

City To Offer \$220,000 For Newell Creek Land

By John Wheeler

The \$5.5 million Newell Creek reservoir project today closely resembled a television spectacular several hours before air time.

The number of problems seemed roughly equal to the number of electric cables; and not all the producers, directors, sponsors and lesser lights were in agreement as to how air time was to be met.

In an adjourned meeting from Tuesday night, city council this morning accepted a water commission counter-proposal to an Upper San Lorenzo Valley water district proposal for sale of 2162 acres of watershed land valued at about \$200,000, plus.

Besides the sale price of the land, several other major problems branched out of the recent negotiations talks which will be resumed "as soon as possible" so that the city can have another adjourned meeting Monday afternoon.

All the hustle is due to the

Teamsters' Strike Hits Groceries

San Francisco (AP). — Grocery supplies to three big chain stores were halted in six Northern California counties today in a new Teamster strike development.

A separate strike from the larger Teamster strike-lockout in the wider Western states area, it added confusion to the situation facing mediators, and a threat of food shortages to the public.

More than 200 drivers are involved in the new walkout, centered in the East San Francisco Bay Area and affecting the Safeway, Hagstrom and Lucky food chains. The Standard Wholesale Grocery company also is part of the dispute.

Two other chains, Fruitvale Drayage and Mayfair Stores, con-

September 2 filing deadline to have the revenue bond issue placed on a consolidated November general election ballot.

Councilmen told Water Commission Chairman Fred Morris to continue negotiations with a proposal of \$220,000 for the acreage in answer to the \$238,619 figure set by the valley district.

An strong recommendations from City Attorney John Barber, the commission said the land should be purchased free and clear of any encumbrances on the title. The council agreed.

This would involve settling some sort of agreement with Humble and Union Oil companies for leases they hold on watershed land.

Barber said possibly the state department of public health would preclude any drilling on the watershed property, but he didn't know.

Councilman Robert Burton said the leases should be held by the city for speculation purposes.

Councilman Dick Farrar said "it might be a good idea to cross bridges when you come to them."

Councilman Paul Forgey indicated the election should not be put off if the leases are not settled unless delay is unavoidable. No one would officially acknowledge that the water project would be delayed.

The council also discussed just what sort of arrangement should be set up with the valley to insure it water from the 4000 acre feet project.

Councilmen and water commissioners generally feel the valley should buy the water at cost from the city rather than participate as a partner. The valley informally has agreed.

This morning Burton again returned to the partnership recommendation with: "or we should sell them the water at a profit to ourselves. Why should we take all the risks."

No action was taken.

As the adjourned meeting adjourned, one city hall observer took consolation in the fact "That I've never seen a late TV program yet."

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