

# \$500,000 OK'd for Local Projects

MEDFORD



NE

50th Year 28 Pages

MEDFORD, OREGON, THURSDAY, JULY

ice 5c No. 98

## Weather

FORECAST: Continued fair and warm through Friday. Low tonight 62. High Friday 94. Highest Yesterday 99. Lowest this Morning 64.

## House and Senate Give Final Approval To Compromise Bill

### Talent, Rehabilitation Funds Are Provided

A total of \$500,000 for two irrigation and reclamation projects in Jackson county is provided in a \$554,000,000 appropriation bill which received final approval from Congress yesterday.

The funds include \$350,000 for rehabilitation work on the canal systems of the Medford and Rogue River Valley Irrigation districts, and \$150,000 for the Talent project in southern Jackson county.

The rehabilitation funds are part of monies set aside for the bureau of reclamation for various projects, and are earmarked for use in the Medford and Rogue River Valley districts. Water users of the two districts will vote tomorrow on approval of a repayment contract with the federal government covering the project.

Later Appropriations The \$350,000 appropriation is sufficient to get the most crucial phases of the project completed, and other later appropriations can be expected for later parts of the job, which will be spread over a six-year period. The total estimated cost of the rehabilitation project is \$1,712,000.

The \$150,000 for the Talent project was a specific appropriation listed in the bill. Originally it was not included in the administration budget, but was inserted into the bill by the House appropriations committee. The amount was increased to \$500,000 in the Senate committee, but was pared down to the smaller figure again by a House-Senate conference committee.

Washington—(U.P.)—A \$554,000,000 appropriation bill including important Northwest projects was sent to the President today after getting by both House and Senate in a compromise version.

Northwest projects in the final compromise included: Dredging at the mouth of the Columbia river, \$750,000; Tillamook bay project, \$200,000; Green Peter dam planning, \$100,000; John Day planning, \$550,000; Talent project, \$150,000; Coos Bay project, \$200,000.

Previously agreed on and unaffected by Senate-House conference action were: The Dalles dam, \$63,500,000; Chief Joseph dam, \$18,000,000; McNary dam, \$11,000,000.

Despite efforts of four Republicans to delete Ice Harbor dam from the bill, it was approved for \$1,000,000 to start construction at the Snake river site. Hills Creek dam was also approved.

The compromise bill was worked out by Senator Allan Ellender, a Louisiana Democrat, who is chairman of the senate conferees. After passage, Sen. Richard Neuberger, Oregon democrat, complimented Sen. Ellender on his efforts in behalf of the three new federal dams for the Pacific Northwest.

## Hells Canyon Dam Testimony Heard

Washington—(U.P.)—A House interior subcommittee today began hearing direct testimony on a bill to authorize federal construction of a dam at Hells Canyon on the Snake river in Idaho.

Witnesses included R. B. Parry of Twin Falls, Ida., counsel for the Idaho Power Company, and Holland H. Houston of Olympia, Wash., engineering consultant to Gov. Arthur B. Langlie of Washington.

Parry described in detail the physical contour of the Snake river and its tributaries. Houston testified about engineering problems involved in the development of hydroelectric power in the Northwest.

The subcommittee deferred cross-examining both witnesses until tomorrow.

## Officials Set Fire Damage at \$175,000; Cause Said Accidental; Two Men Released

Two men were released by city police yesterday afternoon after giving statements that a fire which caused more than \$175,000 damage to Medford Furniture store last Friday was caused accidentally.

Melvin Glenn Wier, Phoenix, and Gene Wallace Lauderdale, 29, a transient, both of whom were employed by the store, gave statements before city fire department officials, representatives of state police arson squad, state fire marshal deputies and city police.

The fire gutted the second floor of the building at the corner of Bartlett and Sixth sts., and the approximate loss on the building and two businesses in the building will total \$175,000.

Wier in his statement said he and Lauderdale were looking for a specific color of mattress in a dimly lighted storage room in the southwest corner. He accidentally dropped a lighted match, igniting paper mattress coverings, he said.

The fire spread rapidly over highly combustible material stored on the floor.

Both men were released by police. No charges were filed. Lauderdale was arrested by city police Saturday night in a front st. tavern for being drunk in a public place. He was sentenced to 30 days in city jail, pending possible release after questioning in connection with the fire.

Wier is a truck driver for Medford Furniture store, and Lauderdale was a temporary employee who was sent there by the employment service two days prior to the fire. Police said Lauderdale was living at Lake hotel on Main st. when he was arrested.

Wier said he has been "worried sick" about the fire since Friday, according to police.



POUFF—Devastation and almost complete disintegration mark spot where a huge Air Force four-engine tanker plane crashed and burned in Merced County, Calif., killing 11 crewmen. Only tail section (circled, top) and scattered wreckage remain.

