

Decision No. 24564

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 THE SAN JOSE WATER WORKS,
 a corporation, for: (1) Order author-
 izing sale of certain public utility
 properties; and (2) Order authorizing
 said corporation to discontinue public
 utility operations; and the application
 of SAN JOSE WATER WORKS, a corporation,
 for: (1) Order authorizing purchase of
 capital stock of a public utility cor-
 poration; (2) Order authorizing purchase
 of certain public utility properties;
 (3) Order authorizing mortgage of public
 utility properties; (4) Order authorizing
 issue and sale of bonds and stocks.

ORIGINAL

Application No. 17740

BY THE COMMISSION:

SECOND SUPPLEMENTAL ORDER

Good Cause Appearing:

IT IS HEREBY ORDERED that the order in Decision
 No. 24228, dated November 16, 1931, and Decision No. 24475, dated
 February 8, 1932, be, and the same is hereby, amended in the fol-
 lowing respects:

(a) The San Jose Water Works may sell and transfer
 and San Jose Water Works may acquire the business, properties,
 assets, rights and franchises of said The San Jose Water Works,
 subject to all existing liabilities of said The San Jose Water
 Works, including \$1,000,000.00 of outstanding bonds of said
 The San Jose Water Works, and said San Jose Water Works may
 assume all of said liabilities.

(b) San Jose Water Works may issue, on or before
 August 1, 1932, 40,000 shares (\$1,000,000.00 par value) of
 six percent cumulative preferred stock at par in partial
 payment for the said business, properties, assets, rights

and franchises of The San Jose Water Works, and said San Jose Water Works may agree to act as agent for the resale of said stock and pay the costs of such resale, not exceeding in the aggregate seven percent of the aggregate par value of said 40,000 shares of preferred stock so issued, all in such manner as to net said San Jose Water Works not less than \$23.25 per share for all of said 40,000 shares, it being understood that said San Jose Water Works may not expend said seven percent, or so much thereof as may be necessary, in advance of the sale of any share or shares of said stock.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 24228, dated November 16, 1931, and Decision No. 24475, dated February 8, 1932, shall remain in full force and effect, except as modified by this Second Supplemental Order.

DATED at San Francisco, California, this 7th day of March, 1932.

W. L. Seaver
Leon O'Whelan
W. J. Kim
W. B. Lewis
Fred G. Stewart
Commissioners.