



SUPREME COURT RESTRAINS CITY ISSUING BONDS

Skipworth's Decision in Circuit Court is Reversed.

CITY EXCEEDED RIGHTS IN LOANING CREDIT

Mr. Coshow is Unable to State at the Present Time How Far-reaching Decision Will Prove to Be.

SALEM, Or., March 21.—Reversing the lower court for Douglas county in the case of Hunter against the city of Roseburg, the supreme court today held illegal the issuance of \$300,000 bonds by the city toward construction of railroad and saw mill by Roseburg & Eastern Railroad Company.

The opinion holds contracts entered into by the city and railroad were illegal because they were contrary both to the city's charter and the constitution. The part of the constitution to which contracts are inimical, according to the opinion, is article XI, section 9, providing that no county, city or town, or other municipal corporation, by vote of its citizens, shall become stockholder in any joint stock company, corporation or association or raise money for, or loan its credit in aid of any such company.

Bond Issue and Contract Invalid.

SALEM, March 21.—The supreme court enjoined the enforcement of the contract between the city of Roseburg and the Kendall Lumber Company, and forbade the issuance of the \$300,000 bonds.

Justice Bean, in writing the decision reversing Judge Skipworth, said the city charter gives no authority for such a contract. The mingling of public and private funds is declared to be a violation of article eleven, section nine, of the state constitution. He points out that there are no provisions in the contract fixing rates so the corporations would have net profits to aid the city in liquidation of interest.

"The whole scheme seems to contemplate a temporary utility, such as logging railroads usually are. With the timber transported, the leased rails and the equipment belonging to the corporations removed, the city would have a roadbed, old ties and a fenced right of way which, under ordinary conditions would be of little value, in fact, a mere shell."

It said that in sixty years the interest on the bonds would triple the original amount, and that immediately after that period the company would have the right to purchase the line at smaller figures.

"Viewed from any standpoint as indicated by the contract, it is a plain violation of the organic law."

When interviewed this afternoon Mr. Coshow, who has had charge of the city's interest in the case, stated that it was impossible today to tell how far-reaching the decision might be. In the former case which was tried before the supreme court it was proved that the city had the power to issue bonds for railroad construction and in the latter trial this feature did not enter into the case, the issue centering entirely around the provisions of the contract between the city and Kendall Bros.

Mr. Coshow believes from the amount of information on hand this afternoon that the contract only is objected to by the supreme court and that the restraining order is made only while the contract is under consideration. Should Mr. Kendall be willing to enter into another contract conceding to the city the provisions to which the court objects it is highly probable that the order would be removed and the city allowed to go ahead and issue its bonds as was at first contemplated.

Many believe that Mr. Kendall would be unwilling to enter into another agreement with the city. His

work has been greatly retarded and he has met with opposition at every move and at his last visit he was much discouraged over the outlook. It is also understood that he has been made an offer from Sutherland to work in connection with the Roach timber interests in constructing a railroad and saw mill east of that place and many who are closely in touch with the situation believe that rather than concede to the demands of the court he will accept this alternative.

However, as no word has as yet been heard from Mr. Kendall, he may be willing to enter into a new agreement with the city which will meet with the approval of the supreme court. At any rate the work will be delayed for several months while the litigation is settled.

At the time of leaving Roseburg last Friday, Mr. Kendall was ready to start work at once. He was much discouraged that a favorable decision had not been received, but like others who were familiar with the conditions of the court, thought the delay was caused by the sickness of Judge Alken. He has not yet been notified of the decision of the court and until all particulars have been obtained no word will be sent him. He will probably be notified tomorrow morning or afternoon, as it is thought that the full text of the decision may be had by that time and an immediate answer as to his position may be expected.

The decision is a severe blow to the city, as the officials had been confident of a favorable verdict and considerable money had been spent in the purchase of rights of way and court procedure. This money was raised by popular subscription among the merchants of Roseburg and the residents of the outlying districts and a considerable hardship is worked on them as they had expected to see quick and full returns of the money which they expended in this cause.

While waiting for further word to be received the decision was the basis of a great deal of discussion on the streets this afternoon. Both sides were well represented and many heated arguments were heard.

VILLA'S FORCES BADLY BEATEN

Pitched Battle With Carranza's Forces End in Defeat.

ARMY AVIATOR IS SEVERELY INJURED

Carranza Inquires of Washington Authorities the Number of American Troops Invading Mexico.

