

Decision No. 38982

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Investigation on the Commission's own motion into the Contracts, Rules and Regulations, Classifications, Operations, Practices, Services or any of them, of CLYDE HENRY, operating a public utility water system under the fictitious firm name and style of WEST SACRAMENTO WATER COMPANY, in the area known as West Sacramento, Yolo County, California.

Case No. 4819

W. C. Frame, for West Sacramento Improvement Club;  
Murle C. Shreck, for Hull Hotels;  
Earl L. Erwin, for Capitol Hotel and Motor Inn;  
Carl E. Rodegerdts, for Delta Water Company;  
Clyde Henry, for West Sacramento Water Company.

ANDERSON AND HULS, COMMISSIONERS:

O P I N I O N

This is an investigation ordered by the Railroad Commission on its own motion into all phases of the operations, water service, practices, including the contracts and rules and regulations of Clyde Henry, who owns and operates a public utility water system under the fictitious firm name and style of West Sacramento Water Company in the unincorporated territory known as West Sacramento, in the County of Yolo.

Each year during the past four years an increasing number of complaints have been made to this Commission by residents, domestic and commercial water users in the area served by this utility, especially in the summer and fall months, claiming serious long interrupted water deliveries, low pressures, poor quality of water, and no fire protection. Informal negotiations conducted by representatives of the Railroad Commission with Mr. Henry resulted in numerous promises of immediate improvement and rehabilitation of the system. To date Mr. Henry has done nothing practical to bring relief. During the late summer of 1945 the lack of proper water service reached an acute stage. The rapid expansion of home building

and the abnormally large volume of commercial construction of ranch-type hotels, automobile motels and other large business enterprises last fall and winter and now still in progress has placed such a strain upon the limited poorly-designed facilities of this waterworks that immediate improvement is imperative:

Clyde Henry has made no apparent or serious effort to fulfill any of the many promises solemnly made to this Commission and frequently made to the consumers as well. It therefore became incumbent upon the Commission to institute upon its own motion this formal proceeding in order to compel the owner of this utility to provide without further delay the adequate and proper water service to which the consumers are legally and rightfully entitled and for the protection of the health, safety and welfare of the public in West Sacramento.

A public hearing in this matter was held in the County Court House in the City of Sacramento on April 12, 1946.

Application No. 27299, W. F. Heesch and C. A. Heesch, for a certificate of public convenience and necessity was combined for hearing with the Commission's investigation, Case No. 4819. The above applicants asked for a certificate to construct and operate a public utility waterworks in the same territory now served by Clyde Henry, alleging the immediate necessity of installing a complete new water system in order to provide a proper water service in this area. However, testimony was not completed in this application and it was necessary to adjourn this matter to a later date. Separate decisions, therefore, will be issued in these two proceedings.

The original water system at West Sacramento was installed about 1910 by the West Sacramento Land Company to furnish water service to homes and stores constructed on lands subdivided and sold by said Land Company or its authorized agents. In 1938 the Bondholders Committee of West Sacramento Company organized to liquidate the assets of the said Land Company, entered into an agreement whereby said committee gave title to all its water properties and in addition thereto gave the sum of \$4,500 to Clyde Henry, who agreed to assume all its public utility obligations, operate, maintain and make all necessary improvements and provide in

the future an adequate and satisfactory water service to all entitled thereto in the service area. Thereafter Clyde Henry applied for and was granted a certificate of public convenience and necessity to operate a water system in the West Sacramento district in Decision No. 31627, dated January 3, 1939. In this decision the Commission established the boundaries of the area of service and the following schedule of rates:

Monthly Minimum Charges:

5/8 x 3/4 inch meter .....	\$1.50
3/4 inch meter .....	2.00
1 inch meter .....	3.00
1 1/2 inch meter .....	5.00
2 inch meter .....	7.50

Each of the foregoing "Monthly Minimum Charges" will entitle the consumer to the quantity of water which that monthly minimum charge will purchase at the following "Monthly Minimum Quantity Rates," set out below:

First	600 cubic feet, or less .....	\$1.50
Next	1,400 cubic feet; per 100 cubic feet...	.20
	All over 2,000 cubic feet, per 100 cubic feet...	.15

When Clyde Henry acquired this water system there were 68 consumers supplied by one drilled well. Thereafter service has been extended to a subdivision known as West Acres and to several commercial enterprises such as highway hotels or motels, auto courts, restaurants, stores, and several industrial establishments located along U. S. Highway 99 and U. S. Highway 40, locally called the Davis Highway. At present there are 512 consumers and 34 new homes and several business enterprises under construction in the service area of this utility.

