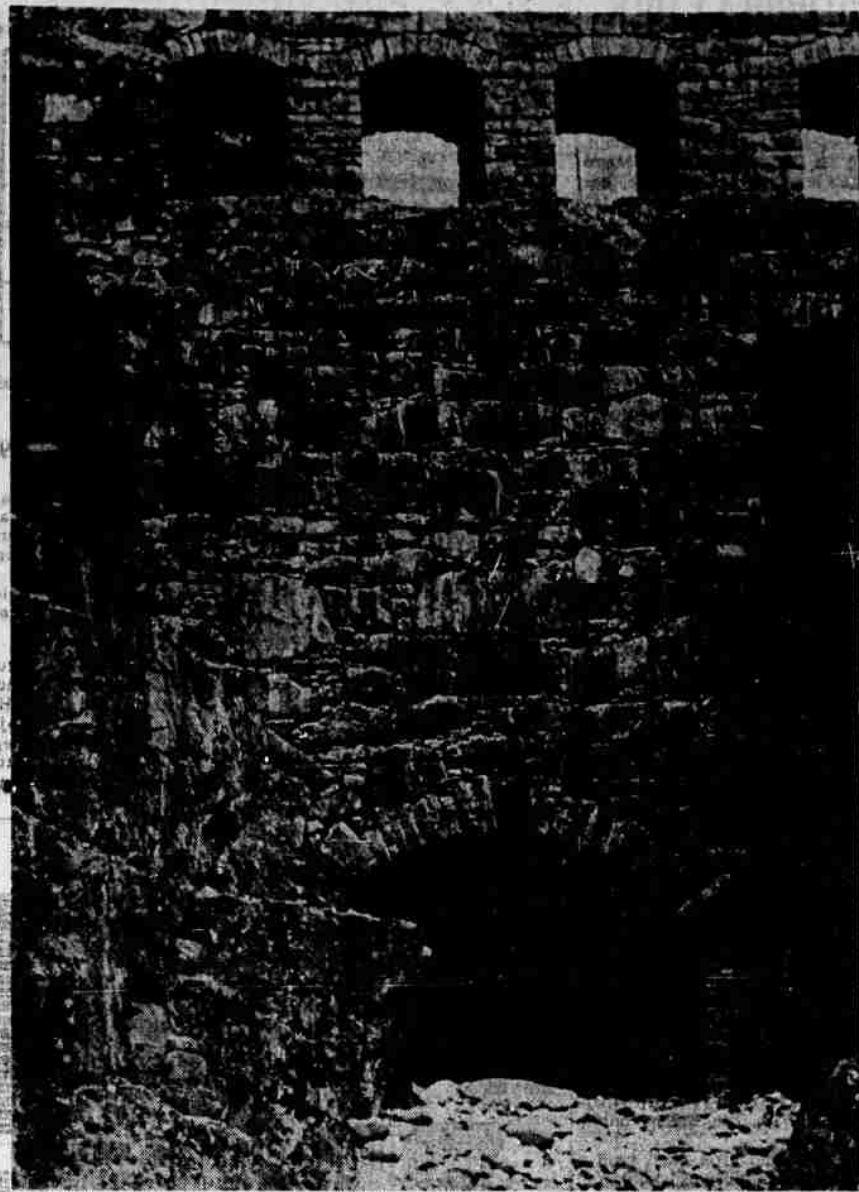


DISMAL DAM NEVER DEDICATED



North Santiam power project at Niagara, initiated by O'Neil brothers and Callaghan in the 1880s, was never dedicated because it was never completed. More than \$100,000 was spent in a futile attempt to dam and utilize North Santiam water power where the stream is four feet and three inches in width during low water.

North Santiam Dam Dream in Decade of '90s

By BEN MAXWELL

Those who dedicate Detroit dam June 10 will little know or care about that older dam on the North Santiam initiated by O'Neil brothers and Callaghan in the 1890's.

It was never dedicated because it was never completed.

Today the ruins of this forgotten project stand weathered, grim and eroded at Niagara like some feudal monument. Fishermen cast from its overgrown masonry into deep pools and old inhabitants have confused history and traditions about it for, with a few exceptions, it is older than they.

Weekly Capital Journal for September 13, 1900, contains a contribution about "Industries of the Upper Santiam." At Niagara, 60 miles east of Albany on the Corvallis & Eastern railroad, the story tells, O'Neil brothers (Frank and Edward) and C. W. Callaghan of San Francisco were about the business of constructing a development that would generate not less than 20,000 horsepower.

Here the gorge of the North Santiam is but four feet and three inches in width during low water.

"Nature," says this Capital Journal of 53 years ago, "never provided a better place for a fine water power."

