

Sales Tax Hearing Finds Little Enthusiasm

Rogue River Water Use Permit Given City of Medford

Big Amount Available For Industrial Uses

The city of Medford has received a permit from the state engineer's office for a water right, amounting to 100 cubic feet per second, from the Rogue river, City Manager Robert Duff said this morning.

Under the permit the city will be able to take about 65,000,000 gallons of water from the river daily.

However, Duff emphasized that the city plans to make no immediate use of the right. It will be used at some time in the future, he said, for industrial purposes.

Use of Rogue river water will allow the city to provide water to industries adequate for any foreseeable need, Duff said. It will not be placed in city mains, as the present city water supply from Big Butte springs is adequate to handle a population of more than 60,000.

Point of diversion of the river water, when it becomes desirable, will be about a mile above Bybee bridge. The water would supplement the Big Butte supply, and would be available to industries in both the White City and Elk City areas, which are best equipped to handle new industry.

No Time Estimated

Duff declared that there is no way to determine how soon the new water supply will be needed. However, he added that if industries come along which need the water, it will be provided.

Several methods may be used to pipe the water from the river to the industrial sites, Duff said. Whatever means is used, however, the water must be pumped.

The city manager pointed out that, in case the water should ever be needed for domestic purposes, it could be chlorinated and would be usable.

Blizzard-Stranded Sheep Given Food

By UNITED PRESS

Relief crews fought through snow drifts today to get feed to an estimated 24,000 starving sheep isolated by blizzards, and a massive cold wave stretched from the Dakotas to Texas.

The rescue operations were underway in Carbon county, Wyoming, where numerous flocks of sheep were reported trapped in snow so deep that grazing was impossible.

The temperature went to 19 below zero at Dickinson, N.D., and forecasters said the cold wave would move across the Mississippi river and stretch from Eastern Lake Michigan to Western Ohio by tonight.

Heat returned to homes in the Topeka, Kan., area after an explosion ripped out a 20-foot section of a gas line. The temperature during the night fell to 12 degrees and there was three inches of snow on the ground.

State Police Probe

Elk City Safe Burglary

State police and sheriff's deputies today were investigating a safe burglary at the Elk City market. They reported that the store was entered last night and that the burglary was not discovered until the store opened for business in midmorning. Amount of money taken was unknown.

Portland — (U.P.)—Albert F. Bick of Coos Bay is free on \$1000 bail after surrendering to the U. S. Marshal on an income tax charge.

Effort Made To Patch Rift Between US, Great Britain

Bangkok, Thailand — (U.P.)—Foreign ministers of the United States, Britain and Australia met privately here tonight in an effort to patch up the widening rift between Washington and London over the Formosa crisis.

The three got together after the Southeast Asia Treaty Organization had agreed to set up a permanent SEATO headquarters in Bangkok and had created three subcommittees to deal with Communist subversion and military and economic problems.

Outside Defense Area

Formosa is outside the defense area of SEATO but was very much in the thinking of the delegates at a dinner given by Secretary of State John Foster Dulles. His guests were Britain's Foreign Secretary Anthony Eden and Australia's Minister of External Affairs R. G. Casey. Authoritative sources said

Students Meet City's Problems in Council Meeting Last Night

Sites for the freeway and salaries or expense accounts for the mayor and council were the top items of discussion last night as city high school students conducted a city council meeting.

The council session was the final event of Student Government day, conducted by the Medford Elks lodge, the city of Medford, and high schools throughout the county.

With the regular adult city officials sitting in, just to offer advice, the student officials, headed by Mayor Don Robinson, were not hesitant about wading in to some of the most controversial problems facing the city.

Student Councilwoman Emily Gannaway carried the ball for the "Let's find a new site for the freeway" forces. She declared that, although the freeway would go down only the extreme west side of the park, work on it might well destroy the park trees and shrubs.

"There are lots of wide open spaces where the freeway could be placed and where it wouldn't destroy the park," Miss Gannaway said.

Defer Action

Student councilmen voted to defer action on recommending a change in the freeway site until the state highway commission has completed its surveys. Mayor Robinson declared that it is fundamentally a highway commission decision and the commission should be given a chance to give reasons for its selection of the Bear creek site.

A salary, or expense account of \$2,000 a year for the mayor, recommended by Student City Manager Lorin Jacobs, received a hearty but unofficial second from regular Mayor Earl Miller.