The present distribution system consists of about 54,000 feet of pipe ranging from two to eight inches in diameter. However, 73% of the distribution system is constructed of two-inch pipe, concentrated in certain areas, which has created intolerable service conditions.

There are no storage facilities provided other than through the medium of six small pressure tanks, total capacity being 7,866 gallons. These tanks are located at the well sites and automatically maintain a pressure of 38 pounds per square inch at the wells only.

The Annual Reports submitted by Clyde Henry for this utility set forth a fixed capital investment of \$51,799, as of December 31, 1945. The consumers served increased from 121 in 1939 to 512 at the end of December, 1945. The revenues likewise show a corresponding increase from \$1,688 for the year 1939 to \$11,799 for 1945. The matter of rates is not in issue in this proceeding.

A report on this system's water supply, water main installations, wells, storage, and pumping equipment, quality of water, present performance, and required improvements was prepared by D. L. Duncan and Clyde F. Norris, hydraulic engineers of the Commission, and presented by Mr. Duncan. Testimony was presented by a large number of water users, including home-owners and housewives, hotel owners and operators, expert engineers, officials of the West Gate Fire Protection District, a duly constituted fire district under the laws of the State of California which embraces the entire territory served by West Sacramento Water Company. Testimony on the present condition and service abilities of the present waterworks and need for improvement was presented by Major George K. Parker, a consulting engineer of Stockton, in behalf of W. F. Heesch and C. A. Heesch of the Delta Water Company. The testimony and documentary evidence presented covered a complete cross-section of the various classes of consumer demand, requirements and service problems.

According to the record in this proceeding the service area of the West Sacramento Water Company extends from a point near the westerly bank of the Sacramento River adjacent to and opposite the City of Sacramento, westerly along the Davis Highway, U. S. 50 and 99, to a boundary line not far from the easterly approach to the Yolo Causeway. The territory lies on both sides of the highway which is the direct route from San Francisco to Sacramento and also from the north from the Pacific Highway running along the west side of the Sacramento Valley. During the past two years by reason of its near proximity to the main business district of Sacramento this territory has shown an abnormally high residential development and very rapid industrial expansion. Several industries already have under construction large plants in the easterly section of this district near the M Street bridge crossing the Sacramento River. Other proposed industrial

developments already have secured sites for new projects. Some of these industries will require large volumes of water, while others will demand water mainly for fire protection purposes.

Mr. J. F. Turner, Manager of the West Sacramento Company, testified that from 250 to 300 new homes are already definitely committed for construction during 1946 and 1947 in the West Sacramento District. His company also has final plans completed and has authorized the development and marketing during this year of a new subdivision of 40 acres for residential purposes in West Sacramento.

Earl L. Erwin and Harry H. Hart are operating the partially completed Capitol Inn which at present has finished and in use 70 rooms of the initial units of the project, with a present investment in excess of \$200,000. This hotel, when completed, will have complete hotel service, including dining room, cafeteria, coffee shop and bar, with 250 hotel rooms and a total investment estimated at \$700,000. Construction is now underway on the Inn property at the installation rate of 20 rooms every two weeks.

Welby Lewis, General Manager of the El Rancho Hotel, owned and operated by Thomas E. Hull Hotel Syndicate, testified that the El Rancho Hotel besides its present dining room facilities and coffee shop, bar, swimming pool and large landscaped gardens and lawns now has 67 hotel rooms, but will have this summer greatly enlarged dining accommodations and a total of 113 rooms when the new additions now under construction have been completed.

