

ORIGINAL

Decision No. 35402

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
CARPINTERIA WATER COMPANY, a  
Corporation, for permission to  
Issue Notes and Execute Contracts.

Application No. 24978

BY THE COMMISSION:

O P I N I O N

Carpinteria Water Company asks permission to issue notes and execute agreements constituting evidences of indebtedness in the aggregate face amount of \$7,967.43 for the purpose of refunding indebtedness represented by notes and other evidences of indebtedness heretofore issued and executed without authorization from the Commission.

Carpinteria Water Company is a California corporation engaged in the business of supplying water for domestic, industrial and municipal purposes to consumers located in and adjacent to the unincorporated community of Carpinteria, Santa Barbara County, State of California.

For 1941 it reports operating revenues of \$20,769.90 and operating expenses of \$18,283.45, leaving net operating revenues of \$2,486.45. The operating expenses include \$4,179.29 for depreciation.

The record indicates that Carpinteria Water Company, through inadvertence and without any intent of evading the

provisions of the Public Utilities Act, has issued the following notes and other evidences of indebtedness payable at more than one year after date.

On July 2, 1940 applicant entered into an agreement to purchase certain pipe and fittings from Johns-Manville Sales Corporation for the sum of \$1,399.51. On August 25, 1940 applicant issued to said Johns-Manville Sales Corporation its installment note for said sum of \$1,399.51, payable in 36 equal consecutive monthly installments beginning October 25, 1940. A copy of the agreement to purchase the materials and a copy of the note are on file in this proceeding as Exhibits B and B-1, respectively.

On April 1, 1941 applicant entered into an agreement to purchase certain pipe and fittings from Johns-Manville Sales Corporation for the sum of \$2,811.30. On May 1, 1941 applicant issued to said Johns-Manville Sales Corporation its installment note for the sum of \$2,811.30, payable in 36 equal consecutive monthly installments beginning July 1, 1941. A copy of the agreement to purchase the materials and a copy of the note are on file in this proceeding as Exhibits C and C-1, respectively.

On October 27, 1938 applicant entered into an agreement with the County National Bank & Trust Company of Santa Barbara for the purchase of the west half of Lot 52 and Lots 53 and 54 of Tract No. 2, County of Santa Barbara, State of California, as per map recorded in Book 15, pages 221 and 222 of Maps in the office of the County Recorder of said County. Two of applicant's wells are located on said lots and constitute applicant's main source of water supply. The purchase price of the lots was \$900.00. Of this purchase price \$10.00 was paid upon the

execution and delivery of the agreement and the remainder is payable in monthly installments of \$10.00 or more, with interest at the rate of 6% per annum. A copy of the agreement is filed in this proceeding as Exhibit D.

On December 15, 1941 applicant entered into an agreement with Edwin Stanley Atkinson and Besselle Austin Atkinson, his wife, for the purchase of Lot 47 of Cramer Tract No. 2, in the County of Santa Barbara, State of California, as per map recorded in Book 15, pages 221 and 222 of Maps, in the office of the County Recorder of said County. The purchase price of said Lot 47 was \$623.96. Of this purchase price \$50.00 was paid upon the execution and delivery of the agreement and the remainder is payable in monthly installments of \$10.00, with interest at the rate of 4% per annum. A copy of the agreement is on file in this proceeding as Exhibit E. Said Lot 47 was purchased by applicant to protect its wells.

On December 15, 1941 applicant entered into an agreement with Edwin Stanley Atkinson and Besselle Austin Atkinson, his wife, for the purchase of certain real property in the Town of Carpinteria, County of Santa Barbara, State of California, as described in a copy of the agreement on file in this proceeding as Exhibit F. The purchase price of this property was \$977.31, of which \$50.00 was paid upon the execution and delivery of the agreement. The remainder of the purchase price is payable in monthly installments of \$10.00, together with interest on the deferred payments at the rate of 4% per annum. The property purchased under this agreement consists of a lot adjoining applicant's pumping plant in the Town of Carpinteria. It was acquired not only for the purpose of protecting its pumping

plant, but also as a means of obtaining a right-of-way to said pumping plant.

On December 20, 1941 applicant entered into an agreement with Frank L. Stewart to purchase, at a cost of \$1,255.35, certain personal property described and listed in a copy of the agreement filed in this proceeding as Exhibit G. Of the purchase price \$100.00 was paid upon the execution and delivery of the agreement and the remainder is payable in the sum of at least \$20.00 on the 20th day of each month of every calendar month thereafter, beginning on January 20, 1942 and continuing until the whole of said sum of \$1,255.35, together with interest on all deferred payments at the rate of 4% per annum, shall have been paid. The personal property acquired by applicant consists of tools, materials and supplies used by applicant in the operation of its water properties.

The record shows that applicant has need for all of the properties which it acquired through the execution of the notes and agreements to which reference is made herein.

O R D E R

The Commission having considered applicant's requests and it being of the opinion that this is not a matter on which a hearing is necessary; that applicant has need for the money, property or labor which it will procure through the issue of the notes and execution of the agreements herein authorized, and that this application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED that Carpinteria Water Company

be, and it is hereby, authorized, after the effective date hereof and on or before September 30, 1942, to issue notes and execute agreements similar in form to the notes and agreements filed in this proceeding as Exhibits B, B-1, C, C-1, D, E, F and G on file in this proceeding and referred to in the foregoing opinion, said notes and agreements covering indebtedness of not exceeding \$7,967.43.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Carpinteria Water Company 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 within thirty (30) days after the issue of said notes and the execution of said agreements Carpinteria Water Company shall file with the Railroad Commission a copy of each note and a copy of each agreement executed under the authority herein granted.

Dated at San Francisco, California, this 26<sup>th</sup> day of May, 1942.

*Justus F. Calver*  
*Ray C. Wiley*

*[Signature]*  
Commissioners

\$ 25.00  
RAILROAD COMMISSION  
STATE OF CALIFORNIA  
PAID  
JUN 2 1942  
*[Signature]*  
SECRETARY