

THE BEND BULLETIN.

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NO. 14

END OF RAILS WILL BE HERE

Temporary Cancellation of Contract Southward Announced

WORK TO BEND PUSHED

Discontinuance of Construction Southward Will Leave Bend Terminus and Operating Point for Main and Trans-State Lines.

Bend is to be the end-of-the-rails terminus of the Oregon Trunk Railway. Such is the result of last week's action in the Central Oregon railroad field.

Such action was the temporary abandonment of construction work south of Bend and the cancellation of part of the contract let to H. C. Henry, of Seattle. The step was brought about by the unsettled financial condition in the East, it being understood that the "closeness" of money necessitated some curtailment of construction activities. For the present no other part of Central Oregon railroad work will be affected, and, says John P. Stevens, even this southerly stretch may be renewed at any time.

One important feature of this move will be the material hastening of the completion of work to Bend. From the outset great difficulty has been experienced in securing nearly an adequate amount of labor, and now, with the operating distance cut in half the amount of available labor for the Madras-Bend stretch will be doubled, and the work rushed all the faster.

While the official statements issued have spoken of the work as ceasing at Bend, it is now definitely known that the clearing and grading contract from this point south for twelve miles, let to Chew & Silke, will remain in force. Work is progressing on this piece of construction, a hundred or so men are employed by the contractors, camps have been established and a steam-shovel, water piping, supplies and equipment of every kind is being freighted in, as well as heavy purchases made locally. This work under the Silke contract carries the road to the top of the grade, from the lava fields south construction being exceedingly easy, the entire stretch to Klamath Agency requiring comparatively little time for completion.

The work lying between Bend and the lava is the heaviest encountered south of Madras. The contract calls for the completion of the grade only, and, according to those in authority, if further work south

of the lava is postponed until the railroad reaches Bend, as seems probable, the rails will not be laid beyond this point, but all operations both on the southerly extension and on the east-and-west line will be conducted from here.

It further appears that even entirely aside from the effect of any financial disturbance, a curtailment of work southward has been anticipated. Reduced to its lowest terms, those familiar with the situation say that little is to be gained by continuance of construction, at present, southward from Bend. Enormous expense in transporting supplies and equipment would be encountered, with no practical gain, for once the heavy work is completed from Bend to the lava the rest can be rushed through quickly, and with comparatively little expense, operating from Bend as a rail terminus.

J. J. Cryderman, the Assistant Engineer who, with headquarters here, has had charge of the work from Madras to Klamath Agency, this morning went to the Oregon Trunk headquarters at Portland. For the present, with but half of the Henry contract in operation, the services of an engineer for this work alone will not be required. J. C. Baxter, who has had the territory from Celilo to Madras, will now be in charge of the entire work from the Columbia to Bend.

The surveying party under K. E. Kuey, which has been locating the east-and-west line, has moved its camp from Millican's to a point on the Central Oregon canal near the old Philip Francis place, four miles from Bend. The crew is now at work some eighteen miles from town and in all probability will have completed the location work from The Narrows to Bend in the course of a month.

It is understood that certain of the engineer's and survey camps between here and Klamath Agency have been moved south, apparently to carry on the work of permanently locating the line towards California, while others have been withdrawn from the field. The work of clearing right-of-way, which had been commenced at several points south of Bend, has been abandoned for the present.

FOURTH OF JULY MEETING.

Committee to Be Appointed to Take Charge of Work.

At a meeting held in the hose house on Monday evening plans were discussed for a Fourth of July celebration. It was decided that a big mass meeting be held tonight (Wednesday) in Linster's Opera-house, when all details will be perfected and committees appointed.

At Tuesday's meeting Frank Rowlee was elected president to take charge of the work and C. A. Carroll secretary. A committee of seven was appointed to see every business man in town and get him out to tonight's meeting. It is particularly requested that everyone attend the meeting—8:30 tonight, in Linster's Opera-house.

WHO HAS WATER?

C. S. I. CO. OR THE SETTLERS

Question to be Tried Out in Bunch of Contests Now Being Heard at Laidlaw—The Issues Involved.

