

ORIGINAL

Decision No.       .

Decision No. 3373

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application  
of NAPA CITY WATER COMPANY, a corpora-    }  
tion, for permission to issue bonds.        } Application No. 2242.

H. L. Johnston for applicant.

BY THE COMMISSION.

O P I N I O N.

This is an application by Napa City Water Company, a corporation engaged in supplying water to the inhabitants of the City of Napa, for authority to issue and sell at par 5 of its treasury bonds of the face value of \$500.00 each.

A public hearing was held at Napa May 19, 1916. From the evidence it appears that the deed of trust securing applicant's bond issue provides for a total of \$100,000.00 face value of bonds of which amount only \$75,000.00 face value have actually been issued. Seven of these bonds of a total face value of \$3,500.00 have been retired by applicant during the last three years, leaving a total of \$71,500.00 of bonds now issued and outstanding. The company has \$221,300.00 par value of capital stock issued and outstanding.

Applicant wishes to use the proceeds of the proposed issue for installing a deep well turbine pump in its pumping plant in West Napa, commonly known as Pumping Station No. 2; for sub-

stituting an 8" main for its present 4" main on Pine Street between Franklin and Union Streets; and for installing two new fire hydrants. In addition, at least a portion of the 4" pipe taken out will be relaid.

Applicant submitted a comprehensive appraisal of the value of its physical property as of July, 1914, a brief summary of which is as follows:

Land .....	\$ 14,711.00
Pumping Plant .....	121,975.00
Distributing Plant .....	123,609.00
General capital .....	3,205.00
Loss of interest during construction .....	<u>3,950.00</u>
Total .....	\$267,450.00

The above figures are for physical properties only.

In our opinion the proposed improvements are proper and reasonable, and the application should be granted.

#### O R D E R.

NAPA CITY WATER COMPANY having applied to this Commission for authority to issue 5 of its 5% treasury bonds of the face value of \$500.00 each, at par, and a public hearing having been held upon said application, and the Railroad Commission finding that the purposes for which the bonds or the proceeds thereof are to be used are not in whole or in part reasonably chargeable to operating

expenses or to income and that the application should be granted.

IT IS HEREBY ORDERED that Napa City Water Company be and it is hereby authorized to issue 5 of its 5% treasury bonds of the face value of \$500.00 each.

The authority herein granted is granted upon the following conditions and not otherwise:

1. Applicant shall issue said bonds so as to net said company not less than the face value of the principal thereof and accrued interest thereon.
2. The proceeds of the bonds herein authorized to be issued shall be applied substantially as follows:

Purchase and installation of deep well turbine pump.....	\$ 832.50
800 feet 8" Class B - B & S cast iron pipe.....	907.00
Necessary fittings to connect with laterals.....	51.80
Lead and caulking.....	56.90
2 - 8" gate wells.....	72.00
2 fire hydrants.....	59.00
Labor in trenching, laying and refilling.....	160.00
Freight and cartage.....	60.00
Engineering, permit fees of city, removing present mains, changing sub-hydrants to post hydrants, and installing tem- porary connections for consumers and miscellaneous expenses.....	250.00
Reimbursing of treasury.....	<u>50.80</u>
Total.....	\$ 2,500.00

3. Applicant shall report to the Railroad Commission within thirty (30) days after the issue of bonds herein authorized the face value of the bonds so issued, the net amounts received therefor and the disposition of the proceeds thereof, all in accordance with this Commission's General Order No. 24, which order in so far as applicable is made a part of this order.

4. This order shall not become effective until applicant has paid the fee specified in Section 57 of the Public Utilities Act.

5. The authority herein given to issue bonds shall apply only to such bonds as shall have been issued on or before August 1, 1916.

Dated at San Francisco, California, this 24th day of May, 1916.

Max J. Helen  
H. D. Ireland  
Frazer R. Decker  
Commissioners.

Railroad Commission, State of California  
JUN 8 1916  
BY J. M. K. K. K.  
Assistant Secretary.