



six and one half percent per annum. Thereafter, by Decision No. 14129, dated October 4, 1924, the Commission authorized applicant to issue and sell an additional \$60,000.00 of Series "A" bonds, making a total of \$510,000.00 of bonds outstanding.

Under the authority granted by Decision No. 13690 the company used the proceeds from the sale of \$427,000.00 of the \$450,000.00 of bonds to pay indebtedness, to provide working capital and to finance the cost of expenditures made prior to June 1, 1924, and from the sale of the remaining \$23,000.00 of bonds to finance construction expenditures made subsequent to June 1, 1924. The proceeds from the sale of the \$60,000.00 of bonds authorized by Decision No. 14129 were used to finance in part the cost of acquiring 364.9 acres of water bearing land in what is known as the Government Ranch near Clyde in Contra Costa County.

The company now reports, in Exhibit "B", that from June 1, 1924 to February 13, 1925, it expended \$30,145.57 for capital purposes, of which \$21,620.00 was obtained from the sale of the \$23,000.00 of bonds authorized by Decision No. 13690, leaving a balance of \$8,525.57, against which no bonds have been issued. It further reports that the increased demand for water has made it necessary for it to sink wells on the 364.9 acres of land, to erect the necessary pumping plants and to connect the new wells by a twelve inch cast iron pipe line with its main pumping plant at Galindo Station, all at an estimated cost of \$75,000.00. It also reports that additional pipe lines and other equipment are needed to adequately take care of the towns of Crockett and Valona, \$13,000.00 being required for this purpose, the two estimates aggregating \$88,000.00.

The company's estimated expenditures are reported in Exhibit "A", as amended, as follows:-

12" cast iron pipe from a point on the west side of highway near Clyde and about 60 feet south of S.E. corner of Bay Point Utilities Co.'s property to Galindo, 12,200 feet	\$31,720.00
3000 feet collecting mains (mostly 8") from wells Nos. 101, 102, 103 and 104 to 12" cast iron pipe, above . . . . .	4,500.00
4 pump houses and derricks . . . . .	800.00
Well No. 104 (334 feet deep) . . . . .	3,000.00
Well No. 103 (bored 500', cased 459') . . . . .	4,400.00
Well No. 101 (being deepened to 350') . . . . .	2,000.00
Power lines for wells Nos. 101, 102, 103 and 104 . . . . .	1,580.00
Two new wells, 650 feet deep . . . . .	15,600.00
Two new pumping plants complete with pump, motors, fittings, electric fixtures, etc. . . . .	4,800.00
660 feet of 12" cast iron pipe . . . . .	2,500.00
New cottages, garage and shop . . . . .	3,000.00
Power lines for two new wells . . . . .	1,100.00
Company's share of Crockett and Valona jobs	13,000.00
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Sub-total.....	88,000.00
Less amount already paid . . . . .	3,347.50
Total.....	<u>\$84,652.50</u>

Adding the \$84,652.50 to the reported uncapitalized balance of \$8,525.57 results in a total of \$93,178.07 of expenditures to be financed in part with the proceeds from the sale of the \$40,000. of bonds herein applied for.

O R D E R

Port Costa Water Company, having applied to the Railroad Commission for permission to issue and sell \$40,000.00 of bonds, a public hearing having been held before Examiner Fankhauser and the Commission being of the opinion that the money, property or labor to be procured or paid for through such issue and sale is reasonably required for the purposes specified herein and that the expenditures for such purposes are not in whole or in part reasonably chargeable

to operating expense or to income.

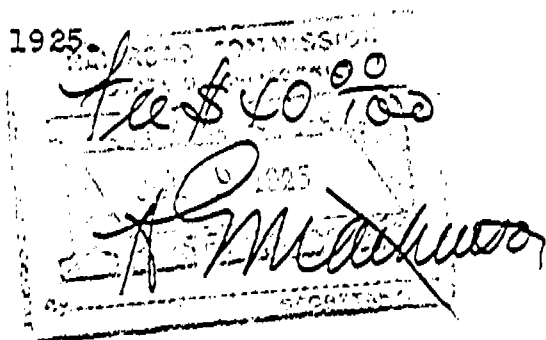
IT IS HEREBY ORDERED that Port Costa Water Company do, and it hereby is, authorized to issue and sell, on or before September 30, 1925, at not less than 98 percent of their face value and accrued interest, \$40,000.00 of its first mortgage Series "A" six and one half percent bonds due July 1, 1936 for the purpose of reimbursing its treasury and of financing in part the cost of the additions and betterments to which reference is made in the foregoing opinion.

The authority herein granted is subject to the following conditions:-

1. Only such expenditures as are properly chargeable to capital accounts under the Uniform Classification of Accounts prescribed by the Railroad Commission may be financed with the proceeds from the sale of the bonds herein authorized to be issued.
2. Port Costa Water Company shall keep such record of the issue, sale and delivery of the bonds herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.
3. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Forty (\$40.) Dollars.

DATED at San Francisco, California, this 3<sup>rd</sup> day of July,

1925.



H. B. Brundage

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George D. Squires

Commissioners

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Commissioners