

# COMPANY SAYS REPORT UNFAIR

## WOULD REJECT NORTH CANAL OFFER

For Once Lewis is Admitted to be Right, or Nearly So—in Statement to Desert Land Board C. O. I. Co. Says Engineers Wrong.

Although a statement by the C. O. I. Co. on the Reclamation Service report on the North Canal was presented at its meeting on August 17 no copy was available for publication last week. Having published the summary from the engineer's report on the North Canal The Bulletin this week presents the Company's statement both as a matter of fairness and to make a permanent record of the controversy.

The company's statement is as follows: August 15, 1914. Desert Land Board, Salem, Oregon.

Dear Sirs:— We have the report of the U. S. Reclamation Engineers on the North Canal lands.

We offered the State or the Government or both about 35,000 acres of our project under the North Canal for \$200,000.00. We were to complete certain concrete lining at a cost which would make the amount to be received by us about \$250,000.00.

The offer was contingent on those who completed the system delivering through the North Canal 300 cubic feet of water to the Pilot Butte Canal, a distance of about 1 1/2 miles from the intake, 114 cubic feet to the Powell Butte Canal, a distance of about 18 miles from the intake, and also water for 2200 acres of land lying under the North Canal system, which had been entered.

Our offer was made in response to a desire of the Land Board and of the citizens of Central Oregon that the lands be developed more rapidly than our means had permitted. We made what we consider a low offer, one less than our cost by about \$175,000.00 and one in which we sacrificed the chance of recouping our past losses; but one which would permit us to pay the balance due on the works turned over and which would also enable us to complete other portions of the system.

We entered into the negotiations after preliminary conversations with the examining engineers; and while no policy as to price was agreed upon both before and during the examination the following ideas were developed:

That a fair price should be found and that personal desire to get a lower price would have no bearing in the matter. That in viewing the project as to our proposition of making the deliveries mentioned, it should be treated as a whole. In other words, there are about 95,000 irrigable acres in the whole project, 35,000 of which were to be transferred; it was understood that the 35,000 acres would have to share ratably the total cost of \$425,000.00. This cost sum is not disputed by the engineers and was made, upon the request of the examiners, in accordance with the ideas recommended in the report of the Committee appointed by the American Society of Civil Engineers to investigate and report on a plan of evaluation of public utilities properties.

Instead of the report being based on these ideas for determining cost, it is based on the narrow view of cost of reproduction of only a part of the work, which is theoretical and does not equal the actual cost of that part not disputed in the report, by \$25,000.00.

No provision is made in the report for conveying the 114 cubic feet of water to the Powell Butte Canal, one of the most important things for which the North Canal was planned, and which is necessary to relieve the Central Oregon Canal in the restoration of lands sold in the Powell Butte district.

The report allows the company \$50,000.00, but if provision is made for the Powell Butte lands at the rate figured by the Reclamation Service, it follows that the Company would turn over the work already performed and pay a sum of money in addition.

Among the inconsistencies of the report we call attention to the fact that in the estimate of cost allowed to the Company for laterals \$4.00 per acre is figured, while for the estimate of completion of like work by the Reclamation Service \$10.00 per acre is allowed.

Attention is also called to the point that in allowing for all overhead charges in the estimate of our cost 10 per cent was allowed, while in the cost for completion by the Reclamation Service 25 per cent was allowed for engineering and contingencies. They may claim that contingent allowance was 15 per cent, but they cut off contingent cost which we actually expended of \$35,000.00. Furthermore, their allowance of 10 per cent for overhead in cost of completion only included engineering.

It is suggested in the report that the North Canal Dam may be used for a diversion of a large amount of water for the reclamation of lands in the Madras country; no suggestion is made that in such event those lands bear a proportionate part of the cost of the Dam, although such idea is applied to the Company in the case of the Pilot Butte Canal and the 2200 acres heretofore sold.

We presented a detailed statement of the costs of the North Canal lands showing \$425,000.00, which is ad-

mitted by the examining engineers to be legitimate.

