

Decision No. 6166.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
MANTECA WATER WORKS,) Application Number 4374.
a corporation, for an order autho-)
rizing the issue of stock.)

Von Detten & Henry, by Otto Von Detten, for applicant.

MARTIN, Commissioner.

O P I N I O N.

MANTECA WATER WORKS asks authority to issue \$10,000 par value of its common capital stock to finance the construction of extensions to its water system.

In Decision Number 5241, dated March 27, 1918, the Railroad Commission authorized A. Baccilieri to transfer his public utility water plant at Manteca to Manteca Water Works in exchange for \$34,900 of stock. The engineering department of the Commission at the time estimated the reproduction cost new of the water property at \$36,186 and the reproduction cost new less depreciation at \$34,856.

Applicant reports that during 1918, it became necessary for it to extend its water system for the purpose of properly serving its patrons. Additional extensions will have to be installed during 1919. The extensions to be constructed during 1919 are listed in Exhibits "A" and "B" and consist of

1225 feet 6" pipe at an estimated cost of,.....	\$1,650
5000 feet of 2" pipe at an estimated cost of,.....	2,000
Wells and accessories at a cost of,.....	1,350
Contingencies - 10 per cent,.....	500
Total,.....	<u>\$5,500</u>

To finance the improvements installed during 1918, appli-

cant issued to Mark-Lally Company a note on which there is due a balance of \$2,931.74 and a note to Austin Bros. on which there is now due the sum of \$549.03, making a total of \$3,480.77. In addition, applicant reports that it owes E.E. Jeffries for civil engineering work \$275.00 and desires to acquire from E.E. Jeffries for the sum of \$25.00 certain maps and blue prints of the City of Manteca, which will be necessary for applicant to have in making extensions to its system.

The amount due on the improvements installed during 1918, together with the cost of engineering services, maps and extensions to be made during 1919 aggregates \$9,280.77. It is for the purpose of securing funds to pay this expenditure that applicant intends to issue \$10,000 of stock. The record shows that applicant's stock will be issued at par.

I herewith submit the following form of Order.

O R D E R.

MANTECA WATER WORKS having applied to the Railroad Commission for authority to issue \$10,000 of stock, a public hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose or purposes specified in the order and that such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that MANTECA WATER WORKS be, and it is hereby, granted authority to issue and sell at not less than par \$10,000 of common capital stock upon the following conditions:

(1).-- The proceeds obtained from the sale of the stock shall be used for the following purposes:

(A).-- To pay note due Mark-Lally Company,.....	\$2,931.74
(B).-- To pay note due Austin Brothers,.....	549.03
(C).-- TO pay E.E. Jeffries for services rendered and maps,.....	300.00
(D).-- To pay for improvements described in Exhibits "A" and "B",.....	5,500.00

(2).-- Manteca Water Works shall keep separate, true and accurate accounts showing the receipt and application in detail of the proceeds of the issue and sale of the stock herein authorized to be issued, and on or before the twenty-fifth day of each month, until all of the stock has been sold and all of the proceeds expended, the company shall make verified reports to the Railroad Commission stating the sale or sales of said stock during the preceding month, the terms and conditions of the sale, the moneys realized therefrom and the use and application of the moneys in detail, all in accordance with this Commission's General Order Number 24, which order, in so far as applicable is made a part of this order.

(3).-- The authority herein granted shall apply only to such stock as may be issued on or before December 31, 1919.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 26th day of February, 1919.

Erwin O. Egerton
M. H. ...
H. B. ...
... ..
Commissioners.