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TWENTIETH YEAR—No. 34.

WATER CO. ACCEPTS CITY OFFER

PRICE OF \$137,000 AGREED UPON BY CITY AND WATER CO.

Transfer of Property To Be Completed In 60 to 90 Days. Mayor Ludlow Outlines Future Plans

WATER RATES WILL BE REDUCED, TAXES INCREASED

City Will Continue To Buy Water For Present, But Water Mains To Be Cleaned and Dead-Ends Removed

Purchase of the water distributing system now serving the city of Torrance for \$137,000 was approved by the unanimous vote of the Torrance city council last evening, following prolonged conferences between city officials and Rupert E. Shotts, president of the Associated Public Utilities of Columbus, Ohio, parent organization of the Torrance Water, Light & Power Company.

President Shotts left by airplane the following day for Columbus to secure the approval of his board of directors. In a telegram received yesterday by E. C. Nelson, president of the local water company, from Mr. Shotts, the latter stated that informal approval of the sale had been secured from a majority of the board members and that formal approval was anticipated at a meeting of the board of directors to be held next Monday or Tuesday.

Under the terms of the agreement, the city will pay \$137,000 in cash, which will be obtained from the sale of a \$200,000 block of the \$400,000 water bond issue voted over four years ago. The city is to assume the payment of taxes for the first half of the present fiscal year, but as soon as title to the property passes to the municipality, it will be exempt from taxation. The city also assumes liability for meter deposits, but it is pointed out by city officials that this will require no cash outlay.

In arriving at the value of the present water system no cash value was allowed for that portion of the water company's property which is located in the Los Angeles city shoeing strip. However, the city of Torrance will continue to serve water consumers in the shoeing strip, but income from this source will be paid to the water company after deducting all expenses including 10 per cent for administration. As soon as the Los Angeles city water bureau begins to serve residents of the shoeing strip, the foregoing agreement will be terminated. It is not expected that the city will actually acquire title to the water system for another 60 or 90 days, as funds from the sale of water bonds will not be available until about September 15, and an additional 30 days will be required to obtain formal consent of the State Railroad Commission and to complete other legal and technical requirements. In the meantime, the water company will continue to operate the system as at present.

Future Plans
According to Mayor Ludlow, sufficient funds from the sale of \$200,000 water bonds will permit the city to: (1) pay \$137,000 for the present system, (2) clean out the water mains, (3) remove "dead-ends" and repair leaks, thus eliminating the loss of much water, and (4) purchase the reservoir site now under option from the C. C. M. O.

For the present, the city will continue to buy water from the Dominguez Water Company, and will defer the drilling of wells and the construction of the system until it seems advisable to sell another block of the authorized bond issue, or until profits of the system warrant such expenditures, Mayor Ludlow stated. In a signed statement printed in this issue, Mayor Ludlow also stated that "expenses will be kept down and all indications point to a very material reduction in rates."

Tax Rate Increase
As the city will not receive sufficient income from the earnings of the water department to guarantee the first year's interest on the bonds, it will be necessary to levy an assessment of from 50 cents to 65 cents per \$100 assessed valuation, according to city officials. This increased tax rate, however, will apply to only the land valuation, and not improvements, so that the taxes on the average home in the district will be increased from \$3 to \$4, which as city officials point out, will be at least partially offset by a reduction in water bills.

It is anticipated that bond interest after the first year will be paid out of profits of the water department, thereby eliminating any further assessments.

Canning Season In Full Swing At Veterans Unemployment Unit

Fifty thousand cans of fruit and other eatables will be stored in the warehouse of the Veterans Relief, now housed in the old Carbon plant on Border avenue, when the crews finish their work. According to G. L. Comer, manager of the unit, enough peaches, pears, and other supplies will be stocked to last the workers through the winter.

Since the Veterans Relief moved to the Border avenue location, many improvements have been made. All departments are conveniently located. The building is large enough to allow each section to have its own quarters without crowding or interference from the other working units, and a much better arrangement is seen along the line.