At Laidlaw today Water Superintendent Saxton begins the taking of testimony in more than 60 cases involving water rights from the Tumalo Creek and water shed. Most of these are by settlers and actual users of water who dispute the claim of the Columbia Southern Irrigating Co. to water conveyed in its ditches to them. Incidentally, a few people buying from the company water to serve lands outside the Carey-Act segregation are made defendants with the company in contests brought by the Carey-Act settlers and users.

Briefly, the company claims ownership of the water and the right to dispose of it as may seem to it best. It holds to the theory that the settlers upon segregated land acquire with their land the right to use the water in accordance with the terms of the contract and release of lien, such right being as licensees from the company and not as owners of the water as an appurtenance of the land. The segregation settlers, not being able to get water enough, deny the right of the company to sell to outsiders. In other words, the segregation settlers allege ownership of the water by reason of actual appropriation to beneficial use, having extinguished the company's claim by payment of its lien, and deny the right of the company to divert for sale in another locality water which they need.

The company admits that the segregation settlers own one twenty-seven-thousandth of the total water supply for each irrigable acre—the total segregation being 27,000 acres—but no more. The water supplied being so much less than the total area would require, the small fraction would be useless to the settlers.

About these leading issues a lot of details cluster, and these are the matters now to be heard by the Superintendent. The testimony thus taken will be considered by the State Board of Control and may then go to the courts.

OVERCROWDED P. O. MOVES

Because of Growth of Business Postmaster Gets Greater Salary.

On Sunday the postoffice moved from its old quarters on Wall street into the new building, just erected for its use, on Oregon street west of wall. The new establishment provides twice the space of the old, and is planned and equipped in conformity with the requirements of the fast-increasing business. Some 64 new lock boxes have been installed, all of which already have been taken.

Last week F. O. Minor, the postmaster, received official confirmation of the report which recently appeared in the Portland papers that his salary had been raised from \$1,100 to \$1,400 per annum. The increase of business on which this salary increase is based was included only in the year ending March 31. Since that date the postoffice has increased its business at a rate far in excess of anything previously encountered, which, with the promise of ever-increasing activity from now on, practically insures another big "raise" at the termination of the present year.

Former Bend Resident Weds.

Mr. and Mrs. C. E. Smith, arrived in Bend last Wednesday. They were married on the first of June at Aberdeen, Wash. Mrs. Smith was Miss Vura Mackey, who at one time was a student in the Bend High School. Mr. Smith is identified with the W. F. King Hardware company of Prineville, and is a brother of F. P. Smith of Bend.

Burglars in Mutzig House.

An unknown man attempted to break into R. B. Mutzig's dwelling last Saturday night. He was detected by Mr. Mutzig, who gave chase but was unable to overtake the marauder. The would-be burglar is supposed to have seen Mr. Mutzig draw money from the bank Saturday afternoon to pay expenses of his trip East.

LIGHT ON D. I. & P.

SHED BY RECEIVER'S REPORT

Howard Falls to Respond to Demand for Company Property Summary Financial Statement, and Condition of Funds.

Receiver Redfield's inventory and report filed in the United States District Court in Portland last week is composed of more than 100 typewritten pages. Most of the space, of course, is taken up with dry and formal details, but several interesting facts are shown.

The validity and legitimacy of the Howard Contract being a large question in the troubles of the Deschutes Irrigation & Power Co., it is of special interest to observe that after the beginning of suit for receiver, that is, February 4, 1910, the Howard Contract Company was incorporated under the Oregon law, and on the same day the D. I. & P. Co., by F. S. Stanley, first vice-president, and Jesse Stearns, secretary, mortgaged practically all its property, present and prospective, to the Howard concern, except certain personal property for which the Ditch company gave the Howard company a bill of sale even later, February 16. Most of this personal property, being necessary to the business, is rented from Howard by the receiver at \$60 a month. It includes office furniture, instruments, implements, etc.

