

Decision No. 28090

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SANTA PAULA WATER WORKS, LTD.,)
a corporation, for an order author-)
izing it to issue unsecured notes) Application No. 20,024
for the purpose of financing im-)
provements of its facilities.)

Farrand & Slosson, for applicant.

BY THE COMMISSION:

O P I N I O N

Santa Paula Water Works, Ltd. asks permission to issue not more than \$17,000.00 face amount of 6% notes to pay for the improvements referred to herein.

Applicant is engaged in the business of distributing and selling water for domestic, irrigation, industrial, fire protection and municipal purposes in the City of Santa Paula, and the adjoining territory.

Applicant proposes to make the following improvements to its water system, viz:

Construct a regulating and equalizing reservoir at an estimated cost of	\$12,357.99
Replace 1000 ft. of 4" riveted steel pipe line on Say Road with 6" cast iron pipe at an estimated cost of	1,270.00
Replace 1520 ft. of 2" Standard pipe line on Harvard Street with 6" cast iron pipe at an estimated cost of	1,927.90
Allowance for engineering and superintendence-5%	777.80
Total estimated cost	<u>\$16,333.69</u>

The two pipe lines applicant intends to replace are giving it trouble from leaks. In addition the two inch line is of insufficient capacity to supply an adequate amount of water for domestic and fire protection purposes. The construction of the reservoir will add storage of 657,848 gallons to applicant's water system. It will also enable applicant to chlorinate its water more uniformly and regulate the flow of water from Santa Paula Creek to meet daily fluctuations in demand.

While applicant asks permission to issue notes in the face amount of \$17,000.00 it does not propose to issue notes in excess of the actual cost of the improvements. Of the notes it will issue, \$8,000.00 will be payable one year after date and the balance in two years after date. The notes will bear interest at the rate of six percent. per annum, payable quarterly.

O R D E R

Santa Paula Water Works, Ltd. having applied to the Railroad Commission for permission to issue \$17,000.00 of notes, for the purposes stated in the foregoing opinion, the Commission having considered applicant's request and being of the opinion that this is not a matter on which a hearing is necessary, that the money, property or labor to be procured or paid for through the issue of said notes, is reasonably required for the purposes herein stated, and that the expenditures for said purposes are not in whole or in part reasonably chargeable to operating expenses or to income, and that this application should be granted as herein provided, therefore,

IT IS HEREBY ORDERED, that Santa Paula Water Works, Ltd. be, and it is hereby authorized to issue, after the effective date hereof and prior to October 15, 1935, at not less than par, to persons resident

within the State of California, unsecured promissory notes in the aggregate sum of not more than \$17,000.00; \$8,000.00 of said notes to be payable on or before one year after date and the balance of said notes to be payable on or before two years after their date, said notes to bear interest at the rate of not more than six percent. per annum, payable quarterly.

IT IS HEREBY FURTHER ORDERED, that Santa Paula Water Works, Ltd. shall use the proceeds realized from the issue of the said \$17,000.00 of notes, or any part thereof, to pay the cost of the improvements referred to in the foregoing opinion.

IT IS HEREBY FURTHER ORDERED, that the authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five (\$25.00) Dollars.

IT IS HEREBY FURTHER ORDERED, that Santa Paula Water Works, Ltd. shall keep such record of the issue, sale and delivery of the notes herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24 which order insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 12th day of

July, 1935.

Fee \$25.00

[Signature]
Fee # 315-26

[Signature: Leon O'Connell]

[Signature: M. A. Linn]
[Signature: M. B. Harris]

Commissioners.