From that point on, however, the proceedings became more and more confused.

Advocates of the plan noted that \$2,000 a year would amount to only \$5.93 a day "and surely the mayor is worth that much."

But, Viola Russell, student chairman of the budget committee, warned the council that there is no money available for that purpose without increased taxes or a bond issue.

Decide on Expenses

Because a charter change would be necessary before a salary could be paid to the mayor, it was decided to give him an expense account of up to \$2,000 a year, with the assumption that all of it would be drawn. Student City Attorney Emil Muhs questioned the legality of this procedure, but it was decided to go ahead with it until the city attorney was sure it was wrong.

Budget Chairman Viola Russell again warned that no money was available, so it was decided to take the \$2,000 from a \$2,850 expense fund set up for the mayor and council. Then, if more money was needed for the council's expenses, it could be taken from emergency funds.

With this more or less assured, student councilmen decided they should also receive a \$2,000 annual salary. This, under pressure from the beleaguered budget chairman, was trimmed to \$1,000, then \$100, and the matter finally was tabled by a 5 to 3 vote.

Salary Back Again

However, at that point, the question of the mayor's salary was brought back, and it was decided to put the matter to a vote of the people.

Other matters discussed by the student councilmen included annexation of surrounding areas

to improve sanitary conditions, new equipment needed by the parks department (Student Councilwoman Patty Read warned "We've got a pickup truck that's on its last wheels"; repair of streets, the problem of liquor being furnished to minors ("We think the police department is doing a good job controlling this"), and a new sign for the city manager's desk, where the sign now reads "City Superintendent."

The student council voted unanimously to buy a new sign for City Manager Robert Duff's desk in appreciation for his help in making Student Government day a success.

Ends on Serious Note

The evening ended on a serious note when Mayor Miller spoke briefly to the students on the responsibilities of city government and the duty of helping contribute to good government which every citizen owes.

Members of the student council included Miss Gannaway, Miss Read, Don Slater, Stanley Culy, Dan Kellington, Ken Pind, Sue DeVoe, and Mary Kay White.

Young Band Leader Hal Sheppard Held As USAF Deserter

Hal Sheppard, young Medford band leader was arrested yesterday by city police and FBI agents and was charged with being a deserter from the United States Air Force.

He was jailed under the name of David Werner Hanson, which police said is his true name. The 21-year-old musician was picked up yesterday at the Holland hotel, where he has been living with his wife, Doris Hanson.

Listed as Deserter

Police officers indicated that Hanson has been listed as a deserter from the Air Force for about a year, records at the city police department stated that he is also wanted in several states to face back check charges.

Hanson organized a band here about a month ago. At that time, he declared he came to the west coast with a "name" dance band, and when the band broke up, he stayed in the west.

Hanson declared he had been a professional musician for eight years, and had a band in the east which broke up when he entered the Air Force. He said he served with the Air Force for two years.

A helicopter hovered over the east slope of Mount Susitna yesterday and five men bailed out to assist M/Sgt. F. R. Sackler, Topeka, and Airman I. C. R. L. Josephson, Grants Pass, Ore.

The two paramecs had parachuted to the mountain, 35 miles northwest of here, Saturday near the wreckage of a Navy Neptune which crashed last Thursday en route to Elmendorf Air Force Base here.

Kindness Backfires For Medford Man, 91

An act of kindness backfired on a 91-year-old Medford man last week and cost him the money he had been saving for his funeral.

Friends told police yesterday that John Covey, 91, of 509 South Central ave., last week met a man who told him he had no money. Covey offered to allow the man to spend the night at his home.

When the elderly man awoke the next day, the money which he had been saving for his funeral, plus a pocket watch, were missing.

Since the theft, Covey has suffered a heart attack. He was released from a local hospital yesterday.

Prime Minister Winston Churchill, in a written statement to the House of Commons in London yesterday, said Britain will not become involved in any fighting that develops over the offshore islands.

Casey was pictured as urging Eden, at tonight's conference, to "take as strong a position as possible" to deter further Communist aggression.

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Tanker Refueling Aircraft Crashes On Missouri Farm

Yreka Man Listed Among Nine Dead

Sedalia, Mo. — (U.P.)—A four-engine tanker refueling plane caught fire in the air and crashed shortly after its take off from the Sedalia Air Force Base last night, killing nine of the 11 men aboard. Four of the dead were from California.

