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Soquel Water Board Calls Election

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A bond issue, a \$1,316,000 budget and a cost-of-living pay increase for district employees all got a nod of approval from directors of Soquel Creek County Water District Monday night.

The district will try for a Sept. 19 election date for a proposed \$5 million revenue bond issue to finance capital improvements for the next five years. The bond issue will finance the first half of a projected 10-year capital improvement program.

Through 1977 it is proposed the district will spend \$350,000 for well development, \$788,000 for land acquisition for a reservoir, \$525,000 for water treatment, \$870,000 for distribution and storage facilities, about \$150,000 for transmission lines, \$250,000 for main reinforcements and \$500,000 for main replacements.

The 10-year capital improvement program is to be financed by current and future revenues and will require no tax, Herman Zelles of Stone and Youngberg, financing consultants, told directors.

Bonds won't be issued if the water district doesn't have the revenues to support repayment, Zelles stressed.

In addition to the capital improvements financed by bonds, the district would continue to spend about \$125,000 annually out of its budget for additional capital improvements.

Directors made preliminary plans to form a citizen's committee to promote passage of the bond issue. Water district revenues can't be spent for promotional purposes, they were told.

Last night's meeting was continued to July 6, to permit formal approval of the notice of intention to conduct the election.

Legal publication requirements won't wait until the next regular meeting on July 10, it was explained. The district is working on a very tight schedule

to meet all requirements for a September election.

The budget which directors approved is based on operating revenues estimated at \$744,460, and a reserve carryover of \$580,000.

Operating expenses were estimated at \$376,086, debt retirement at \$492,606 and capital improvements at \$735,451.

Directors granted district workers a \$50 a month across-the-board cost of living increase. Employees had asked for 8 percent, and General Manager Robert Johnson had recommended 7½ percent.

Directors explained they liked the flat rate increase better because it narrows the gap between low and high income workers. It was pointed out the lowest-paid employee, earning less than \$5,500 a year, will get almost a 12 percent boost in their paychecks, while the average employee the increase is a 6 percent hike. The increase becomes effective in the first paycheck in July.

Directors gave Johnson, whose raises are negotiated, a \$50 a month increase. He also gets the \$50 cost-of-living hike.

The general manager has been with the district for three years and currently gets an annual salary of \$18,300.

The increases granted Monday night will cost \$13,800 annually.

Directors also granted a second employee request for three weeks of paid vacation after five years of service. Johnson recommended it.

They took no action on a third request asking that men with seniority be given a higher rate of pay for on-call duty than those who are more recent employees of the district.

Other items included:

PARK WILSHIRE—VIENNA WOODS — Directors approved another six-month time extension for district water service to the subdivisions, to permit time for formation of an assessment district.

CAPITOLA BAY ARMS — Service was approved for a 96-apartment unit on Capitola's "pumpkin patch" at Capitola Avenue and Bay Avenue.

JOINT VENTURE — Directors refused to join with Scotts Valley County Water District in a joint development of the Glenwood project, as suggested by that district.

In a letter signed by Chairman Kenneth Izant it was explained the Glenwood site always has been planned as a source of future water supply for Soquel's coastal plain area.

Izant pointed out the district already has earmarked \$1 million for purchase of property to be flooded by a proposed reservoir, and planned a \$9.68 million project.

Izant predicted the district will need the water from the project in another 15 to 20 years.

"Splitting the water yield will cause additional expense in the development of another water supply to meet the growth demand within the Soquel Creek County Water District," Izant wrote.