

Hint of 'wrong-doing' triggers investigation

Gov. Tom McCall's office has authorized two separate agencies to investigate the affairs of Penland (Prairie) Lake Corporation; and, County Judge Paul Jones has refused an "invitation" by the governor's office to allow his name to be withdrawn as a member of a state-wide committee because of a KGW-TV, Portland, news broadcast Monday night that hinted at corruption at a local level in the Penland Lake Corporation.

The news commentary that triggered the call from Gov. McCall's administrative assistants hinted at possible collusion, graft and illegal procedures in the formation, construction and administration of Penland Lake. Judge Jones, along with 24 other local businessmen, were the original backers and builders of the Man-made lake that attracted the attention of the television newsmen.

Wednesday, Oct. 24, as a member of the Land Conservation and Development Commission (LCDC), composed of seven statewide members appointed by the governor. Jones is the only representative east of the Cascades, he said.

The call from McCall's office came Tuesday morning. The governor's representatives, whom Jones did not identify, asked his permission to withdraw his appointment in the light of the KGW-TV commentary on his possible involvement in the Lake Penland affair.

Jones refused. "I will not withdraw under fire because of the irresponsibility of KGW-TV reporters," he declared, "and I will not quit as long as my name, and the names of my associates in Penland Lake are under a shadow. The governor can fire me if he wants to, but there will be no quitting under

this cloud of innuendo and suspicion."

Jones said he had given a similar statement to KUMA Radio in Pendleton, but he had not contacted KGW-TV nor had he been contacted by that television station.

Later Tuesday afternoon, Jones was again contacted by spokesmen for Gov. McCall. "I told them exactly what I told them this morning," Jones told the Gazette-Times, "and that was that I insist upon the investigation mentioned in the television broadcast, be completed, and that I would not agree to have my name withdrawn as a member of LCDC."

Jones said that the governor's spokesmen promised two investigations of Penland Lake Corporation from his office, one by the State Real Estate Board and the other by the Local Governments Division.

The investigations will be conducted independently but simultaneously, and should be completed within 10 days.

Jones, while declining to have his appointment withdrawn, did agree to be sworn in only after the investigations are completed.

"And it may be a lot longer than that," the judge stated. "I doubt I want to serve on a commission where a member can be all but convicted in advance on unfounded charges."

The Monday night broadcast contained vague allegations, but skirted any definite charges of wrong-doing in the Penland Lake deal. The two reporters who came to Heppner to film and tape interviews, some of which were heavily edited, according to L.E. Dick, asked questions which led few of their interviewees to doubt they were on

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Peaceful Penland Lake, a quiet and beautiful spot where private landowners and the public share fishing and recreational facilities, will be better known over the state from now on.

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Boardman, Irrigon in housing crisis

By MARY LEE MARLOW

The Boardman City Council was told by a spokesman for Desert Magic at their meeting Tuesday of last week that there will be a need for housing for its hundreds of employees during the next two years. There is already a pressing need for homes in the Boardman and Irrigon area. Cecil Cooley of Hermiston, a housing developer associated with Howard Kartchner, Desert Magic president, says farms and allied industries in

the area will be employing upward of 650 people in the next two years, and housing is not available.

The great need is adequate water and sewer facilities. Boardman is trying to work with the U.S. Army Corps of Engineers on a new lagoon site for the sewer program, but consulting engineer Stanley Wallulis told the council he has called the Corps in Portland many times in recent weeks, but all he has gotten from them is delay. Kartchner has said several

times this year that he has the financing available for housing, if he could get the water and sewer plans from Boardman or Irrigon to accommodate the housing. Both towns are working on the problem.

For water, Boardman is trying to get about \$9,000 of a \$30,000 federal Economic Development Administration grant to have a study done on its water expansion program. The balance of the grant would go to Hermiston. Cooley told the council that

Desert Magic and other farm organizations have recently talked about a farm labor

camp, but that farm workers in Northern Morrow County will be employed most of the

year and need housing better than a labor camp. He also said a child day center would make it possible for families to expand their incomes with the mothers working in jobs related to agriculture. He said the average farm worker will be grossing \$8,000 annually.

Annual co-op meeting is Nov. 1

The annual Membership Meeting of Columbia Basin Electric Co-op will be held Nov. 1 at the Gilliam County Fairgrounds in Condon.

Registration is scheduled to begin at 11 a.m. with lunch at 12:30 p.m. A Swiss steak dinner will be provided by the Co-op, served by the Condon Eastern Star.

The meeting will begin promptly at 1:15 p.m.

President of Columbia Basin's board is Walter Jaeger, who has served on the board for 22 years.

Columbia Basin was incorporated Sept. 18, 1940. The first electric service was provided nine years later at the Ralph Potter Farm, Condon, on Oct. 14, 1949.

The present Board of Directors is Jaeger, Condon; Dick Krebs, Cecil; Paul Tews, Ione; Kenneth Smouse, Ione; Van Rietmann, Condon; Herb Wright, Fossil; Walter Palmer, Heppner; Dick Wilkinson, Heppner; Randall Peterson, Heppner; Floyd Palmer, Olex; and Paul Jaeger, Condon. Kenneth Smouse is to be honored at the

meeting for a quarter-century of service. Columbia Basin serves 3,100 customer accounts over 2,850 square miles of service area.

The annual report of the local utility shows annual income exceeding one million for the first time in the past fiscal year, \$1,075,261.97. Assets of the corporation are \$5,215,136.99, based on depreciated values.

