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ORIGINAL

Decision No. 86477

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the status, operations, service, maintenance, facilities, equipment, water supply practices, rates, rules, tariff schedules and records of James J. Downey, doing business as Greenvue Estates Water Company, Inverness Park Water Company, Kenwood Village Water Company, Penngrove Water Company, Point Reyes Water Company, Rio Dell Water Company, and Russian River Terrace Water Co.; and James J. Downey and W. H. Appleton, doing business as Canon Manor Water System; and Happy Acres Water Company, Inc., in Sonoma and Marin Counties.

Case No. 9076  
(Filed June 9, 1970)

James J. Downey, for himself, doing business as Greenvue Estates Water Company, Inverness Park Water Company, Kenwood Village Water Company, Penngrove Water Company, Point Reyes Water Company, Rio Dell Water Company, and Russian River Terrace Water Co., for James J. Downey and W. H. Appleton, doing business as Canon Manor Water System, and for Happy Acres Water Co., Inc., respondents.

Jerry B. Abbott, Attorney at Law, for Paul A. Schaefer and Jeffrey K. Connell; Keith A. Hall, for himself, Robert A. Huffman, and Philip Freeman; Seymour H. Mann, Attorney at Law, for Lloyd and Lena Schultz; Louie F. Rasmussen, Attorney at Law, for Frank Dey; and Wendy Smith, T. Richard Schluter, and Everett D. Smith, for themselves; petitioners.

Mrs. Ann Blacker, Penny M. Buckett, Jeffrey K. Connell, Herman B. James, Lee R. Johnston, Theodore Kirby, David L. Knops, Alvin H. Reynolds, Paul A. Schaefer, Marjorie E. Schrader (Mrs. D. M. Schrader), D. M. Schrader, and

Mrs. Joan M. Snider, for themselves; Martin A. Gavriloff, for William Graham, John Webster, Raymond G. Haver, and Elaine G. Haver; Leonard Newcomb, for Kenwood Fire Protection District; Donald A. Smith, for West Penngrove Water Association; Jerri Kathleen Taylor, for W. C. Paul; John Gannon, Morgan E. Stewart, and William B. Schreeder, for Water Sanitation Section, California Department of Health; and Robert H. Reed, for Sonoma County Public Health Department; interested parties.  
Robert T. Baer, Attorney at Law, Eugene M. Lill, and Alexander Chocas, for the Commission staff.

### THIRD INTERIM OPINION

Decision No. 81745 which was issued August 14, 1973, granted rehearing of Decision No. 81621 for the limited purpose of receiving evidence as to the impossibility of respondent James J. Downey to comply with certain portions of the order in Decision No. 81621 and the impossibility of respondent to comply with the remaining portions of Decision No. 81621 within the time prescribed and any rebuttal to this evidence. Ordering Paragraphs 1, 2, and 3 of Decision No. 81621 are stayed pending further order of this Commission. Ordering Paragraph 4 of Decision No. 81621 was made effective August 14, 1973.

Pursuant to the order in Decision No. 81745, on September 19 and 20 and November 14, 1973, and May 9, 1974 in San Francisco, August 16, 1974 in Guerneville, August 23, 1974 and February 20, 1975 in San Francisco, July 17, 1975 in Guerneville, and July 18, 1975 in San Francisco, rehearing was held on Ordering Paragraphs 1, 2, and 3 of Decision No. 81621 and hearing was held pursuant to Ordering Paragraph 5(c) of Decision No. 81621 to determine what, if any, further improvements to the water systems under investigation should be ordered to be made by respondents.

The matter was taken under submission upon receipt of late-filed Exhibit No. 48 on August 1, 1975 and the filing of Volume 16 of the Transcript on October 10, 1975.

Findings

Greenvue Estates Water Company

1. No recommendations have been made regarding the service or rates of James J. Downey, doing business as Greenvue Estates Water Company, because such water company has no customers.

