

LEM

Decision No. 16028.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SONOMA VALLEY WATER LIGHT AND POWER COMPANY, SONOMA CITY WATER WORKS and SONOMA VISTA WATER COMPANY for permission to sell certain properties to the Sonoma Water and Irrigation Company

and

In the Matter of the Application of SONOMA WATER AND IRRIGATION COMPANY for permission to purchase said properties and to issue \$100,000. of its preferred stock and \$50,000. of its common stock for the purpose of acquiring said properties; to consolidate the distributing systems of the three properties and to put in a concrete bottom in the reservoir now owned by Sonoma Valley Water Light and Power Company.

ORIGINAL

Application No. 6637

BY THE COMMISSION:

EIGHTE SUPPLEMENTAL ORDER

Sonoma Water and Irrigation Company asks permission to use \$1,964.39 obtained from the sale of preferred stock to pay delinquent taxes which are a charge on property that it has acquired. The Commission by Decision No. 10089 dated February 15, 1922, authorized the Sonoma Water and Irrigation Company to acquire the properties of the Sonoma Valley Water Light and Power Company and issue in payment therefor \$40,000.00 of common stock, such properties to be acquired subject to an indebtedness of not exceeding \$10,000.00.

In Decision No. 9683 dated October 31, 1921 the Commission authorized the company to issue \$40,000.00 of common stock and to use \$10,000.00 obtained from the sale of the preferred stock to

pay for the properties of the Sonoma Valley Water Light and Power Company, such properties to be conveyed to the Sonoma Water and Irrigation Company free and clear of all encumbrances. Subsequently the company asked the Commission to modify its order in Decision No. 9683 so as to permit the Sonoma Water and Irrigation Company to purchase the properties subject to an indebtedness of not exceeding \$10,000.00.

It appears to us that substantially all of the taxes, exclusive of some of the penalties, which the company now asks permission to pay through the use of proceeds obtained from the sale of preferred stock, are a charge which accrued against the properties prior to their acquisition by the Sonoma Water and Irrigation Company; and therefore should be paid out of the \$10,000.00. The penalties due to the failure of former owners of the property to pay the taxes, should likewise be charged to such owners, and the Commission's Decision No. 10089 dated February 15, 1922, be amended.

The Commission has considered applicant's request and believes that such request should be granted and that Decision No. 10089, dated February 15, 1922, should be amended as herein indicated, therefore,

IT IS HEREBY ORDERED that the provision of Decision No. 10089 dated February 15, 1922, reading--

"The common stock herein authorized to be issued shall be delivered to the Sonoma Valley Water Light and Power Company in part payment for its properties more fully described in Schedule No. 1 attached to Decision No. 9683, dated October 31, 1921, which properties the Sonoma Water and Irrigation Company is hereby authorized to purchase subject to an indebtedness of not exceeding \$10,000.00,

be, and the same is hereby, modified so as to read--

The common stock authorized to be issued shall be delivered to the Sonoma Valley Water Light and Power Company in part payment for its properties more fully described in Schedule No. 1 attached to Decision No. 9683 dated October 31, 1921, which properties the Sonoma Water and Irrigation Company is hereby authorized to purchase subject to an indebtedness of not exceeding \$8,035.61.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 9683 dated October 31, 1921, as amended, be, and it is hereby further amended so as to permit Sonoma Water and Irrigation Company to use \$1,964.39 obtained from the sale of its preferred stock to pay taxes and penalties due the County of Sonoma, and assessed against the properties formerly owned by the Sonoma Valley Water Light and Power Company or its predecessors in interest and acquired by Sonoma Water and Irrigation Company.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 9683, dated October 30, 1921, as amended, shall remain in full force and effect, except as modified by this Eighth Supplemental Order.

*March* DATED at San Francisco, California, this 3<sup>rd</sup> day of ~~January~~, 1926.

*H. K. Brundage*  
*C. Seaver*  
*Edward D. ...*  
*Leon Whitall*

Commissioners.