Two of the plane's occupants parachuted to safety, escaping serious injury.

The Air Force said the KC97 tanker was on a refueling training mission when the crash occurred. Civilian witnesses said one of the survivors told them fire appeared first in the tail of the plane and that a series of explosions followed.

The plane's wreckage, strewn over a wide area of the David Stiles farm, approximately 10 miles from the air base, continued to burn more than two hours. Fire fighting equipment from the base extinguished the flames.

The two who parachuted to safety were identified as S/Sgt. Stanley C. Beach, Lambert Lake, Me., and T/Sgt. Walter H. Polke, Knoxville, Tenn.

Among those listed as dead were:

S/Sgt. Robert Rosencrance, 36, Yreka, Calif.

Capt. Leslie H. Brown, 40, aircraft commander, Guerneville, Calif.

Airman 2C Charles J. Sitra, 22, Livermore, Calif.

S/Sgt. Anton Bohaty, 30, Los Angeles.

Congress Virtually Assured Pay Raise

Washington — (U.P.)—Members of Congress were virtually assured today of pay raises of at least 50 per cent, from \$15,000 to \$22,500 a year.

The Senate approved the 50 per cent, or \$7,500 annually, by a vote of 62 to 24 yesterday. But the Senate pay hike was less than the \$10,000 raise the House voted for last week.

The same legislation also promised raises for federal judges and members of the Supreme Court, but again the two houses disagreed on the amounts.

Differences between the two bills must be adjusted by a Conference Committee.

The \$2,500 difference in House and Senate proposals for congressional salary hikes was offset in part by a Senate provision to give each member of Congress the actual mileage cost of four round trips to his home state a year. This would be in addition to the 20 cents a mile now allowed for one round trip a year.

The governor, who was a Washington visitor recently where he had lunch with President Eisenhower and visited with Presidential Assistant Sherman Adams and Budget Director Rowland Hughes, said he would be "very much surprised" if some \$2,000,000 to \$2,500,000 in initial construction appropriations for the \$22,000,000 project are not contained in a supplemental budget request sometime during the session of Congress.

He said that several errors in figures contained in earlier reports, and previously explained, have been called to the attention of the budget bureau, which will make it possible for the Talent project to take its place among those on the approved list.

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Decision on Freeway Location Not Made; Local Views Sought

Salem — A final decision on location of the new highway through (or around) Medford has not been made, according to W. C. (Dutch) Williams, assistant state highway engineer. He said the city will have a part in making the decision.

Ever since the publication of the State Highway commission's extensive traffic survey report for Medford, which showed the proposed new freeway cutting through Medford right along Bear creek, controversy has surrounded the proposal. A strong protest movement, centered largely among women's and garden groups, has sprung up, claiming that such a freeway, elevated above the ground, would destroy the esthetic values of Hawthorne park in particular, and other Bear creek property dedicated for future park purposes.

Williams explained that the route of the freeway has not been determined finally, and will not be for some time. It was shown running down Bear creek simply because that is the only possible route for a high-standard, limited-access highway, if it is to go through the city itself.

Final surveys, he said may show that a route to the east of the city would be more feasible.

And, he added, the commission certainly would not "force" the Bear creek route if it meets substantial opposition from the city. He indicated that the city council would have what amounts to the final say on the matter.

Teenagers Admit Series of Thefts; New School Robbed

Four teenaged Ashland boys yesterday admitted to sheriff's deputies that they were involved in a series of thefts in Medford and Ashland, and deputies today are investigating reports of a theft at the new Medford grade school.

The four Ashland youths, ranging in age from 14 through 16, admitted thefts from parked cars and trucks in Ashland, from Ashland and Medford stores, and from Southern Oregon college.

Watch Stolen

Items taken from cars included gasoline, hubcaps, gloves and flashlights. Minor items were taken from the stores, and the youths admitted taking several things, including a watch, from the college.

The cases were slated to be turned over to county juvenile authorities.

The theft at the new Jefferson school, which is still under construction, was reported by Alf Mekvold, county superintendent of schools.

Mekvold told sheriff's deputies that equipment valued at about \$400 and owned by contractor Louis Kowolski, has been stolen from the new school building.

