

The Heppner Gazette-Times

Morrow County's Home-Owned Weekly Newspaper

VOL 104 NO. 30

Heppner, Oregon 25¢

Wednesday, July 23, 1986

12 PAGES



Weather
by the City of Heppner

	July 15 - 21		Precip
	High	Low	
Tues.	69	32	.0
Wed.	65	57	.08
Thurs.	77	58	0
Fri.	82	52	.00
Sat.	89	55	.00
Sun.	92	56	.00
Mon.	95	53	0

Kinzua proposes building stud mill

A proposed stud mill at Kinzua in Heppner would employ about 12 people and utilize the abundant White Fir trees in the forest, General Manager Harry Kennison told the Heppner Chamber of Commerce last Tuesday.

The new mill is still in the planning stage, and "we haven't got the go-ahead yet," Kennison said, but he added that putting in the mill would be part of the company's long-range 10 year plan. The other portions of the plan have been the building of a whole log chipper, and the construction of a wood-waste electrical generating plant at the mill. Both have been accomplished.

Kennison said the stud mill only makes sense because it would use the less desirable White Fir, of which there is quite a bit on company-owned land in the forest. Most of the higher priced pine is now on government owned land.

No new building construction would be required for the new stud mill, as it would be placed in existing structures that once housed the company's plywood plant.

Kennison also told the chamber he was happy the local union and the company were able to come to a new labor contract, and that overall "we are muddling along with the economy. We don't see anything real bright, but we don't see anything real bad either."

Kennison said Canadian imports are hurting the United States lumber markets, and although Congress is looking at tariffs on lumber imports, "we aren't holding our breath," he said. On the long-term availability of

timber for the Kinzua mill, Kennison said there is "ample timber for about 30 years."

Kinzua owns about 175,000 acres, Kennison said, and with sustained yield cutting of about 40 million board feet per year the company will have about 600 million board feet. "If we handle it right we could go up to 700 million," he said.

Some of the problems the mill will face in the coming years, Kennison pointed out, is the possibility that Union Pacific will shut down the branch line into Heppner.

"Closing the U.P. branch line

would be a devastating blow to us," he said. "It would be a real detriment for Kinzua to haul all our lumber out of here on trucks and re-load. That would be expensive." He said the company which at present ships 65 percent of its lumber by rail, is looking at other alternatives if the line is closed.

Kennison also pointed to the Spruce Bud Worm infestation as a problem. A spraying program several years ago knocked the Bud Worm down, but "it's still out there and we don't know what makes it become active again." The Bud-worm is now attacking Douglas Fir, and "we've really got a bad case of it now."

With the construction of the electrical generator, the whole log chipper, and now the possibility of a new stud mill, Kennison said the company is in a position to be competitive in the market, and "we hope to be a stabilizing force in Heppner and Morrow county."

Hotel project progresses

The state has committed themselves to making \$600,000 available for the elderly housing project at the Heppner Hotel, City Attorney Bill Kuhn said upon his return from a July 15 meeting with state housing officials.

The 240 people who sent in pre-application forms were a big help, he said, and provided a good indication of community interest.

Now the city and the Heppner Economic Development Corp. has to justify the loan, he said. "Can we afford it," is the next big stumbling block. Architect Jim Lynch has worked with the city throughout the loan process, he said. "First, we will

have to sharpen our pencils, and take a good look at the project to see if 24 units justifies a \$600,000 loan."

The loan application process will take approximately two to four months, Kuhn said. In the meantime, we will be checking to see if other loan sources are available with a cheaper interest rate. "We have concerns about the 11% rate of interest the state is charging."

The city has already been awarded a \$500,000 federal block grant for development of the project. If the city does not get a loan to finance the balance of the project, it will lose the grant.

Sidewalk sale coming Fri.

There will be fun, food and sale items this Friday when Heppner holds its annual Hawaiian Days sidewalk sale.

In addition to sales throughout the downtown businesses, there will be balloons, crafts, bake sales, a dunk tank, face painting, greenhouse display, a produce tent sale and much more.

When you finish with your shopping, stop by Kate's Pizza for dinner, where the Heppner firemen will "take over the pizza parlour," says Assistant fire chief, Rusty Estes.

Kates will donate 10% of profits between 6 and 10 p.m. to the fire department for purchase of needed firefighting equipment.



A tour group of Japanese engineers pose at the base of Willow Creek Dam during a stop here last Wed.

Research group visits Willow Creek Dam

The Japan Dam Foundation, a research group of engineers and professors from Japan were in Heppner last Wednesday to tour Willow Creek Dam.

The foundation was touring roller compacted concrete structures in the United States, said Dennis R. Hopman from the Portland district office of the Corps of Engineers who conducted the tour.

Since Willow Creek Dam was the first dam the Corps built using this

method, they wanted to see how it was performing, Hopman said. The dam's seepage has received much publicity, some valid, some not. And, they wanted to see for themselves how it was performing. The seepage has decreased tremendously, about 20% from a year ago, and is continuing to decrease," he said.

Hopman said that he was in Japan a year ago where they have built several roller compacted concrete

structures. The method they use is rather expensive, and the research group was looking for a way to do this process cheaper in Japan without jeopardizing quality.