There also are several other motor-hotels, restaurants and cocktail bars and a large out-door theater already located along the highway. Most of these present establishments are greatly enlarging their facilities. Many new business enterprises of a similar character are under construction and proposed for immediate development. This entire territory has grown so rapidly through business and residential expansion that the existing water supply and distribution facilities of the defendant herein can no longer provide any reasonable water service in any section of its service area. This system was designed in the beginning to supply only the original residential subdivision placed on the market by West Sacramento

Land Company and to serve also a few scattered businesses along the Davis Highway. This deplorable state of affairs has reached its present crisis because Clyde Henry, since shortly after he acquired this water system, has not given proper service to his existing consumers and has negligently failed to make adequate provision for the visible new business in progress of construction and the obvious and definitely known commitments by water users for immediate business expansion within his service area in West Sacramento.

#### Water Supply

The defendant now has six producing wells, yielding at present from 150 to 400 gallons per minute. Certain of these wells produce a very poor and unsatisfactory quality of water. One well located in West Acres has been shut down from time to time because of the extreme hardness of its water, together with the fact that the well also is contaminated with crenothrix, an iron bacteria living on iron oxide, which creates not only a disagreeable odor in the water but also when used for washing stains clothes and linens with an iron rust color difficult, if not impossible, to remove. Several home-owners testified that they had to bring bottled water from Sacramento for use in their homes; others that they drove into Sacramento to take baths.

West Sacramento is situated inside a bend of the Sacramento River. The testimony has clearly indicated that wells located close to or near the right or west bank of the river produce a sweet and potable water, whereas wells drilled in the central section of the service area at any considerable distance from the river have uniformly yielded a very hard water subject to contamination by crenothrix and leptothrix, so-called iron bacteria, which render the water unfit for domestic and certain commercial purposes, even when blended with good water. Discontinuation of use of water from the present well in West Acres, because of this objectionable contamination, must be ordered.

A water well several years ago was drilled on the properties of the El Rancho Hotel near the Davis Highway but it produced a water so hard as to be unusable for any of the hotel operations, including irrigation, and has now been wholly discontinued. The two wells recently drilled on the Capitol Inn properties both produce a very hard water, one of the wells being of such quality that it is not

suitable for hotel and restaurant purposes. The water in the other well, with the installation of proper equipment for water softening, may be treated so as to be usable in the hotel and dining rooms and perhaps for washing clothes and linens.

Mr. Henry has purchased a lot in the Town of Bryte not far from the Sacramento River on which, according to his testimony, he intends to drill a new well, having now on the ground at the well site a part of the well casing for the installation of the gravel envelope. This lot adjoins a parcel of land upon which there is now a producing well of sweet water. However, when this new well is drilled and equipped it will be necessary to install about 10,000 feet of large-sized transmission main to reach the main service area of the utility along the Davis Highway. The Commission's engineers have suggested to Mr. Henry for some years last past that he acquire a well site in the southeasterly portion of his service area in the original West Sacramento Land Company subdivision at a suitable location near the Sacramento River where a well drilled should produce a good quality of water and could be cut directly into the distribution system at that point with only a few hundred feet of pipeline. With these additional wells in service the water supply should be sufficient to meet present needs and requirements for the immediate future. Pending completion of these two wells defendant might very properly arrange for the use, temporarily, or otherwise, of one or two unused local wells in or near his service area which are claimed to yield a sweet and potable water.

Pressure-Storage

The present method of operating this system is based upon pumping from the wells into six small pressure tanks which have capacities varying from 1,005 to 1,860 gallons. These pressure tanks are automatically controlled to maintain a pressure of 38 pounds per square inch at the wells. This pressure is entirely too low and does not provide proper pressures at any considerable distance from the tanks and leaves all consumers in the outlying districts with pressures which vary from zero to 4 or 5 pounds during the periods of peak demand. This condition burns out water boilers and makes it impossible to flush toilets. In the event of failure of power the total storage capacity of this system is limited to less than

one quarter of an hour's supply of water. Should a fire break out during such a period the effect would be disastrous. In the case of hotel kitchen water boilers and steam heating and hot water plants and certain other kitchen appliances the damage has been very serious. Mr. Welby Lewis testified that during the past summer the water pressure was so low that neither toilets nor showers could be used most of the season at the El Rancho Hotel. The proper solution of this problem lies in the installation of overhead storage tanks. Two tanks of not less than 50,000 gallons capacity each should be installed on the system at strategically located points, in order to provide proper equalized working pressures during ordinary operation and for the necessary reserve water supply during periods of emergency when the power might be shut off and to furnish a water cushion during the daily periods of peak demand for outlying consumers.