At an earlier time the Job and Hamilton sawmill stood at this site. Perhaps the San Francisco promoters obtained the water right from them along with 1000 acres of fine timber in Linn and Marion counties. It was their plan to utilize the water power to operate a papermill at Niagara in which 100 men might be employed come 1903.

Before O'Neil brothers and Callaghan exhausted their resources in dam construction they spent nearly \$37,500 of their own money in developing the project. The dam was not completed (winter floods destroyed their summer efforts), the papermill was never built at Niagara and the splendid stand of hemlock timber owned by the firm was exploited by others.

But they did not propose to lose water rights to this development site that defied their engineering and financial ingenuity. The Byllesby company was given an option to purchase and between 1909 and 1912 dropped nearly \$65,000 into a proposed hydroelectric project here. By then they, too, were discouraged. But O'Neil brothers and Callaghan remained persistent and

determined. They kept one man tinkering at the project with a wheelbarrow just to retain their water right. Oregon Electric railroad considered the site as a source of power for their Willamette valley railroad. Others came to look, study, survey and finally depart without taking any affirmative action.

Finally, in 1931, Oregon's hydro-electric commission held a hearing on the water power rights of the San Francisco promoters who had retained their privileges so long and yet accomplished so little. Their decision does not now matter. Already long range thinkers were dreaming about a superdam near Detroit, conceived to serve a diversity of modern requirements.

Niagara's fortune flourished and declined with the projected power development. Shortly after the Corvallis & Eastern railroad (a blighted enterprise with a depressing financial history) reached the locality a post office was established. October 3, 1890. William H. Burns was first postmaster and the place was called Niagara.

When Tad Shelton, Marion county assessor, went there to fish about 1900 Niagara had a store, hotel and a gallon house. For some years before the post office finally closed, June 13, 1934, it had the name of being the smallest post office in the nation. The finale came late in the summer of 1952 when Marion county court, acting upon a petition of George H. Ditto, vacated the four platted streets that were never used since the town had never developed to the extent of needing them.

Airforce to Hold Most of Reserves

Washington, (AP)—The Air Force hopes to hold at least two-thirds of its reserve officers under the new law which requires reservists to accept commissions of indefinite duration or drop their military standing.

More than 80,000 Air Force reserve officers now on active duty have reported their willingness to accept the long term commissions. This represents more than 82 per cent of the 96,900 active reserve officers.

All newcomers to the reserves since July 8 last year automatically received the indefinite term commissions.

New Phones for Lebanon Area

Lebanon — A switchboard and frame are being installed at the Linn County Telephone Co. office on Grant street which will handle 100 new lines, capable of serving 300 new phone subscribers. The work is being supervised by William MacLean, maintenance official, announces L. E. Scott, company manager.

The new lines will serve both suburban and city areas and will handle a large portion of the back log of orders now on hand.

An order for cable is being awaited which will be used along the river road to Waterloo to serve 50 new subscribers.

The manager said new cable

has already been strung across the Santiam river to Brewster. This 26-pair cable will serve patrons in that area.

Also completed is a 200-pair cable to Airport road. It continues on to the Crowfoot school junction with a 100-pair cable. Eventually this series will serve 200 to 300 customers.

Scott has conferred with three farm phone line officials in the Rock Hill district to plan possible conversion of those lines for dial service when it becomes available in the Lebanon area.

The manager said present plans provide for dial service here and at Sweet Home in about 20 months. Equipment for the conversion of the system is expected to be available at that time.

Numbers for U.S. highways are even for east-west and odd for north-south routes.

Ask Why Charge vs. Bond Man Dropped

Washington 48—House investigators pried into a seven-year-old mail fraud case today to find out whether any skulduggery was involved in the Truman administration's sudden abandonment of criminal charges against a Kansas City bond dealer.

Chairman Kenneth B. Keating (R., N.Y.) said his house judiciary subcommittee wants to know why, and on whose orders, the justice department "threw away" its case against Roy E. Crummer and 10 associates charged in 1946 with using the mails to defraud bond holders in Panama City and Citrus County, Fla.

The gondolas of Venice must be black since other colors are not permitted.

Few Probes in State Bureau

Washington (AP)—John W. Ford, State Department officer, said Wednesday a survey of department personnel files has revealed at least 4300 cases in which employes have been inadequately investigated or not investigated at all.

He told a House government operations subcommittee he has found an estimated 2,300 cases in which there was no investigation and another 2,000 where the check was inadequate.

Ford was summoned before the subcommittee in a hearing into the suicide last Jan. 24 of John C. Montgomery, 41-year-old department official. Testifying earlier, Selective Service Director Lewis B. Hershey, disclosed that Montgomery had been rejected for army service in 1942 as a psychoneurotic.

