,465.45	20,379.80
2654	183	5/20/55	27,750.00	21,332.77
2655	126	10/17/55	20,538.00	15,015.98
2661	81	9/16/55	10,361.88	7,599.06
2683	18	9/14/56	4,492.55	4,441.77
2689	38	7/20/55	6,831.19	4,617.42
2690	45	9/30/55	5,625.00	4,035.99
2691	40	11/22/55	6,100.47	4,937.33
2699	82	10/18/55	12,652.57	10,065.31
2702	82	1/31/56	12,634.25	10,240.93
2705	20	6/30/55	2,955.90	1,775.35
2715	63	5/16/56	11,169.10	9,197.74
2722	54	6/29/55	6,849.00	3,575.36
2728	56	3/29/56	8,324.49	7,007.85
2731	19	4/20/59	5,431.40	5,431.40
2737	40	11/14/56	8,825.33	7,802.22
2738	40	11/26/55	8,137.36	6,788.09
2742	28	8/ 1/55	4,647.22	3,122.36
2748	18	5/24/56	3,600.00	3,278.07
2756	40	9/ 27/56	4,000.00	3,065.60
2766	40	10/24/56	7,150.30	6,012.18
2773	67	4/14/59	15,547.25	15,547.25
2792	11	2/27/56	1,375.00	1,045.87
2794	38	7/ 7/55	4,989.15	3,053.05
2801	124	10/31/55	18,589.70	14,895.51
2833	135	6/ 4/56	20,250.00	16,332.19
2839	210	6/ 4/56	31,500.00	25,491.50
2841	90	6/ 4/56	13,500.00	10,811.57
2849	8	8/ 6/56	1,238.91	1,185.34
2851	27	10/31/58	5,233.58	4,975.52
2852	16	9/12/56	2,735.99	2,395.51
2864	39	2/ 8/56	7,247.71	6,095.75
2874	126	4/12/56	18,900.00	15,249.43
2875	78	4/12/56	11,700.00	9,475.64

APPENDIX C

SCHEDULE OF REIMBURSEMENT CONTRACTS--Contd.

<u>Tract No.</u>	<u>Number of Units</u>	<u>Date of Contract</u>	<u>Original Amount</u>	<u>Present Outstanding Balance</u>
2876	62	4/12/56	\$ 9,300.00	\$ 7,459.59
2880	127	1/25/57	21,786.20	19,648.80
2903	106	5/26/58	21,198.96	19,414.98
2923	28	2/12/59	3,800.00	3,466.94
2928	44	8/16/56	9,318.42	8,805.51
2937	18	7/12/55	2,700.00	1,816.28
2961	37	4/20/59	10,918.00	10,918.00
2969	89	4/25/56	13,005.28	10,106.43
2987	53	12/14/55	14,000.00	12,951.61
2997	34	3/26/57	6,534.50	5,962.28
3002	42	5/ 3/56	6,993.06	5,666.96
3010 & 3043	51	4/19/57	(19,939.40	(7,027.40
	64	4/19/57	((10,973.68
3016	19	7/16/56	3,222.17	2,736.01
3020	8	4/ 2/57	1,000.00	809.70
3026	9	5/ 4/56	3,542.63	3,279.99
3029	6	6/19/53	1,040.40	747.91
3037	71	6/19/53	12,745.10	9,163.63
3038 & 3157	137	9/21/56	22,253.36	18,791.12
3040	44	1/22/57	9,738.81	9,048.14
3048	67	6/19/53	14,894.75	11,661.01
3050	10	8/ 3/56	1,383.36	1,259.02
3071	121	11/15/56	21,301.35	18,265.96
3104	71	6/19/53	14,357.75	11,352.17
3114	63	9/25/56	8,680.00	7,619.72
3124	82	6/19/53	14,650.50	11,318.59
3147	42	9/10/57	8,585.00	7,930.22
3148	57	2/27/57	10,690.32	9,272.15
3165	56	2/12/57	9,967.96	8,302.80
3170	94	4/26/57	16,000.00	14,102.71
3177	12	6/19/57	867.01	827.01
3178	18	3/23/57	3,485.05	3,007.61
3182	47	2/14/57	31,210.09	31,210.09
3206	72	5/ 7/57	14,716.06	13,504.30
3221	43	6/24/58	8,768.40	8,157.93
3243	76	10/15/58	10,640.00	9,767.46
3247	70	6/21/57	12,540.00	12,362.06
3258	15	5/ /58	5,819.60	5,819.60
3264	66	12/13/57	16,519.07	15,184.58
3349	45	3/12/58	11,918.00	11,143.82
3344	9	5/27/58	1,581.78	1,581.78
3278	54	4/27/59	19,000.00	19,000.00

Miscellaneous Installations:

	<u>No. of Users</u>	<u>Date of Contract</u>	<u>Original Amount</u>	<u>Present Outstdg. Bal.</u>
Orange Plaza, Inc.	42	11/10/58	\$ 17,168.02	\$ 16,258.89
W. O. Harrison	12	1/18/58	4,701.33	4,342.64
Irene Malone	7	7/31/57	2,674.98	2,504.98
A. Joe Gacsi	1	1/19/59	1,665.00	1,665.00
Sparkletts	1	1/17/57	1,041.85	998.62
Paul J. Novak	1	8/21/58	642.26	632.64

APPENDIX C

SCHEDULE OF REIMBURSEMENT CONTRACTS--Contd.Miscellaneous Installations--Contd.

	<u>No. of Users</u>	<u>Date of Contract</u>	<u>Original Amount</u>	<u>Present Outstdg. Bal.</u>
Lutheran Church-) Missouri Synod,) So. Calif. District) Von's Grocery	1 18	3/ 4/58 2/28/57	\$ 1,007.70 8,611.65	\$ 949.84 8,143.38
Melody Shopping Center Tietz Office	18 1	6/19/53 6/19/53	3,574.05 265.50	2,013.02 194.44
Cedric Roberts) Commercial Development)	9	12/ 3/56	7,592.45	7,257.25
Emery Owens) Brookhurst Chapman)	-	10/31/57	1,057.25	1,057.25
Peter G. Leo) Daniel Dakovich) Migoki Nakamura) Mrs. Metta Nielson)	4 - - -	10/29/53 10/29/53 10/29/53 10/29/53	585.25 585.25 585.25 585.25	1,928.94