

Decision No. 6658

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application
of BOLINAS WATER COMPANY, a cor-
poration, for permission to in-
crease the excess water meter
rate in the Town of Bolinas, Marin
County, California.)
Application No. 4003.

Mattie Smith for applicant.
S. M. Augustine in propria persona
and for certain consumers.

BY THE COMMISSION:

O P I N I O N

This is an application of Bolinas Water Company, a corporation, for authority to increase the rates for water supplied for domestic use in the town of Bolinas, Marin County.

A public hearing on the application was held by Examiner Westover at Bolinas, July 30, 1919.

The present rates were authorized by the Commission in Decision No. 1462 of April 28, 1914. (See Vol. 4, Opinions and Orders of the Railroad Commission, page 883.)

The water was formerly diverted from a small stream in Cronin Gulch and transmitted about four or five miles in four inch and two inch pipes to the storage tanks

in the Town of Bolinas. These improvements were installed under agreement with the owners of the McCurdy Ranch, by which applicant was authorized to use a portion of the water, subject to ranch use, upon payment of 20 per cent. of its gross income, and under which it was granted an option to purchase certain water shed lands in Cronin and Union Gulches. This agreement by its terms expired in 1914 but was renewed from time to time until October 19, 1918, when it finally expired and cannot be renewed.

At the hearing resulting in the establishment of the present rates, applicant reported its gross income for 1913 as \$765.00 from its 44 consumers. These have increased to 55 at present. Practically all are steady patrons throughout the year.

It reports its income under the present rate as follows:

Year ended August 1, 1917- - - - -	\$1,157.77
Year ended August 1, 1918- - - - -	1,124.92
Year ended June 30, 1919 - - - - -	1,234.97

The Company is unable to give sufficient information upon which to base an accurate inventory or appraisal of its properties, or an accurate estimate of its operating expenses. Our engineers have made a rough estimate showing that operating expenses on this system should be about \$836.00 per year.

A number of consumers appeared at the hearing and testified to very poor service, especially during 1918. From their undisputed testimony it appears that during last season the system was practically abandoned while its manager was in the navy, no one being in immediate charge. When the gravity supply from Cronin Gulch was wholly diverted to ranch

uses, a committee of citizens took charge of the system in the absence of the owners, and sunk a well on public school property near the town, installed a pumping plant and supplied the consumers, collecting and retaining the usual rates, which were applied to the cost of the improvements. The new well is about 17 feet deep and the water is said to be unsatisfactory in taste and color, although no evidence was presented tending to show that it is injurious to health. The mains were uncovered, were found to be corroded and incrustated to such an extent that they did not afford adequate pressure, apparently due to lack of facilities for flushing them. The pump admittedly is not of sufficient capacity to meet the requirements of the community during the summer seasons.

Applicant offered testimony tending to show that it intended to install a larger pumping plant and to make arrangements with the school trustees for the permanent use of the well in question; or to provide for mountain water to be brought from a canyon across the lagoon from Bolinas. The latter course would require the laying of about two miles of transmission main and the securing of suitable rights of way. No definite figures, however, were presented showing the probable cost of the necessary improvements, nor does the testimony show what arrangements, if any, can be made for a permanent water supply. Applicant did not show that its expenses of operation have increased, nor present other testimony that would justify an increase in rates at this time.

In view of the uncertainty as to whether applicant can procure a suitable water supply and the uncertainty as

to the amount of capital which it may find necessary to add to its investment, and as to operating expenses under present changed conditions, it is impossible to determine at this time what are just and reasonable rates to apply to future service.

When applicant has arranged for a permanent water supply and can show that it is prepared to give high class service, and can show the amount of new capital necessary for the purpose, it may present a new application if it then considers that increased rates are needed. The present application will be dismissed without prejudice.

ORDER

Bolinas Water Company having applied for authority to increase the rates charged by it for domestic water served to inhabitants in Bolinas and vicinity in Marin County, public hearing having been held thereon, the matter being now ready for decision;

IT IS HEREBY ORDERED that the application be and it is hereby dismissed without prejudice.

Dated at San Francisco, California, this 6th
September
day of ~~August~~, 1919.

Edwin O. Edgerton

Frank R. Devlin

H. B. Dundee

George Martin

Commissioners.