The non-English-speaking group consisted of 30 college professors and engineers from private construction companies. "I suspect," he said "that they will make recommendations to the Japanese government which controls construction there." The group arrived in New York

City in time for the Liberty Celebration and toured other roller compacted concrete dams across the United States: one in New Jersey, currently the largest structure of its kind; the Upper Stillwater Dam that is still under construction in Utah; the Galesville Dam near Roseburg that is about the same size as the Willow Creek Dam, and the Elk Creek Dam also currently under construction. They toured downtown Portland last Friday before returning to Japan.

Ballots in mail Monday

Registered voters in Morrow County should receive ballots by Monday, July 28 for the August 12 vote by mail. Voters need to mark the ballot, place it in the secrecy envelope, sign the outer envelope, and return to the Clerk's office at the Courthouse in Heppner by 8 p.m. on the official election day.

As with the last mail-in election, Bloodsworth said ballots must be physically in the Clerk's office, to be counted, not just postmarked August 12.

Ballots also must be signed by the registered voter to be counted, Bloodsworth said. Unsigned ballots will not be counted.

The ballot will have four

measures, Morrow County Clerk Barbara Bloodsworth reports. The city of Irrigon has both a bond issue and an operating levy before the voters. The school district is presenting a \$5,140,000 one-year special levy, and a \$473,768 three-year serial levy.

Any registered voter who does not receive his ballot by August 1, should call or write the Clerk's Office at the Morrow County Courthouse in Heppner. If anyone has a problem with their ballot or does not receive one, or inadvertently destroys it, they should call the Clerk's Office, 676-9061, Bloodsworth said. "We will try to help them."

Irrigon resubmitting levy and bond issue

The City of Irrigon will resubmit its one year special operating levy unchanged and an \$800 thousand general obligation bond issue back to voters for approval in a second election by mail August 12.

Irrigon voters defeated the levy and bond issue by a margin of five votes in the June 24 election.

The city is asking for an operating levy of \$38,625 outside the current tax base of \$30 thousand. The additional funds are needed to maintain the city's current services. Of the \$800 thousand in general obligation bonds \$600 thousand would be allocated to construct Irrigon's sewer system. The remaining \$200 thousand would be used to expand and improve the city's water system. The bonded debt would be repaid with revenues received from user fees.

The operating levy, if passed, would increase the total tax rate 38 cents from \$6.85 per one thousand dollars of assessed property value to \$7.23 per one thousand (property assessed at \$60 thousand would cost the taxpayer an additional \$22.80 a year.)

According to Irrigon Mayor Don Eppenbach about three-fourths of the 38 cents increase will be used to cover skyrocketing insurance costs. The city's liability insurance costs

have doubled in the last year, from \$5 thousand in fiscal year '85-'86 to \$10 thousand this fiscal year.

Eppenbach said the city looked at what could be cut and found the only substantial cut they could make was police department personnel. "The council could not justify a large cut such as an officer," Eppenbach said. "At this point, we do not cut back. We cut out."

If the levy is defeated again, the city could be forced to work off the tax base which is not sufficient to operate the city at its current level.

Irrigon has had a \$30 thousand tax base since 1980. Wages and other personnel expenditures required by law (unemployment insurance, Social Security, SAIF, etc.) cost about \$20 thousand. City personnel, except police and maintenance, have no health insurance.

Eppenbach stated that failure of the levy would result in:

- reduction of administration which consists of one full-time and one parttime employee to one week per month. "That's almost enough time to send out the water bills and possibly answer some correspondence," he says.
- elimination of further work on the sewer project;
- elimination of the police

Election Preview

Two school levies on Aug 12 ballot

Morrow County voters will have a third chance to decide the fate of the Morrow County School budget when ballots are delivered for the August 12 election.

This election, voters will be looking at a reduced one-year special levy of \$5,140,000 and a three-year serial levy of \$473,786. The two

levies are \$344,128 less than the \$6,180,808 levy which was rejected twice.

The School Budget Committee recommended various budget cuts at a June 4 meeting including: reducing the number of new teachers; cutting administrators' salaries; reducing summer maintenance; reducing benefits; eliminating some purchased services; and postponing purchases of irrigation parts, an addition to the office at A.C. Houghton elementary school in Irrigon, overhead projectors, typewriters, tools, maps, band instruments, cameras, tables, chairs, classroom clocks, drapes, student desks, a used pickup, calculators, a portable chalkboard, office chairs, a social studies kit, and math program.

The Budget Committee said that further budget cuts would necessitate cutting vital education programs. They chose to try for a serial levy to raise the balance of funds needed because the tax rate limitation law restricts a third one-year levy request to the amount the base tax rate of \$6.89 per \$1,000 of assessed property value will raise, which is \$5,140,000.

Market Report

Compliments of the Morrow County Grain Growers

Tues., July 22		
Soft White		
July		\$2.83
Aug		\$2.73
Sept.		\$2.75/\$2.77
Oct.		\$2.79/\$2.81
Nov		\$2.83/\$2.85
Barley		
July/Sept.		\$71
Oct.		\$72
Nov.		\$73
Hard Red Winter		\$2.70



There will be bargains and fun during sidewalk sale this Friday in Heppner.