## Officers Investigate Crash of Air Tanker

Merced, Calif.—(U.P.)—The Air Force sought today to learn what caused a four-engine air tanker to crash in flames shortly after taking off from nearby Castle Air Force Base. All 10 men aboard were killed.

Carrying Jet Fuel The KC97, a military version of the Stratocruiser, was carrying more than 6000 gallons of jet fuel. The crash took place yesterday when the plane was at an altitude of 1500 feet.

Witnesses agreed that one of the engines burst into flames and dropped off. The loss of weight caused the big plane to tilt on its side, with tongues of flames flashing along its length.

Then it nosedived into a grain field, six miles north of Castle. The explosion rocked the countryside for miles around and tore out a crater measuring 50 by 60 feet and 15 deep into the ground.

Roaring flames shot high into the air and a pall of smoke was visible 25 miles away. The Air Force identified the victims as follows: Capt. John Easterling, aircraft commander, Ventura, Calif.; Capt. Edward J. Smith, navigator, Kamehameha, N.Y.; T/Sgt. George W. Hutmire Jr., flight engineer, Latham, N.Y.; S/Sgt. David S. Scorgins, radio operator, Bessemer, Ala.; 1st Lt. James H. Dillon Jr., Philadelphia, observer; 2nd Lt. Amador E. Joaquin, Wahiawa, Hawaii, observer; Lt. James W. Guiles, pilot, Westborough, Tex.; S/Sgt. Marvin F. Rusk, boom operator, Finton, Tex.; S/Sgt. George R. Mignosa, boom operator, South Boston, Mass.

The name of the 10th victim, a foreign national exchange student, was withheld until his next of kin is notified.

## Passenger Train Hurtles Embankment

Bridgeport—(U.P.)—An express passenger train derailed and hurtled over an embankment here today and first reports said one man was killed and 45 to 60 were injured.

Emergency calls went to all hospitals in the vicinity for ambulances to be rushed to the scene of the wreck.

Witnesses said seven cars and the engine of the fast Washington to Boston "Federal Express" train left the rails and went over the embankment.

Police said the derailment may have been caused by a freight train which was reported involved in the accident.

A doctor at the scene of the derailment said a number of passengers were painfully injured but he said he did not expect any of them to die.

## Eisenhower To Take Son As Aide To Geneva

Washington—(U.P.)—President Eisenhower will take his son, Maj. John S. Eisenhower, to the Big Four meeting in Geneva as a personal aide, the White House announced today.

## 'CRUCIAL' ELECTION TOMORROW

### Dulles Prepares Finishing Touches In Paris Session

#### Moscow's Khrushchev Will Attend Meeting

Paris—(U.P.)—Secretary of State John Foster Dulles arrived here today to put the finishing touches on Western unity and strategy before next week's historic Big Four summit conference in Geneva.

Dulles and Harold E. Stassen, President Eisenhower's assistant on disarmament, landed at Orly airport to begin their round of meetings with French Foreign Minister Antoine Pinay, British Foreign Secretary Harold MacMillan and other NATO foreign affairs experts.

"Great hopes are in the air," the Secretary of State said as he stepped from the U. S. Air Force Constellation in which he made the Atlantic crossing. In Good Spirits

Dulles was in extremely good spirits and radiated optimism as he greeted American Ambassador G. Douglas Dillon and scores of top American officials in Paris.

They arrived as Moscow announced that both Soviet Communist party chief Nikita Khrushchev, Russia's most powerful man, and Defense Minister Georgi Zhukov, Mr. Eisenhower's old World War II friend would go to Geneva with Premier Nikolai Bulganin, nominal head of the Russian delegation.

Informed sources said that Dulles and Pinay would assess the makeup of the Soviet delegation in their first meeting today.

France had a number of summit proposals waiting for Dulles and MacMillan, who was due to arrive later from London.

The first was Premier Edgar Faure's suggestion that all the Big Four powers to set the example by cutting their arms budgets and setting up a world fund for underdeveloped countries with the money thus saved.

Controls Over Arms The second was the idea of a European security pact based on the rearmament controls of the new Western European union.

Such a system might limit a reunited Germany to the same 12 divisions now authorized for the Federal German Republic at Bonn.

The third French idea was for a world conference on the dangers of atomic radiation from nuclear tests and the growing number of atomic piles and radiation.

Western experts here already have hammered out unity on the basic big three strategy at Geneva. Dulles, MacMillan and Pinay will report to the NATO Council Saturday morning and listen to the ideas of the smaller allies before they move on to Geneva.

(See Story on Page 10)

## State Rests Murder Case; Blows Described

The state rested its case in the trial of Bernice Hampton (Tex) White shortly before noon today. White, 37, is charged with first degree murder in the death of Eugene Raymond Birk, Phoenix.