Offices are at the front of the building. In this room the clerical work is done and records are kept. One side of the room is set aside for the issuance of bread, which is purchased from commercial bakers at the small price of 3 cents a loaf for day-old bread and resold to workers at the same price.

In the room adjoining, the milk supplies are handled and this is also sold to the registered workers at the same price for which it is purchased. These two items, bread and milk, are the only supplies for which a charge in actual cash is made.

All other supplies are issued on credit. **TURN TO STORY ONE**

Speaker



JOHN R. QUINN, chairman of the board of supervisors and candidate for governor, this morning accepted an invitation to make the principal address at the dedication of the Torrance Municipal Park, Sunday, August 19.

Supervisor Quinn is widely known in this community where he has many friends. He is a forceful speaker and will bring a message of much interest. His address is scheduled to begin shortly after 2 p. m. following opening remarks by Mayor Scott R. Ludlow.

COACH DONAHUE PAPA TO FINE BABY GIRL

Coach and Mrs. Bernard J. Donahue are the parents of a fine baby girl, born at a Los Angeles hospital, Saturday, August 4. The young lady has been named Sheila Fairle. She tipped the scales at eight pounds two ounces at birth.

Repair of Local Schools Assured; Budget Increased

Permission to exceed last year's budget by more than 5 per cent has been granted by the board of equalization, meeting in Sacramento, to Los Angeles school districts for rehabilitation of elementary and high schools. At first there was some doubt as to whether the \$627,000 asked would be allowed but after a telephone conference between Ray L. Riley, state controller, and County Auditor H. A. Payne, the applications were granted.

This money will provide for new schools construction in San Fernando valley, Maywood, Huntington Park, Torrance and other Los Angeles city districts. Of the \$627,000, elementary schools will receive \$306,000 and high schools, \$321,000.

Although this means a \$627,000 increase in the schools budget for the present fiscal year, school authorities state that there will be a 2-cent reduction in the school tax rate.

Consulting Engineers Issue Statement On Water Deal

At the request of Mayor Ludlow and other members of the Torrance city council, the Herald is pleased to publish the complete text of a statement on the water company purchase by Salisbury, Bradshaw and Taylor, special consulting engineers for the city of Torrance.

August 4th, 1934.
"Mr. Scott R. Ludlow, Mayor, City of Torrance, Torrance, California

"Permit me to extend my congratulations to yourself, the council, and the citizens of Torrance upon the successful issue of the matter of at last reaching a satisfactory agreement with the representative of the owners of the Torrance Water, Light & Power Co. on the purchase of the water system.

"For the interest of the public, through you, I shall briefly outline the situation leading up to the agreement to accept \$137,000 for the properties of the water company.

"To start with we are confident that the city has taken the right course in asking for the existing works in behalf of the Municipal Improvement District. The course taken will result in greater benefits to the district and city than had it become necessary to parallel the system. Furthermore, we are confident no better price was possible to obtain.

"In Mr. E. C. Nelson's refusal of June 29th, 1934, to consider the city's offer of \$110,000, he indicated that something over \$200,000 was the worth of the works to the company. It was at this time we first attempted to negotiate satisfactory terms. The company engaged consulting engineers to evaluate as of present date our findings as of present date our findings, brought down to date our appraisal of July, 1933. It must be presumed that both engineers were equally conscientious—but not to be overlooked that each

was representing a different viewpoint; one of the prospective buyer, the other of the prospective seller.

"The results of the valuations were:
"For the Water Company, Land and physical properties, present value, \$179,160
Going concern value, 18,000
Total valuation, July 1934, \$197,160

"For the City: Land and physical properties, present value, \$122,173
Going concern value, none
Total valuation July 1934, \$122,173

"The latter figure of \$122,173 corresponds to our appraisal of July 1933 of \$113,141—the increase being due to increased cost of pipe and materials over last year and additions to the works since the 1933 appraisal with due account for one year's additional depreciation.