April 25 the receiver made written demand upon Howard and his Contract company to render a statement of the six horses sold from the property described in the bill of sale of February 16, and to pay in cash the net sale price, not less than

FIRE IS SCENE OF LABOR.

Linster Conflagration Causes Much Excitement and Little Damage.

It was not even a real fire, but rather a miniature fire-let which roused Bend shortly after noon on Friday last. The embryo conflagration occurred in the lumber piles and sawdust heaps adjoining the Linster planing mill, and the alarm, quickly circulated, brought some half a hundred able-bodied citizens on the run, who speedily formed a bucket brigade and drowned the budding blaze. Little damage was done, except as concerned the personal appearance of the fire-fighters.

EPISCOPAL BISHOP IN BEND.

Services Held Here by Bishop Pad-dock of Eastern Oregon.

The Rt. Rev. Robert E. Paddock, Episcopal Bishop of Eastern Oregon, arrived in Bend last Saturday, remaining here until Monday evening, when he proceeded southward toward Klamath Falls via Fort Rock.

On Sunday morning, afternoon and evening the Bishop conducted services in the Bend church, devoting Monday to local visiting. Sunday morning's was a communion service, and in the afternoon occurred the confirmation of four new church members: Mrs. C. M. Redfield, Elizabeth, Luetta and Sarah Worstaff.

Flag Day at Laidlaw.

Flag Day was observed at Laidlaw yesterday, the veterans from Bend joining with their comrades of the Laidlaw section, who came to Bend for Memorial Day service. The Laidlaw church was crowded at meetings afternoon and evening, when the old soldiers recounted many of their experiences in the service of the country.

Vacation for Library Workers.

At a meeting of the Library Club yesterday it was decided to have no more regular meetings until the 6th of September. The affairs of the organization are in a highly prosperous condition, and never before has so much interest been taken in the use of the rooms. On Monday night 21 persons used the library.

Redmond Votes For Incorporation.

The town of Redmond, by a vote of 73 to 1, decided to incorporate as a city. Not until the county court has passed on the election will it be valid. "The new Government has a mammoth task before it," avers the Hub.

\$500 as listed in the inventory. Howard was also called upon to return the remainder of the property described in the instrument of February 16. The receiver reports that no written reply to such demands was made.

Sundry items totaling \$1927.85 were found in the D. I. & P. Co. cash drawer by the receiver. These items had been paid in cash by the Ditch company for the Contract company, and were carried in the Ditch company's accounts as cash. The receiver made written demand upon Howard for payment of this money, but the demand was not complied with.

Four notes totaling \$779.10, given by C. Christenson, are shown by the books of the D. I. & P. Co. as being on hand, and there is no record of them being placed or pledged in any of the trust or collateral accounts, and no receipt appears showing the disposition of the notes. Roscoe Howard admits possession of the notes and says they will be accounted for later. The receiver demanded the notes, but Howard did not surrender them.

It should be stated in this connection that Howard claims, and the Ditch company admits, that \$116,258.42 were due him up to January 1, 1910, under his contract. Ditch company officers being participants in the Contract company's profits, it was easy for the latter to get all the protection the former could give by mortgage, bill of sale or otherwise. The validity of these acts is passed to be upon by the court.

The Pilot Butte and the Oregon Irrigation Co.'s segregations embrace 140,714.68 acres, of which about 65,000 acres have been reclaimed and 51,350.98 acres disposed of. In disposing of this land reclamation liens to the total sum of \$757,659.18 were discharged. There remains undisposed of 89,363.65 acres, of which 51,806 are classified as irrigable and 37,557.65 waste. The last segregation of 74,188 acres is not considered in this showing, since nothing has been done toward reclaiming it except the making of plans.

