

Decision No. 8311

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of)
GUERNEWOOD PARK DEVELOPMENT COMPANY)
for the equalization, adjustment and)
establishment of water rates to con-)
sumers at Guerneville, Sonoma County,)
California, and adjacent territory.)

Application No. 5471.

A. F. Lemberger for applicant.

Mrs. A. M. Cobb, Lee R. Boland,
Mrs. W. N. Holbert and Mrs. R.
E. L. Jewett for protesting
water users.

BY THE COMMISSION.

O P I N I O N

Guernewood Park Development Company, applicant herein, asks for an order establishing rates for water delivered to consumers in the town of Guerneville and in the adjacent territory, including the summer resorts known as Guernewood Heights and McLane Heights.

It appears that Guernewood Park Development Company was incorporated July 1, 1918, for the purpose, among other things, of acquiring and operating the public utility properties supplying said territory. The prior owners of this system had never filed rates with the Railroad Commission, nor had they filed the annual reports of the operations of this utility, as required by law, though the rates in effect at the present time are those which were arbitrarily established and put in effect by them, and are as follows:

PERMANENT :

Residence:	per month (minimum).....	\$ 1.00
	each fixture (additional).....	.50
Hotels:	all months except June, July, August and September, per month..	5.00
	June, July, August and September, per month.....	7.50
Restaurants:	per month.....	2.00

<u>INTERMITTENT :</u>	per year.....	5.00
	each fixture (additional).....	.50

It is alleged that the present rates in effect are inequitable and disproportionate to the use of water, wherefore applicant asks the Commission to issue an order establishing just and equitable rates for water delivered to its various consumers.

A public hearing was held at Guerneville on June 9, 1920, of which all interested parties were notified and given an opportunity to appear and be heard.

It was brought out in the testimony that this utility is now owned and controlled by the same interests which own and operate Mount Jackson Water and Power Company, Russian River Heights Water Company and Russian River Water Company, public utilities supplying summer resorts in this vicinity. The four utilities are managed and operated jointly and by means of certain pipe connections have recently been consolidated into two operating districts, thereby rendering improved service. Further, it was developed that there is a movement on foot to make application to the Commission for authority to transfer the properties of all of said companies to the Russian River Water Company.

In this proceeding there has been some evidence introduced with relation to poor service in the past seasons. It appears, however, that this condition has been improved by a connection with the new pumping unit recently installed by the Russian River Water

Company.

Mr. H. A. Noble, one of the Commission's hydraulic engineers, submitted an inventory and appraisal of the physical properties showing the estimated cost as \$14,329 and the depreciation annuity computed on a sinking fund basis as \$231.70. No appraisal was submitted by applicant.

The maintenance and operation expenses for the year 1919 totaled \$1,992.43. Allowing for certain increased costs of labor and electric power, it is estimated that future maintenance and operation expenses will approximate \$2,245 annually. The revenue from the sale of water in 1919 amounted to \$2,337.75.

The records show that in June, 1920, there were 200 consumers of which 96 were permanent and 104 maintained a temporary residence in the summer resort, occupying the same and using water mainly during the summer months. It is necessary for applicant to maintain a water system capable of supplying its maximum capacity at all times, though the greater number of consumers may only reside in this territory during a short period each year and require actual service only during that time.

It is evident that the present rates in effect are inadequate and insufficient to return to applicant the maintenance and operation expenses, a replacement fund and interest on the estimated cost. The rates shown in the accompanying order are designed to produce the necessary annual charges. The rates at present in effect for similar use by the several utilities heretofore mentioned as operated jointly by applicant, have been taken into consideration in arriving at the schedule set out in the following order.

O R D E R

GUERNEWOOD PARK DEVELOPMENT COMPANY having made application to the Railroad Commission for the establishment of water rates, a public hearing having been held and the Commission being fully advised in the premises,

IT IS HEREBY FOUND AS A FACT that the present rate schedule of Guernewood Park Development Company, insofar as it differs from the rate schedule herein set out, is unjust and unreasonable, and that the rates herein established are just and reasonable rates to be charged by said company for water,

And basing its order upon the foregoing finding of fact, and the other statements of fact contained in the preceding opinion,

IT IS HEREBY ORDERED that Guernewood Park Development Company be and it is hereby ordered and directed to file with this Commission within twenty (20) days from the date of this order, and thereafter charge, the following schedule of rates:

FLAT RATES:

Resort Use:

Minimum annual charge, payable in advance, which entitles consumer to a maximum of 400 cubic feet of water per month for four months-----\$14.00
 For each additional month, which entitles the consumer to 400 cubic feet of water----- 1.00

Permanent Residence Use:

Per Month

1. Residences and tenements of not more than 6 rooms occupied by single families with not over one bathtub and toilet-----\$ 1.25
 For each additional room----- .10
 For each additional bathtub or toilet----- .15
 For each private barn, not more than two horses or cows----- .50
 For each additional horse or cow----- .20

2. Sprinkling or irrigation of lawns, shrubbery or gardens when taken with water for household purposes, payable every month in the year, per square yard, \$0.0025.

3. Private boarding houses, for each roomer or boarder in addition to the family----- .15

4. Banks, grocery stores, hardware and general stores, billiard parlors, drug stores, bowling alleys, theatres and small stores or shops----- 1.25

5. Soda fountains, ice cream and lunch parlors, either alone or in connection with other business----- 1.50

6. Public garages, including water for washing cars, each automobile----- .50
 Minimum payment----- 2.00

7. Restaurants, chop houses and cafes, per unit of seating capacity,----- 0.15

8. Barber shops, for single chair-----	\$ 1.25
For each additional chair-----	.50
9. Additional for each bathtub, toilet or urinal in 4 to 8, inclusive,-----	.50
10. Hotels, lodging houses, ice plants and all municipal or county use charged for at the metered rates.	

11. Building Work:

For mortar or to dampen brick, per 1000 bricks-----	.30
For cement work or plastering, each barrel of cement or lime used-----	.20

12. Meters may be installed at the request of any consumer or at the option of the utility.

METERED RATES:

Resort Use:

Minimum annual charge, payable in advance, which entitles the consumer to 400 cubic feet of water per month for four months-----	\$14.00
All use during other months, 400 cubic feet or less,-----	1.00
For use over 400 cubic feet: next 3600 cubic feet, per 100 cubic feet,-----	.20
Over 4000 cubic feet, per 100 cubic feet,-----	.15

Permanent Residence Use:

1. Monthly minimum payments for metered Service:	
For 3/4 inch or 5/8 inch meters-----	\$ 1.25
For 1 inch meter-----	2.00
For 1 1/2 inch meter-----	2.75
For 2 inch meter-----	3.50
2. Monthly Quantity Rates:	
For 400 cubic feet or less per month-----	\$ 1.25
For use between 400 and 4000 cubic feet--	.20
For use over 4000 cubic feet-----	.15

Dated at San Francisco, California, this 5th
day of November, 1920.

H. H. ...

Frank ...

H. B. ...

Dwight ...

 Commissioners.