Inverness Park Water Company

2. The land, properties, and rights of James J. Downey, doing business as Inverness Park Water Company, have been sold to North Marin County Water District.

3. No recommendations have been made regarding the service or rates of James J. Downey, doing business as Inverness Park Water Company.

Point Reyes Water Company

4. The land, properties, and rights of James J. Downey, doing business as Point Reyes Water Company, have been sold to North Marin County Water District.

5. No recommendations have been made regarding the service or rates of James J. Downey, doing business as Point Reyes Water Company.

Penngrove Water Company

6. James J. Downey, doing business as Penngrove Water Company, has completed the construction work, repairs, tests, and reports applicable to that water company which are set forth as Items Numbers 1 through 9 of Appendix A to Decision No. 81621 dated July 24, 1973.

7. One well has been restored to service and new chlorinating facilities have been installed. New pedestal foundations have been constructed for the pumps. Approximately 500 feet of 6-inch pipe is being installed between Grove and Woodward.

8. During the late summer of 1974 approximately 550 feet of 6-inch pipe serving the customers on Palm Avenue was replaced under the main extension rule with 4-inch pipe due to roadwork on the Old Redwood Highway.

9. To compensate for the reduction in pipe capacity James J. Downey, doing business as Penngrove Water Company, should loop the main extension described in Finding 8 above to the terminal, or other, end of the 6-inch main on Palm Avenue.

Kenwood Village Water Company

10. James J. Downey, doing business as Kenwood Village Water Company, has completed the construction work, repairs, tests, studies, and reports applicable to that water company which are set forth as Items Numbers 10 through 22 of Appendix A of Decision No. 81621.

11. James J. Downey, doing business as Kenwood Village Water Company, should install a sight gauge on its pressure tank and an inverted screened fitting on the well vent.

Rio Dell Water Company

12. James J. Downey, doing business as Rio Dell Water Company, has completed the construction work, repairs, tests, studies, and reports applicable to that water company which are set forth as Items Numbers 23 through 25, 27, 29, and 30 of Appendix A of Decision No. 81621.

13. James J. Downey, doing business as Rio Dell Water Company, has not completed Items Numbers 26 and 28 of said Appendix A which read as follows:

"26. At the Rio Dell high level concrete tank install either a pressure pump system or a continuously running pump system which will provide service to all customers within the vicinity of the existing concrete tank with pressure at least equal to 25 psi."

Pressures to the house just below the tank and to four other houses on the other side of the street which are not connected to the booster system are not equal to 25 psi.

"28. Repair and activate or replace all defective water meters."

When meters become defective they are not repaired and the customers are placed in flat rate service.

14. The leaks in the upper level concrete tank should be repaired.

15. The bad staves in the lower level tank should be replaced.

16. The additional pumping and/or storage capacity needed to meet the 4-hour peak customer demand on the Rio Dell water system is 98 gallons per minute.

17. The additional pumping and/or storage capacity needed to meet the four maximum days requirements on the Rio Dell water system is 51 gallons per minute.

18. The additional pumping and/or storage requirements needed to meet the fire flow requirement for two hours on the Rio Dell system is 642 gallons per minute.

19. On June 23, 1976, Veronica A. Tedeschi filed Application No. 56578 for an order of exemption granting permission to Rio Dell Water Company to serve applicant's property in Forestville, Sonoma County.

20. On March 23, 1976, Antoinette H. Cannizzaro filed a complaint, Case No. 10070, against Rio Dell Water Company requesting the Commission to order Rio Dell Water Company to install a new water pipe of adequate size to serve the residences of Rio Dell Court.

21. On May 21, 1976, Phyllis Grabe filed a complaint, Case No. 10103, against Rio Dell Water Company requesting the Commission to order defendant to improve its water service before any rate increases are granted.

22. On May 21, 1976, Dennis Reid, et al., filed a complaint, Case No. 10104, against Rio Dell Water Company requesting the Commission to order defendant to improve its service before any rate increases are granted.