Final witness for the state was Harold Allen, Central Point, a former foreman of the Talent mill, where Birk was fatally injured by one or more blows over the head.

Allen declared he wrestled standing with his hand on Birk's shoulder when the first blow struck. He didn't see where the blow came from, but as he turned, he said, he was White strike Birk a second time.

Allen declared he wrestled with White to keep him from striking the fallen Birk a third time. White kept repeating "I'll kill the son of a..." Allen testified.

A tape recorded statement taken from White in the county jail on March 4, two days after the attack on Birk, was introduced into evidence by the state.

In the recorder statement, White said "I grabbed the two by four and hit him over the head with it." Later White added, "He had turned and was facing the other way when I hit him."

HB by Birk White also stated that Birk had hit him four or five times shortly before the attack. White said he wasn't particularly mad or afraid, except of getting cut around the mouth again. White had received a mouth injury in an earlier dispute resulting from the same question of relief work which brought about the dispute with Birk.

White's attorney, Robert Duncan, objected to introduction of the recorded statement on the grounds that White was illegally detained from the time of his arrest until about 8:30 a.m. on March 5 when he was arraigned on a grand jury indictment, that there was no complaint, no order for commitment, that he was not taken before a magistrate, and that there was no warrant for his arrest.

## Chamber Directors Protest Abandoning Passenger Service

The board of directors of the Jackson County Chamber of Commerce this morning unanimously adopted a resolution protesting the proposed abandonment of Southern Pacific passenger service between Portland and Ashland, effective Aug. 7.

The resolution instructed Chamber President John Fletsch to name a committee to work with State Sen. Philip B. Lowry in his demand for a public hearing before the state public utilities commissioner regarding the end of the service.

It also provided that the chamber would be represented at any such hearing.

Senator Lowry, meanwhile, was scheduled to meet early this afternoon with two of his Senate colleagues, Sen. Gene Brown, Grants Pass, and Sen. Paul Geddes, Roseburg, in Senator Brown's office. They were to discuss with John R. McCullough, a PUC attorney, various phases of the SP's proposal.

The railroad claims the PUC does not have jurisdiction over the proposed cut in service. Outcome of Senator Lowry's demand for a hearing, filed with Commissioner Charles Heltzel last week, may be a clarification through the courts of the PUC's authority over the railroad.

Copy To Mayor A copy of the chamber of commerce resolution is to be sent to Mayor Earl Miller of Medford in order that it may be brought to the attention of the city council for whatever action deemed appropriate. Earlier this week, the Roseburg city council unanimously adopted a resolution protesting the end of passenger service, and offering to cooperate with other cities and chambers of commerce in action designed to compel the SP to continue service. The Roseburg resolution also asked that daytime passenger service be added to the line.

The Jackson County Chamber's action came after a brief discussion in which some members characterized the SP's action as a "betrayal" of the southern Oregon area.

Large Turnout Officials of both districts today strongly urged a large turnout of voters for two reasons: first, because they feel the approval of the contracts is vital, and second, because a large vote indicates good public backing, and would aid them in their negotiations with the federal government.

Total cost to the Medford district would be \$1,475,466, and to the Rogue River Valley district, \$236,534. These amounts would be repaid the government in yearly installments, without interest, over a 40 year period. No Assessment Increase

Officials of the districts point out that savings in maintenance costs would equal and offset annual installments to the government. Consequently, there would be no need for raising assessment charges to meet the payments.

About 900 voters are eligible in the Medford district, and about 250 in the Rogue River Valley district.

Those eligible to vote must be 21 years or older, own two or more acres within the districts, with the deed recorded at least six months, or with a recorded contract of sale. Only one owner of each piece of property can vote.

Polls Listed Polling places for the Medford district include, Precinct 1, Hillcrest orchard house, Precinct 2, Phoenix Grade school gym, Precinct 3, Oak Grove school.

Rogue River Valley district poll is located in the district office on Merriman rd., beyond Howard school, near Gilman's dairy.

Polls will be open from 8 a.m. to 5 p.m.

## Ex-Communist Admits Lying in Bridges Case

San Francisco—(U.P.)—Balding former Communist party waterfront organizer David L. Saunders today testified that he "lied on many occasions to protect" longshore boss Harry Bridges from being known as a Communist party member.

Saunders, currently operations manager of the NYK Shipping lines was recalled to the stand today at the Bridges denaturalization trial by defense attorneys for further cross-examination.

Jury Deliberates Guilt of Overross

Salem—(U.P.)—Jury deliberation in the murder trial of Casper Overross resumed at 9:30 a.m. today and a verdict had not been reached at noon.

