

# N. Shelves

## Commission Unable To Reach Water Rate Increase Decision

By John Wheeler

City water commissioners failed to reach a decision on new rate recommendations last night, but promised anxious councilmen that final action would come Monday.

The commission did decide that whatever the new rates are, they should be maintained regardless of whether the Newell Creek revenue bond issue passes in November.

The new rates are designed to pay off proposed \$5.5 million revenue bonds to be voted in the general election. The council has asked for speedy action so the lengthy formality of making the rates a city ordinance can be accomplished before the election. The commission's recommendations will be used as a guide by the council.

In arguing for keeping the rates in, Commissioner Dave Mc-

Kay said, "If we don't, then the voters will think they have the option of turning down higher water bills with a 'no' vote on Newell creek."

Four of the five commissioners generally agreed with McKay, pointing out that Santa Cruz rates would still be competitive with other cities in the area and that the local water system had not had an increase in rates during the last nine years.

The group argued water development had to come and that rates would provide reserves to decrease the size of future bond issues should the first one fail. Also, the rates could be re-examined at the end of a year, according to Water Commission Chairman Fred Morris.

Commissioner Wally Richey and Councilman Robert Burton objected to holding the rates to the proposed level regardless of the outcome of the election since the water system would not need the money for operations and should not hold the money in a "kitty" for future water development construction.

The rates generally discussed last night would force minimum charges for service up 60 per cent and pump up bulk water rates from 80 to about 200 per cent, according to one proposed schedule.

Firm figures were not available since the commission has yet to decide how much interest rates it expects to pay which will influence the financing of the project.

The rates to bulk users which may jump from seven to 20 cents in one area brought a howl from food growers and processors who complained they would be unable to pass the cost on to customers because of market conditions.

Attorney Eugene Adams, who represented the Santa Cruz Artichoke and Sprout Growers association, agreed that Newell creek might prove the best means of solving the soon-to-appear water problem in Santa Cruz.

"But you shouldn't pile it onto the big producers unfairly," he said. "In one block on the proposed rate schedule, costs would go up nearly 200 per cent, while smaller users will see rate increases of only 60-80 per cent."

Adams also offered some political advice to the commission.

"The high rates will not be warranted if the bonds fail. Remember the people can knock the best plans into a cocked hat. You can say you will repeat the bond issue until it is passed, but if the people don't like it, they will continue to defeat it," he declared.

As the argument appeared ready to spread into the ranks of the commission, Councilman Paul Forgey said:

"If you have a split commission (on the Newell Creek question or rates) you will see the issue lose the election."

## Nationalists Bar U.S. Air Correspondent

Taipei, Formosa. (P) — The Chinese Nationalist government has barred James Robinson, an American correspondent for the National Broadcasting company, from returning to Formosa.

Cecil Brown, another NBC correspondent here, said today the Nationalist foreign ministry told him his colleague's entry visa, had been canceled because of Robinson's "unfriendly attitude" toward the Nationalist government and supposedly critical remarks against Nationalist President Chiang Kai-shek.

Robinson, a 36-year-old Far East news veteran who covered the Korean War for NBC, flew to New York Wednesday to appear in television shows.

He had been in Formosa for about 10 days and has visited the island repeatedly in the past few years. His home base is Hong Kong.

Brown said the Nationalists accused Robinson of being unfriendly toward the Chiang Kai-shek government because of a speech in San Francisco a year ago before the World Trade Assn.

The Nationalists also complained of a prologue and epilogue to an interview with Chiang last year.

In New York, NBC said that Chiang had declined to answer eight of 15 questions submitted by Robinson in advance of the interview, and this was pointed out at the end of the broadcast.

William R. McAndrew, NBC vice president in charge of news, issued a statement saying Robinson's work was "fair and objective, and we believe his conduct, and that of his editors, has been highly responsible."

"The cancellation of his visa on the grounds given by the Nationalist government is an affront to all honest

The joint session of the House and Senate will convene at 10 a.m. today.

Stock Exchange will be closed today in observance of the anniversary of the signing of the Declaration of Independence.

New York Stock Exchange will be closed today in observance of the anniversary of the signing of the Declaration of Independence.

The char speculation bond market is showing a steep price rise for bonds, this morning.

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