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SPEECHLESS—Dramatic moment is captured by photographer as Mayor Martin H. Kennelly (left) of Chicago and his running mate, Morris B. Sachs, embrace tearfully in their campaign headquarters. They had just conceded Democratic primary election to their opponents who were backed by the regular party organization. They both opened their mouths to speak but no words came.

Thousands Evacuated From Nanchi Island

Taipei, Formosa — (U.P.)—Official Nationalist sources today reported the evacuation of thousands of persons, including bomb victims, from Nanchi Island, and it appeared the outpost would be abandoned at U.S. insistence.

The sources said Nationalist landing craft brought a "few hundred" evacuees to the port of Keelung today. An undisclosed number were wounded in recent Communist bombing attacks and required hospitalization.

The sources told of the arrival Wednesday night of "more than 1,000," and estimated a total of 4,000 would be removed from the threatened island 140 miles north of Formosa, Chiang Kai-shek's northernmost outpost.

Nationalists Stage Raids

The Nationalist Air Force announced its bombers hit Communist invasion buildups in the nearby Taishan Islands early today, but did not announce the results of the latest attacks.

Authoritative American sources here said they knew of no decision "so far" to evacuate Nanchi, but it was understood Chiang called a top-level conference of his military chiefs to discuss the growing threat.

The U.S. 7th Fleet, never committed to the defense of

Nanchi, apparently was not helping the evacuation of civilians from the island as it did when the Tachens were evacuated. The latest refugees arrived in Nationalist landing craft.

Authoritative military sources said the growing Red Chinese military force along the Fukien coast opposite Formosa might force the Nationalists to consider shortening their defense line. The sources said Nanchi had been "boxed in" by Red forces.

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House Committee Tackles Problem Of Finding Money

Sales Tax Hearing Scheduled Wednesday

By BILL FORCE

United Press Correspondent

Salem — (U.P.)—The sales tax today appeared to be dead before it even saw the light of day in the House Taxation Committee which made its first real attempt to grapple with the most vital issue before the 48th legislative assembly—new taxes.

There was no enthusiasm among committee members when they agreed to hold a public hearing on a measure by Rep. Earl Hill (R-Cushman) to ask the voters for a three per cent sales tax exclusively for school purposes.

The hearing was set for next Wednesday at 1 p.m. Rep. Roderick McKenzie (R-Sixes) agreed the hearing should be held "to get the thing out of the way." He added that "apparently we're going to table it anyway."

No Weakening

There was no weakening of Democratic opposition to the sales tax in the committee.

Rep. Ed Cardwell (R-Sweet Home) said the bill should be given a hearing "out of deference to the author."

The committee's plunge into the revenue tax field today—abandoning the still large backlog of administrative bills on the agenda—came after a hush-hush meeting of tax and ways and means committee heads with the governor yesterday.

Meeting Not Explained

The meeting, which newsmen learned about only by accident, has not been explained. It apparently was the third top level, top secret parley since late last week when Sen. Gene Brown (R-Grants Pass) first proposed his controversial plan to slash the equivalent of 10 per cent off the governor's budget.

Gov. Paul L. Patterson's concern for what the Legislature might do to his program first came to public attention Tuesday when he and other members of the Board of Control attended a ways and means committee meeting in body.

Since then he has summoned the speaker of the House, the president of the Senate, both chairmen of the Joint Ways and Means Committee, and the chairmen and vice-chairmen of both taxation committees to two conferences in the Board of Control room. The press has not been specifically excluded but has been kept carefully uninformed that the meetings were being held.

Finances Discussed

Finances were the topic under discussion, judging from the makeup of the attendance, and the House Taxation Committee today went to work on its money-raising chore still unsure just how much money the Ways and Means Committee would require to balance the budget.

Rep. Loran L. Stewart (R-Cottage Grove), House Taxation Committee chairman, found two fields of general agreement on which his bi-partisan group could start work.

Members were agreed, in principle, that the days of exempting utilities from the corporate excise tax were about over. And they also agreed that collection of the state property tax would be pushed into the background and used only as a last resort in the event no other adequate source of revenue could be found.

(See stories on Page 10)

DOW-JONES AVERAGES

New York — (U.P.)—Dow-Jones final stock averages: 30 industrials 410.30 off 1.18; 20 railroads 148.33 off 1.25; 15 utilities 63.69 off 0.11, and 65 stocks 152.74 off 0.62. Sales today were about 2,920,000 shares compared with 3,030,000 shares traded yesterday.

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