EL PASO, March 21.—Pershing wireless headquarters at Columbus today, that the Carranzistas severely defeated the Villistas yesterday in a pitched battle, and that Villa retreated into the Santa Clara mountains. Gavarria heard nothing of the outcome of the Namiquipa engagement this morning. "I think it is only a matter of a short time until Villa is taken, dead or alive. The wires are down, but I have reason to believe that the Villistas are entirely surrounded by the Americans and Carranzistas."

American Aviator Hurt.

Lieutenant Bowen, army aviator, was seriously injured, "somewhere in Mexico," was announced today. His aeroplane fell while he was scouting. This is the first case on record where an American aviator has been injured in active service. Bowen joined the expedition at San Antonio.

Carranza Asks Questions.

WASHINGTON, March 21.—Carranza asked how many soldiers composed the expedition hunting Villa. The American consul at Queretaro forwarded the question. It is expected that the state department will reply that forces only sufficient to capture Villa, and that there is no intention to pursue operations thereafter. The president and cabinet

(Continued on page 5.)

TRUSTEES CALL MASS MEETING OF CITIZENS

Sugar Beets and Flax Raising Will be Topic Discussed.

FARMERS ARE URGED TO BE PRESENT

Commercial Club Is Giving Its Assistance to Every Project Which Will Benefit The City and Country.

The trustees of the Roseburg Commercial club held a busy session at the club rooms last evening, at which many topics of importance to the community were discussed. Four new members were admitted, G. C. Moore, Geo. F. Skiff, Archie Amador and A. G. Rule. A letter was received from the Portland flax committee stating that they had already made arrangements for the construction of a flax plant at Eugene, for which the Eugene people had subscribed \$5000, and which was capable of taking care of the crop from 300 acres, this being the acreage pledged there. They suggested that three or four ten-acre tracts of flax be planted at Roseburg this year to test the quality of the land and product, and that this flax be handled at the state plant at Salem. Then if the results justified a similar plant could be erected at Roseburg next year to handle all that might be planted. The club will take up the matter of securing seed for 40 acres at once, and will endeavor to make arrangements as suggested to have the flax tank-retted at Salem.

Inquiries were received from the Seattle Automobile club asking for information about the Pacific highway, as many were already planning on trips which would take them through Roseburg, and wished to start as soon as road conditions justified.

A communication was received from

a Portland firm relating to the establishment of a small manufacturing plant here, which was referred to the industries bureau, of which W. H. Richardson is director, for investigation.

A communication was received from the Salem Commercial club urging the establishment of a plant for the printing of school books in this state, and referred to the legislative bureau. The matter of introducing the broom corn industry here was discussed at length, and the secretary has written to the department of agriculture for sufficient seed to plant one acre which will be distributed among several farmers in order to test the capabilities of this valley to produce good broom corn. It is now worth from \$150 to \$200 per ton, and would pay well if it is fitted for our soil and climate.

The most important business which was considered was the matter of starting the beet sugar industry here, if conditions justify it. Mr. F. S. Bramwell and Mr. Samuel Story, representatives of the Oregon-Utah Sugar Co., were present and explained the beet sugar matter fully. The trustees decided to call a mass meeting of business men and farmers at the Commercial club Wednesday evening, when those two gentlemen will fully explain all matters connected with this industry, and enough land will be signed to make a thorough test as to the yield and financial returns.

Mr. George E. Sanders, who is the vice-president of the company will also be here and address the meeting. According to Mr. Bramwell, his company will erect a sugar factory, similar to the one now building at Grants Pass, in any community which will sign up 5000 acres for sugar beet production. Such a factory will have a capacity of 1000 tons of beets per day and will employ about 150 men for four months in the year, and a smaller force the year round. Mr. Bramwell and Mr. Story are soil experts, who will examine all ground offered them, and if accepted the company will furnish seed, and hand labor for the growing of the crop. They guarantee that the cost of bringing an acre of beets to maturity and delivering them at the factory will not exceed \$25 per acre, and the smallest yield that can be expected is 10 tons per

(Continued on page 8.)

BUSINESS MEN FAVOR GRAVITY WATER PLANT

Mayor Appoints Committee to Investigate Proposition.

H. M. BULLWINKLE AGAIN ON COUNCIL

Resignation of A. G. Sutherland as Member of Board of Fire Commissioners Is Accepted.

Although the council last night disposed of a great deal of important business. The session was not long, and adjourned at an early hour to meet again Wednesday night.