Russian River Terrace Water Co.

23. James J. Downey, doing business as Russian River Terrace Water Co., has completed the construction work, repairs, tests, studies, and reports applicable to that water company which are set forth as Items Numbers 31 through 43 of Appendix A of Decision No. 81621.

24. The additional pumping and/or storage capacity needed to meet the fire flow requirements for two hours on the Russian River Terrace Water Co. is 395 gallons per minute.

Canon Manor Water System

25. James J. Downey, doing business as Canon Manor Water System, has complied with Items 45 through 51 of Appendix A of Decision No. 81621 but has not complied with Item 44 of said Appendix A which reads:

"44. Seal the cap on the well around the sides  
and at the opening for the electrical  
cable."

26. A new foundation for the storage tank should be installed.

27. The electrical wiring serving the pumps should be upgraded.

Happy Acres Water Company, Inc.

28. Happy Acres Water Company, Inc., is no longer being operated by James J. Downey and compliance items should no longer be considered in this proceeding.

General

29. Management and supervision of customer accounts of the various water companies owned and operated by James J. Downey is inadequate and unsatisfactory both with respect to rendition and collection.

30. Public information as to procedures relating to applications for and termination of service is deficient and response to customer complaints is unsatisfactory.

31. The lack of surveillance of customer accounts, inefficiency of operations and maintenance caused by excessive employee travel time, late response to customer complaints, and delayed attendance to repairing leaks in the distribution systems could be alleviated by having an employee with a repair truck assigned to the Rio Dell and Russian River Terrace water system service areas and another employee with a repair truck assigned to the Penngrove, Canon Manor, and Kenwood Village water system service areas. The assignment of individual employees to each of the two above described areas together with the development and adoption of improved procedures for rendition and collection of customer accounts and for undertaking scheduled routine and preventive maintenance programs for each of the water systems owned and operated by James J. Downey would improve the grade of service and customer relations and enhance the earnings of the water systems.

32. At the Primary Election on June 8, 1976, the people of the State of California enacted Proposition 3, the California Safe Drinking Water Bond Law of 1976.

#### Conclusions

1. This investigation should be discontinued with respect to James J. Downey, doing business as Greenvue Estates Water Company, Inverness Park Water Company, and Point Reyes Water Company, and with respect to Happy Acres Water Company, Inc.

2. Application No. 56578 and Cases Nos. 10070, 10103, and 10104 should be consolidated with Case No. 9076 and set for hearing.

3. Further hearings should be held in Case No. 9076 to receive evidence from James J. Downey, the Commission staff, and any other party regarding the ability or lack of ability of James J. Downey to perform the construction work and repairs to respondent water systems and to make the improvements in the operations of respondent water systems which are set forth in Appendix A attached hereto and any other construction work, repairs, and improvements to the water systems under investigation in this proceeding which may be recommended by the State Department of Health or the Commission staff. Such evidence should include the possibility of funds for such construction work, repairs, and improvements being obtained through applications being filed by James J. Downey with the State Department of Health pursuant to the California Water Bond Law of 1976.

THIRD INTERIM ORDER

IT IS ORDERED that:

1. This investigation is discontinued with respect to James J. Downey, doing business as Greenvue Estates Water Company, Inverness Park Water Company, and Point Reyes Water Company, and with respect to Happy Acres Water Company, Inc.

2. Ordering Paragraph 4 of Decision No. 81621 dated July 24, 1973 in Case No. 9076 should be further modified to read:

4. Until further order of this Commission James J. Downey, doing business as Rio Dell Water Company and Russian River Terrace Water Co., shall limit service to those customers presently being served by said water systems.