The jurors failed to reach a verdict as to whether Overross killed his Silverton area neighbor, Ervin Kaser, although they deliberated last night from 5:56 p.m. until they were excused by Judge George Duncan at 11:20 p.m.

Attorney Bruce Williams concluded his argument for the defense by saying that special prosecutor Howard Raymond was asking for "155 pounds of flesh."

Overross weighs 155 pounds. Williams said the state had failed to prove its case with its own witnesses.

Raymond, who closed for the prosecution, said "I did not come down here to gas 155 pounds of flesh. I came down here to let the state in prosecution of a first degree murder indictment returned by the Marion county grand jury."

## Water-Users in 2 Districts To Ballot On Rehabilitation

### Repayment Contract Will Be Decided

A "crucial" vote by water users of two irrigation districts on a rehabilitation contract with the federal government will be held tomorrow.

Some 1,150 residents of the Medford and Rogue River Valley Irrigation districts are eligible to

An initial appropriation of \$350,000 for rehabilitation work on the Medford and Rogue River Valley Irrigation districts has been approved by congress. The amount was contained in an appropriation bill given final passage yesterday, and is earmarked in bureau of reclamation funds.

Bids have been submitted on first phases of the rehabilitation work, at Four Mile and Fish lakes, and the only thing now holding up the beginning of immediate construction is approval of a repayment contract for the job by voters of the district, who will ballot on the question tomorrow.

cast ballots. Directors and officers of the two districts this morning emphasized the importance of the future of agriculture of the valley of a favorable decision.

The contract would authorize the bureau of reclamation to repair water carrying structures, several of them in critical condition, complete facilities at Fish lake and Fourmile lake dams. Both an immediate program, covering critical and major operations, and a long range six-year improvement project would be involved.

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City Council OKs Slashes in Budget With Reluctance

Trimming Necessary Following Election

The city council last night adopted a 1955-56 general fund budget \$66,512 below the amount recommended by the citizens' budget committee.

Reductions in the budget, which affected city employees as well as general operating expenses, were necessary when Medford residents defeated a proposed budget \$66,510 over the 6 per cent limitation in an election July 5.

Accept With Reluctance Majority of deletions suggested by City Manager Robert Duff, who prepared the budget, were accepted by the council with some reluctance, although discussion arose when city employees' salary deletions were suggested.

Duff pointed out, "The emergency fund may be called on more this year because some items are cut pretty thin." The emergency fund totals \$10,000.

Most of the discussion centered around putting the license collector on a part-time basis and cutting the salary by \$2,145. Councilman Stanley C. Jones Jr., said there is "no reason to penalize the collector if we found at the end of the year we had funds to pay him."

Jones pointed out license collections could increase by about 100 per cent, bringing additional revenue to the city which would compensate for leaving the collector on a full-time basis. Presently about \$20,000 is being collected by the license department.

"I don't think the people realized they were voting deletions in salaries when they rejected the budget," Jones said.

Councilman Harold Frye pointed out the collector has been employed by the city about 21 years, and added that "I don't think we should have to delete employees' salaries."

Jones suggested restoring the collector's salary, and deleting the amount from the emergency fund, which he said is seldom entirely used. He also suggested alternatively, restoring the item, and adding to the revenue additional money which may be collected by the license department.

Councilman Donald Hansen said, "It is unfortunate that salaries have to be cut."

Besides the license collector's salary, other deletions affecting municipal employees include \$387 from the airport manager, \$1,600 from the city manager, and \$3,380 from the police department. The latter is temporarily dispensing with one patrolman, who would be returned to the force next year if funds are available.

The administrative side will assume duties of airport manager for the year, which also would effect a saving of \$1,968 for the difference paid the present airport manager and the administrative side assuming the duties.

Councilman John Snider said deleting \$1,000 from the library book fund would have a direct effect upon Medford's youth, who would be deprived of additional books.

Total Cuts Listed Total deletions included: \$10,787 from the airport; \$2,000 from city hall improvements; \$3,700 from the engineering department; \$2,145 from the finance department; \$6,235 from the fire department; \$11,435 from the general administration; \$3,400 from the legal department; \$1,000 from the library book fund; \$3,500 from the planning commission; \$6,260 from the police department; \$3,750 from the sewer department; \$2,350 from sewage treatment; \$7,950 from the traffic department.

The council adopted routine ordinances calling for the following levies: General fund and library, \$223,764; park and swimming pool (1 mill continuing levy), \$20,861; fire maintenance fund (4 mill continuing levy), \$483,446; general bond fund, \$105,035; and water bond sinking fund, \$36,015.

Camden, N.J.—(U.P.)—The Radio Corporation of America said a radio station and other equipment it had erected at the atomic test in Nevada sustained only minor surface damage in a nuclear explosion last May 8.