One of the most important matters considered was the election of a councilman to fill the vacancy made by the resignation of Councilman Hargreaves, who has moved from his ward. H. M. Bullwinkle was nominated by Councilman Chas. Clark, and Mr. Bullwinkle was elected on vote of the council. Mr. Bullwinkle has served before on the council and is familiar with the duties of office. He has proved himself to be a supporter of all movements for the best interests of the city and a man with excellent business judgment and will undoubtedly prove an efficient and able councilman.

Immediately after his election he was notified by the marshal and proceeded at once to the city hall where he took his oath of office and met with the council in his official capacity.

A petition of the residents of East Second avenue north between East Third street and East Fourth street asking for a concrete pavement to be laid on this block was referred to the street committee for investigation.

A complaint against the unsanitary condition of the chicken and barn yard of Chas. Miller, who re-

sides in North Roseburg, was read. Councilman Clark, chairman of the health and police committee stated that a notice had been served and that unless the nuisance was abated the city would see that the property was cleaned up. The complaint was laid on the table until it is seen what action shall be taken.

A petition signed by 28 prominent business men and taxpayers was then read asking that the mayor appoint a committee of councilmen to inquire into the feasibility of the city installing a municipal gravity water system together with the estimated cost of construction, the committee to report at an early date as possible so that in the event it is deemed advisable the question may be submitted to a vote of the residents of the city. The petition was ordered accepted and Councilmen Gile, Shambrook and Bullwinkle appointed as a special committee.

On account of the poor condition of his health A. G. Sutherland was forced to tender his resignation as a member of the board of fire commissioners. His resignation was accepted and S. K. Sykes appointed to fill the vacancy.

The committee on current expense and accounts, which was last week ordered to investigate the insurance on the city property stated that they had judged the amount too low and had raised the insurance on the city hall \$1,000, making a total of \$2,000 on the building; had placed \$650, on the office furniture, fixtures and records etc., and \$300 on one team which was uninsured. The report was adopted by a vote of the council.

The report of the street committee approving the plans and specifications for the improvement of East Sixth street was adopted.

Councilman Clark reported that the complaints in regard to the sewer on Short street had been investigated and it was found that the pipe on Spring and Short streets had been broken and stopped up by the roots of trees. It was necessary to take up the sewer for a distance of about sixty feet and relay the pipe. The trees were cut down and the roots killed.

The committee of the whole appointed to decide on the type of fire truck that the city should purchase, recommended that the city buy a type D, Brockway fire truck, the purchase price to include the services of an engineer to set up the machine and instruct two men to drive it. The report was adopted.

Councilman Gile reported that he was building a garage on his property and asked for permission to pave his parking for a distance of ten feet, the request being granted.

City Attorney Carl Wimberly stated that the time was not yet up on the awning ordinance so that notice could not yet be served but that he had prepared a general resolution which would authorize the marshal to serve notice as soon as the time is up which will be March 25. The resolution was adopted.

The ordinance providing for the repainting of telephone and electric light poles was read for the third time and passed.

The mayor stated that a committee had waited on him and asked for permission to use the parkings on the north side for gardens, but as it was reported by the street committee that crops were already planted in these places by members of the street cleaning department, no action was taken.

As there was no further business, the meeting adjourned to meet Wednesday night if the decision in the railroad case is received.

GROUND GAINED BY GERMAN ATTACKS

PARIS, March 21.—The German attacks gained them some more ground on the west bank of the Meuse, it is officially admitted. Assaults were renewed last night on the Abancourt-Mallencourt line. The Germans occupied the southeastern part of Mallencourt road, however, they lacked power, although a heavy bombardment and liquid fire preceded the infantry attack. Elsewhere the Verdun front was quiet.

OHIO NATIONAL GUARD EAGER FOR SERVICE ON TEXAS BORDER



Fifth Regiment, Ohio National Guard, on march; O. N. G. cavalry on march; Adj. Gen. B. M. Hough (left) and Col. C. X. Zimmerman.

On the day the government decided to send a punitive expedition into Mexico, Col. C. X. Zimmerman, commander of the Fifth regiment, Ohio National Guard, wired to the war department, asking that his regiment be the first to be called out in case any part of the militia should be needed to patrol the Texas border. A day or two later, Adj. Gen. B. M. Hough, commander of all the militia forces in the state, went to Washington in response to a hurry call from the war department. The O. N. G. is in instant readiness for a call.