They claim to have estimated a fair price to be paid to the Company for its work in reclaiming the North Canal lands, but have only estimated what the physical work would cost if done under present conditions. They have omitted from that estimate the cost of the Company of segregating these lands, and holding them intact; the cost of holding the water rights through its contract with the State, and making a Carey Act project possible. The overhead charges, actual cash outlay and value of these franchises is entirely ignored. Homestead, or desert entries, numerous water rights and other interlocking acts would have so smeared and involved the situation that it would now be very expensive if not impossible to reclaim these lands as a whole or any considerable portion of them by a single irrigation system except for the outlay in this respect which the Company has made, and therefore a substantial allowance for these expenses should have been added to the cost of reproduction.

Our opinion based on a number of years' experience in that country is that the allowance of 50 per cent for losses of water in operating the system is excessive and we fall to see the present necessity for building a \$200,000.00 dam at Crane Prairie as proposed. We have made an extensive survey of that valley and have estimates that an adequate dam can be built there if ever necessary for \$35,000.00.

It is probable that the reduction of Canal losses will obviate the necessity of any dam at that point so far as the North Canal lands are concerned. It would, of course, be valuable for the reclamation of other lands.

The report is unfair to the Company. It does not deny that our costs were correct or necessary, but does not recommend their payment in part as asked by the Company.

It does not provide for the relief of the Powell Butte District.

It does not offer sufficient to repay the Company for its outstanding liabilities on the North Canal Dam and Canal so far as constructed, much less to provide any additional funds with which to complete the other parts of the system.

It does not meet the situation of Reclamation in Oregon in a broad and fair spirit, and tends toward the further delay of the expenditure of any part of the Reclamation funds rightfully belonging to the State of Oregon in the hands of the U. S. Reclamation Service.

The report of Mr. Lewis, State engineer, comes nearer to being fair than does that of the Reclamation Engineers, but he does not provide for the relief of the Powell Butte lands.

The company is not asking for anything more than is equitable, it has not denied its willingness to compromise; but as a business proposition cannot accept an offer that would render it impossible to fulfill its obligations both to its creditors and settlers.

Very truly yours,  
CENTRAL ORE. IRRIGATION CO.

# DAIRYING IN CROOK COUNTY

O. A. C. EXPERT, WHO MADE INVESTIGATIONS HERE LAST WEEK, WRITES SOUND ADVICE TO LOCAL DAIRYMEN AT THE REQUEST OF THE BULLETIN—GOOD COWS AND GENEROUS FEEDING ARE DESIRABLE.

Professor Edward B. Fitts, animal and dairy husbandry expert of the Oregon Agricultural College, spent last week investigating dairy conditions in this vicinity. The Bulletin requested him to write an article dealing with dairy conditions as he encountered them in Crook county, with suggestions for cow raisers. Below is the article:

Dairying is an industry that should interest a large proportion of the farmers of Crook county for it provides a means whereby most of the hay and other crops grown can be marketed at good prices.

The industry is identified with good farming practice as it encourages diversified farming and rotation of crops and also retains on the farm for return to the soil most of the fertilizing materials contained in the crops grown. Thus the soil is built up rather than depleted.

All progressive, permanent and accumulative agriculture is dependent upon the conservation of soil fertility. The keeping of live stock is essential to the best and quickest development of the farm and of all classes of farm stock the dairy cow is far in the lead as regards the returns secured from a given amount of food consumed.

The low prices for butter fat prevailing during the past summer have tended to discourage many dairymen and much talk is heard of selling out or of going into the raising of beef cattle.

On most farms no greater mistake could be made for it would be a step backward. More dairy cattle are needed rather than fewer and where good cows are kept and correct methods of feeding and handling practiced dairying has paid. It is the man who attacks to an industry and seeks to improve methods who wins and not the one who is continually shifting. There is great need throughout the country of better cows, better bulls and improved methods of feeding and handling.

