

LRA

Decision No. 19316

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
CAMPBELL WATER COMPANY )  
for an order authorizing the issue )  
of promissory note. )

Application No. 14370.

Bohnett, Hill and Campbell, for applicant.

BY THE COMMISSION:

OPINION AND ORDER

Campbell Water Company, a corporation engaged in the business of selling and distributing water for domestic and irrigation purposes in and about the unincorporated Town of Campbell, Santa Clara County, has applied to the Railroad Commission for permission to issue its unsecured seven and one half percent promissory note in the principal amount of \$8,000.00, payable as follows:-

At the end of the first year . . . . .	\$1,000.00
At the end of the second year. . . . .	1,000.00
At the end of the third year . . . . .	1,500.00
At the end of the fourth year. . . . .	2,000.00
At the end of the fifth year . . . . .	2,500.00

The note is to provide that the whole, or any part of the principal sum in addition to the partial payments, may be paid at any time.

The company proposes to use the proceeds to be obtained through the issue of the note to pay for the construction of a 60,000 gallon steel tank, 100' high, with concrete foundations and a concrete settling tank 40' x 20' x 8'. The approximate cost of the several items of construction are estimated as follows:-

Steel tank and frame . . . . .	\$5,310.00
Concrete foundation . . . . .	430.00
Settling tank. . . . .	1,400.00
Fitting to connect steel tank and settling basin . . . . .	758.50
Labor, installing fittings. . . . .	<u>100.00</u>
Total . . . . .	<u>\$7,998.50</u>

It is reported that the company has four wooden storage tanks which are old and in poor condition and which must be replaced. The steel tank will be used not only for storage but also to provide pressure for domestic service and the settling tank will provide means of eliminating sand and sediment from the storage tank and pipe lines, thereby clarifying the water supply. This will constitute a new service as the company at present has no facilities of this nature.

Applicant reports that the cost of installation will be too great to be paid from its current income and that therefore it is necessary to create the proposed indebtedness to secure the necessary funds. The Commission has considered the request of the company to borrow \$8,000.00 and is of the opinion that this is a matter in which a public hearing is not necessary and that the request should be granted as herein provided, and that the money, property or labor to be procured or paid for through the issue of the \$8,000.00 note is reasonably required for the purpose specified herein, therefore,

IT IS HEREBY ORDERED that Campbell Water Company be, and it hereby is, authorized to issue its unsecured seven and one half percent promissory note in the principal amount of \$8,000.00, payable on or before five years after date of issue, for the purpose of financing, in whole or in part, the construction costs referred to herein.

IT IS HEREBY FURTHER ORDERED that Campbell Water Company shall keep such record of the issue of the note 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, insofar as applicable, is made a part of this order.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 6<sup>th</sup> day of February, 1928.

Fee \$25.00

RAILROAD COMMISSION  
STATE OF CALIFORNIA

FEB 8 1928

By [Signature]

Fee # 10000

Leon Whidell  
[Signature]  
Emilio Gato  
[Signature]  
[Signature]  
[Signature]  
Commissioners.