"It soon became apparent that nothing further could be accomplished without representation from the eastern headquarters of the actual owners of the water company. Mr. Shotts was sent for and promptly arrived via air.

"He showed willingness to get together at reasonable terms. Needless to say, he was not unimpressed that his company faced drastic competition if the city carried out its plans to parallel in the Herald.

"He promptly arrived via air. He showed willingness to get together at reasonable terms. Needless to say, he was not unimpressed that his company faced drastic competition if the city carried out its plans to parallel in the Herald.

"Several times during the conference the proposal was made to turn the whole matter over to either the Railroad Commission or to a third party to arbitrate the matter, but the final decision would necessarily be ours anyway, and we did not wish to delegate our responsibility. We obtained the facts from both sides and then as conscientiously as any men set down with Mr. Shotts, the water company representative, and came to as fair a figure as I believe possible. The figure arrived at represents necessarily a compromise figure, but backed up by actual facts as to value.

"Candidly, this represents the best figure which the city could get which would enable the city to proceed in the most orderly and economic way.

"We will propose at once, after due notification, to analyze the income and expenses of this water system, and reduce rates such reduction. Expenses will be kept down and all indications point to a very material reduction in rates. It is not wise to make any definite prediction as to amount of the date of such reduction, but every councilman is assured that every councilman is anxious to accomplish this thing that the entire city has been waiting for these years.

"Again I wish to express my sincere thanks to you, Grover Whyte, as editor of the Torrance Herald, for the very great interest and assistance you have given this city in its efforts to finally own its municipal water system.

"Sincerely,
"SCOTT R. LUDLOW,
"Mayor, City of Torrance."

"Yours truly,
"JAMES E. HITCHCOCK."

Torrance Lodge Wins Honors In Big L. B. Parade

First Prize Awarded To Moose of This City For Fine Display

Torrance Loyal Order of Moose won all the honors at the Moose parade at Long Beach, Saturday, and was awarded first prize for their float, representing Mooseheart, the order's home for children.

The Torrance representation attracted by far the most attention among the spectators along the way and received liberal applause as they marched along.

Animated letters, spelling Torrance, seven feet high, made of white cloth on a light framework, were carried by boys who had quite a struggle to unhitch the floats against the stiff breeze. Following them marched a troop of Boy Scouts, the Bert S. Crossland Post drum and bugle corps, official cars filled with city officials, lodge officials and ladies. Next in line came the official float, a floral heart occupied by a group of little children in pretty summer garb, watched over by a moose, with the lodge members marching behind. A "rube" band, lead by Frederick W. Hadler, brought up the rear. The Torrance section spread out over two city blocks, and was the largest and most attractive part of the parade.

Members of the Torrance lodge have been working for some time on their display and the results, well repaid them for their labors.

TALL CORN

Henry Dever, 4809 La Fresa avenue, McDonald Tract, brought in some tall corn grown on his place yesterday. The stalks measured 16 feet from root to tassel. Each stalk had a well developed ear of corn on it. No crop failure in Torrance, apparently.

Churches Unite At Park Opening Program, Aug. 19

Rev. Edwin P. Ryland of Hollywood to Speak at 7:30 Service; Special Music

To the churches of Torrance has been assigned the responsibility of conducting the closing number in a community wide, interest-packed program, celebrating the formal dedication of the Torrance Municipal Park on Sunday, August 19. All local churches are uniting in presenting religious services of exceptional merit on this evening.

Rev. Edwin P. Ryland of Hollywood, who is an orator of outstanding ability, will deliver the address at the 7:30 service, "Dedication of Life." Inspirational services by the young people's divisions of the various churches will be held at the park at 6:30 p. m. Special music is being arranged.

Arrangements for the afternoon program at the park dedication are progressing satisfactorily. Complete details will be given in next week's issue of the Torrance Herald and Lomita News.