Bids Called to Alter Gymnasium at OSC

The Oregon State Board of Higher Education will receive bids in Room 106, Commerce Building, Oregon State College, Corvallis, until 3 o'clock P.M., May 22, for alterations to the Men's gymnasium.

The alterations consist of building two new exterior stairway to basement and lowering certain portions of the basement to provide a one-

level locker room. Two new interior stairways are contemplated and removal of two obsolete stairways is planned. A portion of the first floor will also be lowered, providing larger one-level areas.

Modernized and rehabilitated areas will include faculty locker room, student locker and basket rooms, service and work shop, new toilet room, exercise room and wrestling room.

A new mechanical system will be installed, as will new wiring for modern lighting facilities.

Youth Driving Contest Sunday

Silverton—In the interest of safe driving, the Silverton Junior Chamber of Commerce is putting on a test project for teenagers in a "Road-E-O" contest to culminate in generous awards for winners to be given Sunday afternoon, May 3, at McGinnis Field following the ball game.

The event is open to high school students under the age of 20 years and consists of a written test and a test in driving skill.

Making possible the cash awards are local insurance firms, the George W. Hubbs Co.; the Homeowners Agency; Ralph Adams; and Lloyd Larsen.

First prize is to be \$25 and winner's certificate and a trip to state contest meeting at Bend, Ore., June 16. Second prize, \$20 and win-

Farmers' Night At Silverton

Silverton—More than 275 guests attended the Tuesday evening observance of the annual "Farmers' Night" under sponsorship, jointly, of the Silverton Chamber of Commerce and the Junior Chamber of Commerce.

George Moorhead, Salem, past president of Oregon Geological Society, and superintendent of the Oregon Pulp and Paper company mill, was the featured speaker.

Also presenting "The Jaycee Story" in a talk was Al Kreig, candidate for state president of the junior forum.

Making possible the program and refreshment plans, were the presidents of the two forums, Dr. R. E. Epeneter and Bob Sites, Elmer Lorraine as program chairman, Bob Mallorie, with Harry Riches acting as master of ceremonies.

On behalf of the two groups, Dr. Epeneter welcomed the guests. John Becker and Gall Becker were responsible for the awards.

Supplemental musical numbers were by Howard Eggiman as piano-accordion soloist.

ner's certificate.

Third prize, \$15 and winner's certificate.

Fourth prize, 5th prize and 6th prize, \$10.

The winner of the state prize is eligible to enter the national contest Aug. 11 and 12, at Washington, D. C.

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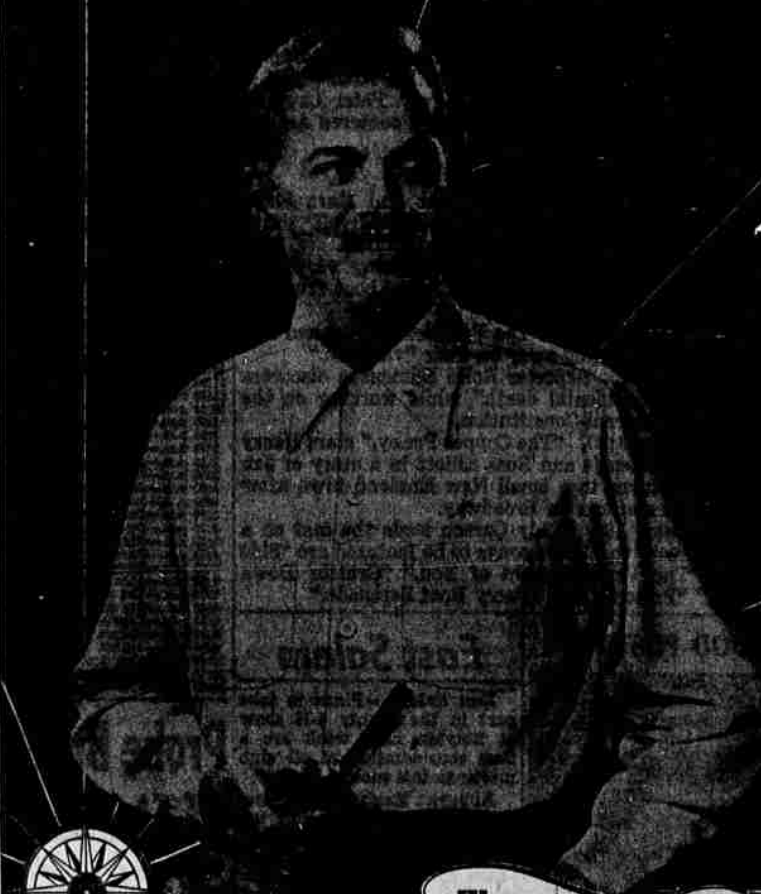
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