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## Hearing Date Set For Cedar-

By Alan Jones Sentinel Staff Writer Cedar-Vine street cut-

through moved a step nearer reality last night as the city council set a public hearing on the controversial improvement for 7:30 p.m. June 16.

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Councilmen had the feeling of walking through a minefield as attorney Frank Murphy Sr. raised objections and procedural questions at every opportunity. Murphy is part owner of the Palomar hotel, whose ownership has pro-tested the Cedar-Vine project vigorously.

The project as planned will connect Cedar and Vine streets by cutting through two blocks. The street is to become a major supporting traffic and downtown Santa Cruz. traffic artery for

The project will cost \$607.500. the preliminary engineer's report confirmed last night. Public Works Director Bill Fieberling Works Director Bill itemized the costs at \$467,683 for property, \$49,737 acquisition of property, \$49,737 for construction, \$25,000 for demolition, \$9960 for contingencies and \$55,118 for incidentals.

The council gave preliminary approval to the engineer's report despite protests by Murphy, Dr. Bernard Zwerling and former mayor George Penniman. Murphy and the others contended councilmen should defer approval until had thoroughly studied the maps and figures of the report.

The statutory basis for street project was changed last night to blunt a possible legal attack. The project was initiated under local improvement procedure, but was changed last night to conform to the night to conform to the state's 1913 Improvement Act.

The change came because of Murphy's suit against the assess-ment district financing the Santa Cruz industrial park. In that case, Murphy has charged that state procedures should have been followed.

The only noticeable difference the change will make will be a 30-day notification period before the public hearing can be held. Land owners must be notified 20 days before the June 16 hearing.

Murphy gave the councilmen something else to worry about with a pair of questions. "Is a sixsevenths vote of the council quired to approve the project over protests?" he asked. Bonding Attorney Kenneth Jones said it was.

Murphy then asked, "Is a councilman who has declared himself (on the project) ineligi-ble?" He didn't elaborate or explain the question, which went

unanswered as irrelevant to last night's proceedings.

The council's legal steps last night were to pass a resolution of preliminary determination and of intention to make the improvement; to give preliminary approval to the engineer's report; to set the time and place of public hearing; to pass a resolution describing the boundaries of the assessment district and to order recording of the notice of assessment.

A petition by downtown property owners is the basis for the Cedar-Vine project. Owners of 54 per cent of the proposed assessment of the proposed assessment. ment district have signed peti-tions asking for the cut-through, but several other owners have protested. Without a 60 per cent petition signup, the six-sevenths council vote will be required for approval.

Assessments will be levied on a sliding scale of percentages, from 100 per cent to 10 per cent, according to the benefits calculated for each downtown property. Greatest benefit will be to properties adjoining the project and along Cedar and Vine streets.

## **PG&E To Extend** Natural Gas Service To SV

Plans to extend natural gas service into the Scotts Valley area were announced this morning by Wayne W. Matthews, PG&E coast district manager in Santa Cruz.

The firm will construct 13 miles of gas mains to the area if enough of the potential customers sign up for the new service, ac-

cording to Matthews.

He said signups should begin in about two weeks. Construction of pipeline will start after residential and business signups economically justify the project. He hopes construction will begin by next winter.

The principal pipeline would begin at an existing main at Graham Hill road and Lockwoold lane. It generally would follow Lockwood, go along Estrella way through Pasatiempo Pines subdi-vision, thence to Camp Evers, from there along Scotts Valley drive to Granite Creek drive and easterly along Granite Greek, thence under the Los Gatos highway, continuing along Glenwood highway and Vine Hill road, and thence to the end of Bethany drive. Laterals would serve customers near the route, including those in Manana Woods subdivision.