

ORIGINAL

Decision No. 70679

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the rates, rules, regulations, tariff schedules, service, facilities, equipment, contracts, and practices of JOEN S. and EVELYN CAVANAUGH, dba Hillview Water Company, and Samuel B. Weeks.

Case No. 8393
Filed April 19, 1966

COUNTY OF SANTA CRUZ, a political subdivision of the State of California,

Complainant,

vs.

Case No. 8263
Filed September 7, 1965

JOEN S. CAVANAUGH and EVELYN CAVANAUGH, dba Hillview Water Company

Defendants.

Henry J. Faltz and Jerry W. Bartholow,
Assistant County Counsel, for County of Santa Cruz.
John S. Cavanaugh and Evelyn Cavanaugh,
dba Hillview Water Company, in propria personae.
Samuel B. Weeks, in propria persona.
David R. Larrouy, W. Ben Stradley and Bill Nagao, for the Commission staff.

INTERIM OPINION

An investigation on the Commission's own motion, Case No. 8393, was instituted April 19, 1966, into the water company operation of John S. Cavanaugh and Evelyn Cavanaugh, doing business as Hillview Water Company. Samuel B. Weeks, a person who may hold an interest in the Hillview Water Company, was joined as a respondent. Concurrently, the Commission set aside submission and reopened the proceeding in Case No. 8263, County of Santa Cruz vs. John S. Cavanaugh and Evelyn Cavanaugh, doing business as

Hillview Water Company. Both matters were heard on a common record before Examiner Robert Barnett at Santa Cruz on April 25 and 26, 1966. On the latter date the matters were submitted subject to the filing of briefs.

Public witnesses made numerous complaints against the Hillview Water Company. Among other things, they testified that on occasion there was no water, especially during summertime; on other occasions water pressure was very low; the manual pumps on the system are often turned on and off by unauthorized persons; children have been seen opening the tops of the water storage tanks; and there was no protection around the wells, pumps, and storage tanks to keep unauthorized persons out. Other complaints were made which will be considered by the Commission in a future opinion.

An engineer on the Commission staff testified that he made a personal inspection of the system. Based on his inspection he made certain recommendations that should be acted upon forthwith in order to insure adequate service during the summer months when unusually heavy water consumption is expected. These recommendations are:

1. Repair the 120,000-gallon redwood tank to place it in operable condition. Such repairs should include but not necessarily be limited to reinforcement of existing foundation and footings, reseal of tank bottom and repair of minor leaks in tank sides.
2. Construct fence or other enclosures around wells, pumps, and associated equipment to discourage access to unauthorized persons.
3. Make necessary additions or changes to piping from tanks to distribution system to prevent air locks from occurring.

4. Install automatic controls at tanks and pumps to maintain water level in storage tanks at optimum operating levels.

Additional recommendations were made which will be considered in a future order.

An engineer employed by the County of Santa Cruz also inspected the system and testified that improvements were needed. His recommendations were similar to those of the staff engineer. He estimated the cost of automatic controls to be less than \$2,000.

Mr. Cavanaugh took the stand and admitted that the engineers' recommendations were sound; he agreed to comply with the requested improvements. He estimated it would cost no more than \$800 to repair the redwood tank and he said that he would have it repaired within thirty days from the date of the hearing (April 26, 1966). He agreed to install automatic controls at tanks and pumps, protect the system from vandals, and make the recommended changes in piping, within ninety days. He said he would raise \$5,000 to pay for these improvements by either selling some construction equipment or borrowing. He expected no trouble raising the money.

Mr. Weeks testified that in 1965 he loaned a sum of money to Mr. Cavanaugh. As security for the loan he received a note secured by a second deed of trust on a parcel of land on which were situated the wells, storage tanks, pumps, and part of the distribution system of the Hillview Water Company. No payments were made on the note and Mr. Weeks foreclosed under his second deed of trust. The first deed of trust, which may be held by the Santa Cruz Land and Title Company, is also in default. Mr. Weeks has no objection to Mr. Cavanaugh's repairing the water system. He said he would cooperate with Mr. Cavanaugh and be reasonable.

The testimony concerning adequacy of service shows a clear and present need for the immediate rehabilitation of the water system. Prompt action by the Commission is necessary to secure the required improvements. Many of the issues raised at the hearing, and the testimony pertaining thereto, have not been considered in this opinion because of the need to render speedy relief to the utility patrons to alleviate the most pressing service deficiencies. Other issues raised at the hearing will be resolved in a future opinion.

Findings of Fact

1. John S. Cavanaugh and Evelyn Cavanaugh, doing business as Hillview Water Company, operate a public utility water system in Santa Cruz County.

2. The service provided by the Hillview Water Company is inadequate in numerous respects, only three of which will be specified herein at this time, to wit:

- a. Water pressure sometimes falls below reasonable standards;
- b. The system sometimes runs out of water; and
- c. Vandals have tampered with the pumps and storage tanks of the utility causing less than adequate service.

3. The inadequacies in service set forth in paragraph 2 above can be remedied by:

- a. Repairing the redwood water tank;
- b. Installing automatic controls at tanks and pumps;
- c. Enclosing the wells, pumps, storage tanks, and associated equipment; and
- d. Making necessary additions or changes to piping from tanks to distribution system to prevent air locks from occurring.

4. John S. Cavanaugh and Evelyn Cavanaugh, doing business as Hillview Water Company, have the ability to make the repairs set forth in paragraph 3 above.

5. Public convenience and necessity require John S. Cavanaugh and Evelyn Cavanaugh, doing business as Hillview Water Company, to make the repairs set forth in the ensuing order.

6. The service inadequacies set forth in paragraph 2 above require prompt resolution by this Commission; other issues raised by the parties may be deferred to a future opinion.

Based on the foregoing findings of fact the Commission concludes that an interim order should issue as set forth below.

INTERIM ORDER

IT IS ORDERED that John S. Cavanaugh and Evelyn Cavanaugh, doing business as Hillview Water Company, shall:

1. Repair the 120,000-gallon redwood tank to place it in operable condition. Such repairs shall include, but not necessarily be limited to, reinforcement of existing foundation and footings, reseal of tank bottom and repair of minor leaks in tank sides. Such repairs shall be made within 30 days of service of this order.

2. Construct fence or other enclosures around wells, pumps, and associated equipment to discourage access to unauthorized persons. Such construction shall be completed within 90 days of service of this order.

3. Make necessary additions or changes to piping from tanks to distribution system to prevent air locks from occurring. Such work shall be completed within 90 days of service of this order.

4. Install automatic controls at tanks and pumps to maintain water level in storage tanks at optimum operating levels. Such installation shall be completed within 90 days of service of this order.

IT IS FURTHER ORDERED that the restraining order heretofore entered in this investigation is continued in full force and effect until further order of this Commission.

The effective date of this order is the date hereof.

The Secretary is directed to cause a certified copy of this order to be personally served upon each of the respondents forthwith.

Dated at San Francisco, California, this 10th day of MAY, 1966.

Frederic B. Holliday
President

George A. Tower

Magala

William B. Bennett
Commissioners

Commissioner Peter L. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.