MERRIAM REGRETS CAN NOT BE HERE

Governor Frank Merriam will not be present at the dedication of the Torrance Municipal Park. In a telegram to the committee, the governor expressed his regrets and said that efforts to revise his itinerary to permit his being in Torrance August 19 had been unsuccessful.

HOUSING SHORTAGE STUDIED; DRUM CORPS FUND FAVORED

Home Modernization Plan and Safety Drive Also Discussed By Chamber Directors At Regular Monthly Meeting

By L. J. GILMEISTER, Secretary
At the regular monthly meeting of the directorate of the Torrance Chamber of Commerce, held Monday, recommendation was made that the city of Torrance appropriate \$200 for the Torrance Legion Post to help defray its expense of sending the drum corps to the state convention

at San Francisco, August 13, 14 and 15. The drum corps' participation in numerous civic activities both in Torrance and in numerous cities throughout California has proven to be a highly effective means of widespread publicity and as such is fully worthy of community support and encouragement.

Chamber of Commerce membership applications were approved, they being: Coast Insulating Company, Howard Locke and Robt. F. Bartlett; insurance agents; W. E. Schlick, assistant cashier, Torrance National Bank; Torrance clothing, and Torrance Welch, attorney.

Acceptance of an agreement between the city of Torrance and the Torrance Chamber of Commerce to pay chamber expenses during the fiscal year ending June 30, 1935, in amount of \$8000 was authorized.

Consideration of a home modernization plan which was of great interest in Portland, Oregon, resulted in the appointment of a committee to analyze the local situation. Closely related to this movement is the improvement and extension of El Prado, with the view of creating an added highway facility into Torrance for the use of the many employees of the new industry now being constructed immediately east of Torrance. A committee to initiate steps in behalf of such improvement was appointed and will immediately contact proper county officials in this respect.

Discussion of a local home building program to effect increased housing for additional residents as a result of new industries included with the appointment of a committee to analyze the local situation. Closely related to this movement is the improvement and extension of El Prado, with the view of creating an added highway facility into Torrance for the use of the many employees of the new industry now being constructed immediately east of Torrance. A committee to initiate steps in behalf of such improvement was appointed and will immediately contact proper county officials in this respect.

Tolson Transportation Line Is Sold to Keystone Express System

The operative rights and franchises of the Tolson Transportation System were acquired this week by the Keystone Express System, according to an announcement made today by J. Nelson Kagaris, general manager of the latter concern. Equipment and facilities were included in the sale, which was authorized by the California State Railroad Commission, to become effective on Friday, August 10. On and after that date, all service formerly rendered by Tolson will be effected by Keystone Express—retaining the same personnel and depots (outside of Los Angeles proper) as well as the same rates and schedules prevailing on and immediately prior to the above date, it was stated.

Compton Jaycee Students to Get Part-Time Jobs

High school graduates from Torrance and Lomita who would like to continue their education will be interested in the news that approximately 85 students entering Compton Junior College this fall will be given part-time work during the school year 1934-35, according to word received from the Federal Emergency Relief Administration yesterday.

In accordance with the terms of the F.E.R.A., at least one-half of the funds made available will be used in employing new students who were not enrolled in Compton Junior College last fall. The work is being made available for young men and women in proportion to the number enrolled in order to make it possible for them to continue their education in those cases where it would not otherwise be possible. Selection of students for the jobs thus made available will be made on the basis of actual need, those students being selected whose financial status is such as to make impossible the attendance at college without such aid. The students' character and his ability to do college work will also be determining factors. The positions allotted will be such that the work to be done will in no way interfere with the student's normal program of courses.

High school graduates who wish to continue their education in the fall and who feel that they are eligible for such part-time employment, should make application at the office of Compton Junior College during the summer.

MOVED

Police Sergeant John Stroh and family have moved from 1638 Acacia to 2667 Carson street.