#### Distribution Mains

The distribution system consists almost entirely of two-inch water mains. In several blocks as many as 24 consumers are forced to take service from a single deadended two-inch line. The distribution mains in the original West Sacramento subdivision and the mains in the West Acres tract also are deadended and have no facilities for blowing-off or flushing other than through a few scattered fire hydrants. The ends of all these water mains should be connected to provide a circulating system. A systematic flushing program should be adopted to clear the mains of crenothrix and sediment as far as such methods will permit. Larger mains, four inches or more in diameter should be installed throughout the system as cross-feeders and a new transmission line not less than six inches in diameter should be installed immediately, connecting the original West Sacramento Land Company subdivision with mains on the Davis Highway and in the West Acres tract. This connection will require approximately 3,500 feet of pipe. The installation of these feeders and connecting mains together with the tying-in of the transmission main from the proposed well at Bryte should relieve the entire service area of the present inadequate service and water shortage, provided the overhead storage tanks are in operation.



Waste of Water

The type of soil in the West Sacramento area is a sandy loam deposited in the past by floods of the Sacramento River. Lawn and garden irrigation in this class of soil absorbs large quantities of water and results in the general tendency to use far more water for irrigation than actual plant requirements. The climate in this district in the summer and early fall is quite warm and frequently characterized by short periods of extremely hot weather. Under such circumstances domestic water users must have an adequate water supply to live without suffering serious and unnecessary discomfort. Under present conditions of this system during severe hot spells consumers use such large quantities of water that present facilities cannot meet the demand. The result is that the residential and commercial consumers are not able to receive sufficient water. A considerable waste and carelessness in the use of water inevitably takes place. The installation of meters on all services will go far in the reduction of this type of waste by assuring a more equitable distribution of water to all during the summer and fall months. Defendant Clyde Henry, therefore, will be required to fully meter the entire system as soon as the water meters can be obtained but in no case later than ninety days from and after the date of the order herein.

Mr. E. C. Hughes, Chairman of the Board of Directors of West Gate Fire Protection District, testified that the great area of fine type residential properties, together with the high assessed value of the many hotels, commercial enterprises, and industrial plants, within the boundaries of his district, demand and must have proper fire protection; that at the present time the water mains of this utility are so small in capacity that throughout most of the district it is useless to install hydrants. He stated further that the lack of water storage facilities and low pressures made it impossible for the district to perform the functions of a fire district for which it was organized. He demanded that the Water Company be directed to install proper sized mains to support the required draft through fire hydrants to protect the buildings within the district against

grass fires and a major conflagration.

Mr. C. W. Travers, Fire Chief of this district, testified that at the present time there were installed sixteen fire hydrants, only four of which were usable. For this service the sum of \$24.00 per month is now being paid to the Water Company. He also indicated that he is receiving numerous demands from industrial plants now operating and under construction for proper fire protection through an adequate water supply and larger mains, and that if such facilities are not immediately forthcoming by the present Water Company it will be necessary for the district to take such steps as may be necessary to provide its own fire protection system. In this connection it further appears that there is now a movement in progress for the formation of a County Waterworks District covering the area now supplied by the West Sacramento Water Company.

It should be stated at this time that the Commission legally cannot require Mr. Henry to install generally throughout his service area a system of water mains sufficient in capacity to handle the required domestic, commercial and industrial load and in addition thereto provide proper and adequate fire protection unless some arrangement is made with the Board of Directors of the said district to reasonably compensate him therefor. The district has the power to negotiate independently for the installation of such fire protection facilities as may be necessary over and above those required for regular consumer demand. It may also enter into a written contract for reimbursement to the Water Company upon a mutually acceptable basis and it is recommended that immediate steps be taken by the district to this end. In the meantime the improvements directed to be installed by this utility in the following Order should, in a considerable measure, afford relief in the fire protection problem.