3. Application No. 56578 and Cases Nos. 10070, 10103, and 10104 are consolidated with Case No. 9076 for hearing.



4. Hearings on Application No. 56578 and Cases Nos. 10070, 10103, and 10104 are set for hearing before Examiner Cline in the Auditorium, Veterans' Memorial Hall, Guerneville, California, at 10:00 a.m., Thursday, October 28, 1976 and in the Commission Courtroom, State Building, San Francisco, California, at 10:00 a.m., Friday, October 29, 1976.

5. Further hearings on Case No. 9076 are set for hearing before Examiner Cline at the times and places set forth in Ordering Paragraph 4 above for the purpose of receiving evidence from James J. Downey, the Commission staff, and any other party regarding the ability or lack of ability of James J. Downey to perform the construction work and repairs to respondent water systems and to make the improvements in the operations of the respondent water systems which are set forth in Appendix A attached hereto and any other construction work, repairs, and improvements to the water systems under investigation in this proceeding which may be recommended by the State Department of Health or the Commission staff. Such evidence shall include the possibility of funds for such construction work, repairs, and improvements being obtained through applications being filed by James J. Downey with the State Department of Health pursuant to the California Water Bond Law of 1976.

The Executive Director of the Commission shall cause copies of this order to be served by mail upon all parties of record and upon the State Department of Health (Water Sanitation Section), the California Department of Real Estate, the Sonoma County Health Department, and the Sonoma County Department of Building Permits and he shall cause a certified copy of this order to be served personally upon respondent James J. Downey.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 5<sup>th</sup>  
day of OCTOBER, 1976.

*[Signature]* President  
William J. Brown  
*[Signature]*  
*[Signature]*  
*[Signature]*  
Robert Bateman Commissioner

APPENDIX A  
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Item  
Number

Description of Construction Work,  
Repairs, and Improvements Applicable  
To Penngrove Water Company

- 1 To compensate for the reduction in size from 6-inches to 4-inches of the main serving the customers on Palm Avenue due to roadwork on Old Redwood Highway, such 4-inch main should be looped from the terminal end of the 6-inch main on Palm Avenue to the point of the 4-inch connection on Old Redwood Highway.

Description of Construction Work,  
Repairs, and Improvements Applicable  
To Kenwood Village Water Company

- 2 Install sight gauge on pressure tank.
- 3 Screen air vent on well in compliance with requirements of State Department of Health.

Description of Construction Work,  
Repairs, and Improvements Applicable  
To Rio Dell Water Company

- 4 Repair and activate or replace all defective water meters.
- 5 In compliance with General Order 103 increase pressure to houses adjacent to upper level concrete tank.
- 6 Repair leaks in upper level concrete tank.
- 7 Replace bad staves in lower tank.

Description of Construction Work,  
Repairs, and Improvements Applicable  
To Canon Manor Water System

- 8 Seal the cap on the well around the sides and at the opening for the electrical cable.
- 9 Install new foundation for storage tank.
- 10 Upgrade electrical wiring serving pumps.

APPENDIX A  
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Item  
Number

General Improvements Applicable  
To Respondent Water Companies  
As Indicated Below

- 11 Assign a resident operator to the Rio Dell and Russian River Terrace water systems and a resident operator to the Penngrove, Canon Manor, and Kenwood Village water systems. These resident operators should each be equipped with maintenance equipment, including vehicles, materials and supplies, and a telephone to serve within each of the areas.
- 12 Establish procedures for managing and collecting customers' accounts for services rendered and with regard to applications for and terminations of service. A copy of such procedures should be submitted to the Commission staff for comment.
- 13 Survey each system as to the number of premises, number of active connections, number of inactive connections, number of customers billed, number of customers not being billed, amount of revenues that should be collected, and the amount of outstanding uncollectibles. Reports of such surveys should be filed with the Commission quarterly, until further order of the Commission.
- 14 Establish procedures (formal agenda and checklist) for scheduling routine and preventive maintenance programs for each system in its entirety. These procedures should include a work order system which should be kept in such a manner as to show the nature of each repair with labor and materials identified separately. Provisions of General Order 103 should be incorporated into such procedures.