

ORIGINALDecision No. 49580

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation on the)
 Commission's Own Motion into the Service,)
 Rates, Charges, Contracts, Rules, Regula-)
 tions, Operations, Practices, or any of)
 them, of ALDERCROFT HEIGHTS COMPANY, INC.,)
 a corporation, operating a public utility)
 water system in a subdivided area known as)
 ALDERCROFT HEIGHTS in Santa Clara County,)
 California.)

Case No. 5494

C. W. Ricketts, for respondent.
Joseph A. Kinzley, for Aldercroft Heights
 Improvement Association; Mrs. M. Stipp,
 for Arthur Morgan and Road No. 6
 Association; Celia S. Parsons and
Mary E. Flynn in propria persona,
 interested parties.
Frank B. Austin, for the Commission's staff.

O P I N I O N

This investigation was instituted on September 15, 1953. Public hearings were held in Los Gatos before Examiner Power on November 9 and 16. At the last hearing respondent was given the option of a further hearing to cross-examine a staff witness after respondent's counsel was supplied with certain information. The information was supplied on November 18. On December 9 the Secretary of the Commission wrote to the attorney requesting his pleasure in the matter. Not having received an answer, the matter will stand submitted as of December 16.

Evidence was presented by a staff engineer; by the sanitary engineer and one of his sanitarians for Santa Clara County; San Jose Water Works by its assistant general manager; by the Aldercroft Heights Improvement Association through a member of its water committee; by residents of the area; and, by respondent.

This system is located in the Santa Cruz Mountains about 7 miles south of Los Gatos. The topography is a difficult one from

the standpoint of rendering water service. The difference in elevation between respondent's pumping station on Los Gatos Creek and his highest reservoir is about 595 feet. There are three gorges at right angles to Los Gatos Creek which increase the service difficulties. These gorges run across the main axis of the service area.

During the "dry" season from early summer until the rains begin in the autumn, water for this system may be obtained from Los Gatos Creek. During the balance of the year water is obtained from springs. During the "dry" season the supply from springs dwindles to 8 gallons per minute or less, and the main supply comes from Los Gatos Creek. The water rights in that stream are controlled by San Jose Water Works. The latter company has in the past contracted to sell to respondent 10 gallons per minute. The witness from San Jose Water Works indicated that that company was prepared to increase this to 20 gallons per minute. However, San Jose Water Works is naturally anxious to protect its watershed. It wants a provision inserted in the contract for this purpose. It is especially anxious to have the Aldercroft Heights Improvement Association cooperate in this. The types of potential pollution that have existed in the past are from the sewage facilities of Aldercroft residents and picnickers' refuse. The Association has helped in the past and offered to continue their participation in this program.

From Los Gatos Creek the water is pumped to a chlorinating and booster station near the County Road. The elevation here is 170 feet higher than the creek. After chlorination the water is boosted an additional 425 feet to a 30,000-gallon concrete reservoir at the high point of the system. In addition to the reservoir just mentioned there are two other concrete reservoirs on the system. One in the northern part has a capacity of 50,000 gallons. One at the south has 20,000-gallon capacity. Four redwood tanks with a capacity of more than 15,000 gallons are in use. There are other storage facilities on the system which are not in use. The system contains 23,000

feet of pipe. A very small amount of this is of 2 inches' diameter. The rest is 1-1/2 inches or less.

Construction of this system may have begun about 1925. The first certificate was issued in 1932 to Stapp and Walton. They disposed of the utility to Harris and Cooper who sold it to the present owners about April 1, 1948. The present operators have done much the best job with the system in spite of the fact that there are many deficiencies which require correction.

The two witnesses from the Santa Clara County Health Office testified concerning protection and sanitation. The Los Gatos Creek supply and at least one spring are potential sources of contamination. The chlorination method in use is inadequate. The sanitary engineer recommended an automatic chlorinator. This witness was most conservative in his recommendations. He indicated that he understood the financial limitations of a company of this size and avoided expensive suggestions which might impose too great a financial burden on respondent. The recommendations of the County are most reasonable and will be included in the order herein.

The storage facilities now available provide the system with flexibility and enable it to get along with a much smaller rate of water input than would otherwise be necessary. There are additional storage facilities in the area that could be used by the respondent, though most of them would need some reconstruction or repair. Because of the small diameter of presently installed mains, however, flexibility would be increased and service improved by restoring these facilities to use.

Respondent's attention should be directed to the close relationship between its service problem and its revenues. In respondent's testimony, it was indicated that the owner showed a lack of familiarity with some customer-use characteristics of the system. It is elementary that water must reach and pass through a

meter before it can produce needed revenue. Thus inadequate pipe diameters, while depriving the customer of water, at the same time deprive the utility of needed income.

The evidence revealed total failures of water at various residences particularly on weekends. On at least one occasion there was a water failure during a fire, resulting in loss of a house. The service situation, therefore, requires the urgent attention of respondent.

The staff recommended that many distribution lines ought to be replaced with larger size pipe or paralleled. The need for such action is obvious. Respondent will be expected to propose a main replacement program. If necessary, the program for enlarging mains can be made the subject of a further hearing.

In conclusion, the Commission finds as a fact that respondent's measures for protecting the health and safety of its water consumers are inadequate. It further finds that respondent's water supply and distribution system is inadequate for present consumer usage.

O R D E R

Investigation having been instituted on the Commission's own motion into the service, rates, charges, contracts, rules, regulations, operations, practices, or any of them, of Aldercroft Heights Company, Inc., public hearings having been held, the matter having been submitted:

IT IS HEREBY ORDERED that respondent shall:

1a. Within forty-five days after the effective date of this order:

- (1) Clean, repair and reconstruct the spring water gathering facilities as required to put said facilities in first class operating condition so as to provide adequate protection to the spring water supply and conserve all water thus obtained.

- (2) Repair or reconstruct, as appropriate, all manhole covers on the concrete tank storage facilities. Said facilities shall thereafter be maintained in first class operating condition.
- (3) Check and repair, as necessary, all redwood tank storage facilities, including adequate caulking and screening thereof. Said facilities shall thereafter be maintained in first class operating condition.

1b. Within fifteen days after compliance with the above subparagraphs 1a (1) to 1a (3), inclusive; notify this Commission in writing thereof.

2. Within sixty days after the effective date of this order, file with this Commission a program providing for the orderly rehabilitation or replacement of the distribution mains as required to increase the capacities thereof so that adequate pressures may be maintained throughout the system, said program to include the approximate dates when the various portions thereof can be expected to be accomplished under such a program.

3a. Before again pumping any water from Los Gatos Creek, and in no event later than June 30, 1954:

- (1) Install at Los Gatos Creek a dependable pump to replace the one now in use, which replacement pump shall be capable of raising 20 gallons of water per minute to tank No. 4 at respondent's booster station near the County Road.
- (2) Install a float valve on said booster tank No. 4 and provide the necessary installation so that the pump at Los Gatos Creek will operate automatically.
- (3) Install an automatic chlorinator at said booster tank No. 4.

3b. Within fifteen days after compliance with the above subparagraphs 3a (1) to 3a (3), inclusive, notify this Commission in writing thereof.

The effective date of this order shall be twenty days after the date hereof.

Dated at South Pasadena, California, this 18th day of January, 1954.

R. E. Anderson
President

Samuel P. Potter

John L. Mitchell

James Higgins

Commissioners

Commissioner Justus E. Craemer, being necessarily absent, did not participate in the disposition of this proceeding.