There is a greater variation in the producing ability of different cows than is generally realized. Oftentimes the best cow in the herd will yield three or four times as much as the poorest and this on the same feed. It is therefore of great importance that the actual yield of each cow in the herd be known. Most herds contain some "boarders" or cows that do not pay the cost of feed. Were these weeded out the herd would at once become more profitable. The dairyman should dispose

of all cows not coming up to the definite yield of butter fat. Profit comes not from the number of cows kept or the amount of fat sold but from income in excess of expenditure. Only such cows should be kept as possess the ability of converting food economically into milk.

Pure-bred bulls from cows giving large yields should be used. Too much emphasis cannot be made here for the bull inherits the milk producing qualities of the cows that contribute to his inheritance and passes them on to his daughters. Instances are not rare where the yield in a herd has been doubled through the use of a superior sire. A "scrub" sire will as surely have the opposite effect and decrease the yield.

A few good cows, well fed and cared for should be the rule rather than a larger number of inferior animals, getting scanty rations and indifferent care. As the basis for a dairy cow's ration there is nothing better than alfalfa. It is rich in protein, a milk stimulating food and good returns are secured by the use of this food alone.

It is not a perfect ration, however, and better results will be secured if some variety is given in the ration. Roots, corn stlage, oat hay and grain can be used to good advantage.

Sweet clover is being tried in some parts of the county and gives promise of being a valuable addition to the list of feeds for the dairy cow.

Corn that is estimated to yield 8 to 10 tons to the acre has been grown this year. The silo preserves this food in perfect condition and when fed in connection with alfalfa hay gives splendid results. The future will probably see more corn raised and the silo in general use.

The dairy cow needs to be fed liberally. A scantily fed cow will prove a disappointment, no matter how good her breeding and she should be handled gently and quietly at all times.

It is the opinion of the writer that dairying will become one of the leading industries of the irrigated sections of the country and that it will prove a large factor in developing its resources and adding to its wealth.

The great needs are: Better cows, general use of pure bred bulls from high producing cows, liberal feeding, co-operative selling.

China and glassware, Skuse Hardware Company.—Adv.

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# THE LIFE CAREER

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W. T. Greene, Hopkinton, N. H., writes the following letter, which will interest every one who has kidney trouble. "For over a year, Mrs. Greene had been afflicted with a very stubborn kidney trouble. Foley Kidney Pills done more to complete her recovery than any medicine she has taken and I feel it my duty to recommend them." Patterson Drug Co.—Adv.

Refresh yourself with a cold drink. Full puts at 5 and 10 cents. American Bakery.—Adv. 221f

# CHURCH NOTICES

Church of the Brethren. Services each alternate Sunday in the M. E. church at 3 p. m. No services next Sunday.

Presbyterian. The regular services will be held next Sunday morning at 11 o'clock. The theme of the morning sermon will be, "The Greatest Genius." This service will be preceded by the Sunday school at 10 o'clock. The evening service will be the last of the present Union services and will be held in the Methodist Episcopal church. H. C. Hartranft, pastor.

Catholic. There will be services at the Catholic church at 10:30 Sunday.

Baptist. Bible school 10 a. m. Preaching service 11 o'clock. Union Young Peoples' meeting 7 p. m. in the Methodist church. Union preaching service in the Methodist church at 8 o'clock. There will be a Union prayer meeting in the Baptist church this Wednesday evening, led by Rev. H. C. Hartranft, beginning at 8 o'clock. Subject, "The Masterpiece of God."

SIGNS FOR SALE. "For Rent," "For Sale," "Room to Let," "Housekeeping Rooms," "No Admittance," "No Smoking," etc., etc., Piccards printed in large type on heavy Bristol board, 15 cents each, less in quantities. Bulletin Office, 121f

Citrolax! It's a laxative, of course—and the nicest hot weather drink you ever tasted. Flushes thoroughly, and pleasantly, too. F. C. Cryder, Syracuse, N. Y., says: "Have used Citrolax for 15 years but this Citrolax has got everything else beat a mile." Try it. Patterson Drug Co.—Adv.

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