Some large sums appear in the financial statement. The capital stock appears as a liability of \$2,500,000, though the company received nothing for it. To balance this (and a loss of \$100,000 additional not yet fixed) the plant is put in at \$2,600,000. Following is the summary of assets and liabilities:

ASSETS.	
Settlers' notes and cash in possession of Trustee as collateral	\$62,575.60
Settlers' notes on hand	5,175.34
Bonds, notes and sundry accounts receivable	37,550.55
Real estate and personal property	14,472.04
Cash delivered to receiver	13,243.73
Sundry expense accounts	1,824.26
Irrigation plant	2,600,000.00
Land sales, State guarantee	13,443.25
Land sales, making bond	153,039.23
	\$4,343,763.00
LIABILITIES.	
Capital stock	\$2,500,000.00
Bonds outstanding	618,000.00
Notes secured	162,750.00
Notes unsecured	100,000.00
Howard Contract Construction acct.	1,250.00
Sundry accounts payable	8,931.25
Accounts showing a bond profit	82,279.25
Merchants' A. & T. Co., Trustee	153,039.25
	\$4,343,763.00

NEAR-BEER TO BE TAXED MUCH

Ordinance For \$500 License Fee Passes Council.

NO STREET GRADING ACTION

City Police Has Some Expenses, Offset By Three Impounded Cows—Much Sidewalk Building and Improvement.

The most important action taken at last night's city council meeting was the passage of an ordinance providing for an increase in the license fee of establishments selling near beer from \$200 to \$500 per annum.

An ordinance amending Ordinance 40 was voted upon at the very close of the meeting, after Sells' motion that the rules be suspended and the proposed ordinance, previously read, be placed on passage, was unanimously passed. There was no discussion. Kelly, Triplett, Sellers and Hunter voted for, Overturf against, the ordinance. O'Neill was absent. If the Mayor does not exercise his power of veto the ordinance goes into force immediately upon its legal publication.

Among the bills against the city, all of which were accepted, were the following: Water Co., \$32.08 for April hydrant service; B. H. Sherritt, for police service, May 6th to 10th, \$10; Palmer, for work on jail, \$35.65; quilts, blankets, etc. for the jail totalled about \$10; Colt's revolver for police force, \$22.35; S. M. Scott, services as policeman from May 24 to June 1, \$20; making an approximate total of expenditure for city policing for a portion of May, of \$68. An informal report later presented by Policeman Scott, covering work up to June 1st, showed three cows as having been impounded, the dollar fee thus far having been collected on but one.

The report of the City Treasurer showed a balance on April 1st of \$220.62, and disbursements for May of \$689.92, leaving a balance on hand June 1st of \$203.96.

Overturf, chairman of special committee on street grades, reported that he had been in communication with C. B. Coe, a sewer expert of Seattle. His services can be secured for \$10 a day, plus transportation. The opinion of the Council seemed to be that the entire matter be left in the hands of the committee, with full authority to take any advisable action. Thus far nothing has been accomplished in the matter, which

(Continued on page 10.)

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WE are growing!

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Banking and Trust Company
Affords Absolute Security

Fire Proof Vault. Modern Safe with Double Time Lock. Burglar Insurance with a reputable company. Officials heavily bonded.

Conservative Banking
for Conservative People.

The Deschutes Banking and Trust Company

L. B. BAIRD, Pres. J. W. MASTERS, Vice Pres.
M. G. COE, Cashier.

The First National Bank
OF BEND, BEND, OREGON

Dr. U. C. COE, President E. A. SATHER, Vice President
C. S. HUDSON, Cashier
Capital fully paid \$25,000
Stockholders' liability \$25,000
Surplus \$2,000

A Bank is Strong

When it has the business, confidence and support of the people. A Bank, like a man, cannot do business in a community and not be known by its conduct. If it is managed properly, affords the people absolute safety and fair dealing, it will receive their business and they will continue to patronize it.

Business Stays Only Where it is Well Treated.

Almost everybody in this community does more or less business with The First National Bank of Bend, and we expect, by fair treatment and progressive methods, to continue to provide a Bank that THE PEOPLE KNOW IS GOOD and one that is a benefit to the entire Bend country. Our first consideration is SAFETY. Note our large cash reserve, which is always several times the amount required by the United States Government.

DIRECTORS:

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F. P. SMITH M. C. ELLIS