No guest speaker is scheduled for the meeting this year. President Jaeger will briefly report concerning the energy crisis.

Secretary-Treasurer Paul Tews will discuss the audit and fiscal financial report.

Manager David Harrison will show colored slides on the operation.

Entertainment will be by Lisa Ward, Swiss yodeler from Portland. There will be many door prizes presented. Four districts are electing directors at the meeting.

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No 'road money' until '74-Corps

There won't be any tax money released to the Corps of Engineers for relocation of the Willow Creek Dam road until the spring of 1974, Col. Nelson Conover, District Engineer, Corps of Engineers, told a small gathering at the court house today.

"The reason the alternate road is being considered," he said, "is that it is a soundly engineered road, and was offered to us by the people of the community. However, there is a trade-off involved and the alternate route is more expensive because it involves more roadwork. But it will be considered," he said.

He said he would recommend Alternate Plan B, the one most recently approved by local governmental agencies.

Col. Conover spoke briefly on the construction of the

dam, and emphasized that money will have to be appropriated prior to construction.

As for the relocation of existing water lines and a new reservoir to serve residents of Heppner, Col. Conover said the "Corps will help the city in every way possible."

In view of the ban on water connections and building permits within the city because of an inadequate system, the city will be pressing for all the help it can get.

There was a detectable concern on the part of Heppner officials as to when the road relocation work might start, and how much "cooperation" might be expected from the Corps. The climate was in marked contrast to previous meetings where the sentiment was torn between "we don't want the dam" and public apathy.

Shakespearean group to appear

A professional troupe of Ashland Shakespearean performers will appear here on Friday, Nov. 2, it was learned this week.

This traveling educational group from the regular company of The Ashland Shakespearean Festival will be at Heppner High School most of the day and evening.

The evening performance at 7:30 o'clock in the high school cafeteria is open to the public.

Mrs. Jane Rawlins, high school English department head, has made arrangements for this appearance. The troupe is able to include Heppner in its itinerary between performances in Fossil and at Pilot Rock. This will be the first showing of this well-known theater group here, and presents a rare opportunity for many to see it.

The players will give three classroom showings during the day and do an all-school assembly entitled "Poet and Players." Ione High School students will be bussed here for the assembly.

Mrs. Rawlins is not certain what the evening performance will include, but understands that the actors are bringing a collection of properties and costumes and will present an array of Shakespearean characters and scenes.

Each summer a group of Morrow County students and adults has gone to Ashland to enjoy the offering of five plays in five days.

CALIFORNIANS VISIT HEPPNER

Loren Frigault, Northern California banker, was a visitor in Heppner for four days last week.

Here this week, also from the same area, will be Richard S. Hogan, civil engineer and surveyor. On Nov. 1, Hugh B. Coddling, Santa Rosa, Calif., land developer, will spend several days in the area.

Inadequate water system

City freezes all building permits

The City of Heppner, upon recommendation of the Health Division, Department of Human Resources, has placed a temporary freeze on all building permits within the city, effective Oct. 10.

The action was announced late Tuesday.

In a letter to Mayor Jerry Sweeney dated Oct. 10, Leo G. Farr Jr., Director of Public Health Engineering for the agency, said his department cannot approve additional demand on the City of Heppner water system until it receives engineering plans and design data showing how

the water system will be altered to supply city needs.

"We believe the amount of water that the present water system can safely deliver is less than the present user demands," the letter read.

The letter continued:

"We urge you to have this information submitted as soon as possible in order to take advantage of the early part of the 1974 construction season. We have about two to three months backlog of plans awaiting review at this time. The maximum water demand period for your city is July. If your engineer's report does

not show how the city can adequately serve this maximum demand in 1974, we will not be able to approve additional users.

"We further caution you against forcing water through old, leaky mains because this may result in further depletion of your system's capacity. Our rules limit the maximum velocity in pipelines to five feet per second.

"We understand your engineer contemplates submission of engineering data within 90 days. We shall review his material as quickly as our work load permits. We

would also appreciate receiving information concerning the manner in which the required work will be financed."

Contacted by telephone Monday at his office in Portland, Farr told the Gazette-Times that the state had not placed a ban on water connections. He said he had newspaper clippings in his files to show that the City of Heppner invoked the ban on new connections, and that he concurred in that decision.

"We have the authority to stop new water connections," Farr said, "but we have not

done so."

Asked by the Gazette-Times if his office would take action if the city went ahead and connected "one or four new homes" to the water system, Farr would not give a definite answer.

"We would recommend against it," he said.

The water ban was imposed Tuesday-by the city, on recommendation of the state agency.

D.J. Hebard, associate sanitary engineer, was in Heppner for a meeting with city officials Tuesday, and shortly afterward the announcement

was made.

"We will not stop water service to anyone who has his home near completion," Hebard said, "However, we hope the mayor will not issue any further building permits until the entire system can be reviewed."

Mayor Sweeney said that at the last meeting of the council Friday, Oct. 19, a building permit for a new \$40,000 home was not refused, but the permit was tabled.

City Engineer Steve Anderson has plans ready to submit to state officials.



Jess Cooper, 10, Hermiston, one of the youngest fiddlers in the area, won a round of applause from the audience in the Old Time Fiddlers Contest held Saturday at the Heppner Elementary School.



Guy Lombardo he isn't, but Clay Claughton can play the "sweetest music this side of heaven" on his fiddle. He proved his point to listeners attending the Old Fiddlers Contest.