At one of the many meetings called by the West Sacramento Improvement Club for the purpose of seeking relief from inadequate water service, Mr. Henry appeared and conceded the general lack of proper water supply and delivery on the West Sacramento Water Company system and promised to take immediate steps to put the system in proper working order. Such promises were made by Mr. Henry also to

officers and officials of the West Sacramento Company and of the Fire District as well as to the Railroad Commission. The record is clear that none of these statements of good intentions have been fulfilled to date.

Mr. Henry testified at the hearing that he had installed a considerable amount of new pipe, pumping equipment, and certain new wells but that during the past three years he had been unable to obtain the proper materials and equipment for necessary improvements to the system. While this may be true to some extent the testimony of Major Parker and Mr. Duncan conclusively shows that such pipe lines were inadequate in size and capacity, not properly located and tied in, and that sufficient storage and water supplies were negligently overlooked.

Mr. Henry stated further that he has arranged for a loan of \$50,000 to rehabilitate the system, which he is ready and willing to spend for such purpose immediately and that if additional funds are required he is also in a position to raise an additional \$50,000 loan. It is apparent, therefore, that Mr. Henry is in a financial position to make the necessary improvements without delay.

It is plainly discernible from the testimony presented in this proceeding that Mr. Henry has not fulfilled the duties he owes the public in the operation of this utility. The phenomenal growth of home, commercial and industrial construction in West Sacramento demands and must have adequate water service. While every fair consideration has in the past and will now and hereafter be given Mr. Henry in the water problems confronting this West Sacramento Water Company, no course now lies open to this Commission other than to order Mr. Clyde Henry to install the specified minimum necessary improvements to this waterworks and to have such improvements installed and in proper working order, subject to approval of this Commission, upon the dates as fixed in the following Order. Failure on the part of Mr. Henry to comply with the requirements of the Order herein must necessarily result in the Commission instituting contempt proceedings under Section 81 of the Public Utilities Act.

In concluding it should be pointed out that there is now pending before the Railroad Commission the application of W. F. Heesch and C. A. Hoesch asking for authority to install a complete new water system serving in this same territory now certificated to Mr. Clyde Henry. While it is not generally the policy of the Railroad Commission to authorize such an invasion of the territory of one public utility by another, the Commission has the power and right to grant a new certificate where the presently certificated utility willfully, negligently or otherwise fails to provide the service required by law.

The following form of order is recommended:

O R D E R

The Railroad Commission, on its own motion, having instituted an investigation into the various phases of the operations and practices of Clyde Henry, operating under the fictitious firm name and style of West Sacramento Water Company, a public hearing having been held thereon, the matter having been submitted, and the Commission being now fully advised in the premises,

IT IS HEREBY ORDERED for the reasons set out and based upon the conclusions and findings set forth in the foregoing Opinion that Clyde Henry, operating public utility water system in West Sacramento in the County of Yolo, under the fictitious firm name and style of West Sacramento Water Company, be and he is hereby directed as follows:

1. Within thirty days from and after the date of this Order shall acquire by purchase or otherwise a parcel of land for well development purposes in the immediate vicinity of 17th and Vermont Streets, in the unincorporated town of West Sacramento, Yolo County.
2. Within sixty days from and after the date of this Order shall drill a well on the said parcel of land set forth in the preceding paragraph No. 1 of sufficient depth and capacity to produce a minimum output of 200 gallons per minute under continuous operation. Said well to be cased with heavy red hard steel casing and constructed in such a manner to prevent the entrance of all surface waters and surface contamination, and install in said well a pump of sufficient capacity to deliver into the distribution system the full production of said well at a pressure of not less than 65 pounds per square inch, or by other means of delivery into the distribution at the same pressure.

