

# Water Department Gets Loan To Build Felton Dam

The city will lend its water department sufficient money to handle construction of a rubber inflatable dam and a water diversion station near Felton until bonds can be sold to finance the total project.

But although the water department is part of the city corporate structure and pays its own way, the borrowing came hard. In fact, the loan was approved only by a 4 to 2 vote of the city council.

The loan is expected to be in the neighborhood of some \$600,000. The water department has \$1.2 million available for the project from bond funds obtained previously, but a construction bid for the dam came in at \$1,738,000, or a half million dollars more than had been anticipated.

Water Director Wes Webber told the council Tuesday that the city water department has authority from the citizens to sell more bonds. He recommended that a bond issue of \$1.5 million be sold because bond issues appear to have to be big to find buyers in the current money market.

But, Webber added, the city has a problem just now because of the sharp rise in interest rates recently. He noted in a report:

"At present, the statutory limit on rate of interest on bonds is 7 per cent. Currently, interest rates are so high as to preclude the sale of revenue bonds within the statutory limits."

Webber said that a financial consultant has recommended that a bond sale not be scheduled before the latter part of the year. Hopefully, the interest rates would drop in the interim to a level that would make the water bonds at 7 per cent or less an attractive investment.

The loan was opposed by Mayor Bert Muhly and Council

member Sally DiGirolamo.

Muhly expressed concerns that heavy financial claims for other city projects may not feasibly be met if the money available were put into the dam. He also said he wanted more information on the concerns of people living in the project area about the possibility of backflooding from water impounded behind the proposed dam.

DiGirolamo protested that money will be taken from the taxpayers to benefit subscribers who do not live in the city.

Council member Lorette Wood claimed the city makes

money from sale of water to non-city customers. She said that the city water department pays for itself, that it is a city-owned utility after all and that she had no qualms the city would not get its money back.

The loan was authorized by Wood, Vernon Smith, John Mahaney and Ernest Wicklund Jr.

A warning by an attorney for the Save San Lorenzo River Association that the city could face lawsuits if there were backflooding from the dam was not accepted by the council as a reason for terminating the project. The warning was by William Rentz, said to be a

## DAPC To Explain Program Tonight

"We're really looking forward to the meeting tonight; it's an opportunity to clear up any misunderstandings and misinterpretations of our program," stated Leslie Morse, a member of the Drug Abuse Preventive Program today.

The DAPC is holding a town meeting in Ben Lomond, at Park Hall at 7:30 p.m. tonight to explain its program and its plans to move to Blake Hammond Manor.

The DAPC announced its planned purchase of Blake Hammond — a large estate building, other buildings and about 40 acres of land near Brookdale — on July 16 and since then the Ben Lomond Business Association and some San Lorenzo Valley individuals have come out in opposition to the DAPC's use of Blake Hamond.

Prior to completion of the purchase of the manor estate for \$270,000, the DAPC will need a use permit from county govern-

ment. The use permit hearing is expected in late August.

Robert Rittenhouse, chairman of the DAPC board, will chair tonight's meeting in Ben Lomond.

## Fish, Game Calendar

July 21, Sun. — Close early archery deer season.

July 26, Fri. — Fish and Game Commission meeting in Eureka. (Adoption of 1974 dove and pigeon hunting regulations.)

Aug. 3, Sat. — Open early deer hunting season.

— Open tree squirrel season in Marin, Napa Solano and Sonoma counties, portion of Lake County.

Aug. 16, Fri. — Fish and Game Commission meeting in San Francisco. (Adoption of resident game bird and waterfowl hunting regulations.)

Aug. 17, Sat. — Open archery and falconry tree squirrel season.

Aug. 24, Sat. — Open inland and late archery deer seasons.

— Open archery bear season.

Sept. 1, Sun. — Open season for brush, cottontail and pigmy rabbits and varying hare in southern California desert areas.

Sept. 9, Mon. — Close archery and falconry tree squirrel season.

Sept. 15, Sun. — Close early deer season.

— Close inland and late archery deer seasons.

— Close archery bear season.