3. Within sixty days from and after the date of this Order install a pipe line not less than 6" in diameter from the pump, set forth in the preceding paragraph No. 2, to the end of the existing 4" main on 17th Street, between Virginia Avenue and Vermont Avenue, cross-connecting all intercepted mains.
4. Within sixty days from and after the date of this Order shall install a water main not less than 6" in diameter from the present 6" main in Alameda Boulevard, near Jefferson Park Boulevard, to connect with the present 4" main on Jefferson Boulevard near U.S.Highway 99 and 40, and
5. Install a main not less than 4" in diameter on Capitol Avenue in West Acres Subdivision, connecting the new 6" main ordered installed on Jefferson Boulevard with the present 2" main at Carley Avenue and Sycamore Avenue, and
6. Install a main not less than 4" in diameter on 16th Street, cross-connecting with all water mains between Vermont Avenue and Jefferson Park Boulevard, and
7. Install a main not less than 6" in diameter on Vermont Avenue from the new 6" main ordered installed on 17th Street, along Vermont Avenue to 19th Street, thence along 19th Street cross-connecting with the two existing mains crossing said 19th Street between Alabama Avenue and Vermont Avenue, and
8. Install a main not less than 4" in diameter on 18th Street, connecting with the new 6" main ordered installed on 19th Street and cross-connecting with all existing mains crossing or ending on or near said 19th Street to the intersection thereof with Jefferson Park Boulevard, and
9. Within ninety days from and after the date of this Order shall install mains to eliminate certain deadends and to provide for circulation of water in the distribution system as follows:
  - (a) Present 2" main between Delaware Avenue and Pennsylvania Avenues shall be extended to connect with the 4" main on 17th Street.
  - (b) The present 6" main on Alameda Boulevard shall be connected on Delaware Avenue with the present 2" main crossing said avenue immediately southerly of Alameda Boulevard.
  - (c) The present deadends of the 2" mains between Vermont Avenue and Carolina Avenue, southwesterly of 19th Street shall be cross-connected.
  - (d) The 6" main ordered installed on lower 19th Street shall be cross-connected by a main not less than 4" in diameter with the existing 2" main between Vermont Avenue and Carolina Avenue.
  - (e) The 2" main between 13th Street and 15th Street shall be cross-connected with the present 6" main on Michigan Boulevard.

9. (Continued)

- (f) The present 6" main on Alabama Avenue shall be extended by a main not less than 6" in diameter to the intersection with 11th Street and thence westerly along said 11th Street to cross-connect with the present 2" line between Maryland Avenue and Park Boulevard.
  - (g) A main not less than 4" in diameter shall be installed on Maryland Avenue cross-connecting the 6" main ordered installed on 11th Street in the preceding paragraph (f) with the 2" main between 10th Street and 11th Street.
  - (h) A main not less than 4" in diameter shall be installed on Circle Street cross-connecting the present 6" main on Netherlands Boulevard with the present 6" main at the Circle near its intersection, or intersection if projected, with Alabama Avenue, cross-connecting also with the existing 2" main on Virginia Avenue.
10. Within ninety days from and after the date of this Order, shall drill a well and install suitable pumping equipment on that certain parcel of land, now owned by said Clyde Henry and located near Lisbon Avenue and Sacramento Street in the unincorporated Town of Bryte, in Yolo County, and shall install a transmission main not less than 8" in diameter to connect with the present existing 6" main on U. S. Highway 99 and 40 at or near Poplar Avenue, in West Acres Subdivision, and
11. Shall install an elevated tank of a capacity of not less than 50,000 gallons in the vicinity of the intersection of Jefferson Boulevard with U. S. Highway No. 99 and 40.
12. Within sixty days from and after the date of this Order or when the new well to be drilled in the vicinity of 17th Street and Vermont Avenue is placed in service, if prior thereto, Well No. 5 located in West Acres Subdivision shall be discontinued from all further use as a source of public utility water supply.
13. Within ninety days from and after the date of this Order, all service connections excepting those for fire protection purposes shall be metered.

IT IS HEREBY FURTHER ORDERED that Clyde Henry shall file with this Commission on the first and fifteenth day of each month, commencing with the first day of June, 1946, a detailed report in writing setting forth as of the date thereof the progress made in compliance with the terms of this Order, said reports to continue until the Order herein has been satisfied.

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.

For all other purposes, the effective date of this Order shall be  
twenty (20) days from and after the date hereof.

Dated at San Francisco California, this 21<sup>st</sup> day of May, 1946.

Harold Anderson  
Justin F. Craemer  
Wm. A. Dink  
Frank J. Kayell  
Harriet Huls

Commissioners.