

COUNTY BONDS
CAUSING STIR
AMONG BUYERSPortland and San Francisco
Firms After Them

THEY BRING HIGH PRICE

County Court Holds Up the Award
Until Thursday Afternoon to En-
able It to Analyze the Two Leading
Bids, One of Which Contains a
Complicating Offer of Interest on
Unexpended Balances

Klamath county is evidently in for something of the same struggle for its bonds that Klamath Falls recently experienced, when Morris Brothers and the Lumberman's Trust company of Portland went after the municipal securities so vigorously that it forced the premium up to the highest price ever paid for city improvement bonds. The securities that are now in the limelight are the bonds that were voted last June for the permanent improvement of county roads. These bonds amount to \$347,704. Six bids were submitted, but only two of these were considered by the County court, those being the one submitted by Morris Brothers of Portland and a joint bid of Clarke Kendall of Portland and the Anglo & London-Paris National Bank of San Francisco. The bid of the latter is the one that complicates the situation, since it carries with it a proposition of paying interest on the unpaid balances that at first glance seems very attractive.

Under the big submitted by Morris Brothers the county is offered a premium on the entire issue of \$2,207.92, and will, in addition, take the bonds on a 5 per cent basis. The Anglo, London, Paris National bank and Clarke Kendall make a flat offer of \$349,432 for the entire issue and ask 5 1/2 per cent interest. But these bidders offer to pay a 3-4 per cent interest on unpaid balances for a period not exceeding two years. And it was this provision that caused the delay in making the award until Thursday afternoon, to enable to mathematical sharks to do some figuring. As the bids now stand, this is what the county would get:

All county funds draw interest at the rate of 2 per cent, so that the actual gain to the county would be 2.3-4 per cent on \$347,704, which, at the very outside would not be in possession of the county for an average of more than a year, since the county has immediate use for \$50,000 and will need an additional \$50,000 within a month or six weeks. This interest on unexpended balances would amount to \$9,561.86. Under this bid the county would have to pay 5 1/2 per cent on the bonds. The average life of the bonds would be about four years, and this extra half of one percent would cost the county \$24,339.25 from which should be deducted the \$9,561.86 it gets back by reason of the 2-3-4 per cent on the unpaid balances.

Under the premium offer of Morris Brothers that firm would pay the county \$479 more for the bonds than the Portland and San Francisco firms, which added to the additional interest the county would have to pay by reason of the one-half of one percent interest, would net the county a loss of \$15,256.42.

Another consideration to be taken into account, and which affects the net amount the county will get in the matter of the legal opinion of Teal, Minor & Winfree, attorneys of Portland, whom the county has retained to handle all proceedings governing the issuance of the bonds. If the bonds are sold to Morris Brothers, the county will have to pay this firm of attorneys a fee of \$1,000. If the Anglo, London, Paris National bank and Clarke Kendall get them, they will pay the attorney fee. Therefore, this \$1,000 should be deducted from the \$15,256.42, leaving a net difference of \$14,256.42 in favor of the Morris Brothers' bid.

An echo of the struggle for the bonds comes from Portland in the

nature of telegrams from The Oregon Voter. These telegrams were sent to Leslie Rogers, cashier of the First National Bank, and W. O. Smith, of the W. O. Smith Printing company. Both messages are identical and contain the following:

"Reported here that Oregon bond house, which bid \$800 higher on Klamath county road bonds, and which refused to enter syndicate to hold price down against county, is being discriminated against by county court, which is said to have decided to award bonds to California bank. Kindly wire two hundred words."

Judge Bunnell was read this message over the phone and he stated that this was not true, since no decision had been reached and none would be reached until Thursday afternoon, when the analysis that was being made of the various bids would be ready for the consideration of the county court.

VAN RIPER TAKES NEW POST.

Garrett Van Riper is the new Deputy County Clerk, taking the position left vacant by Fred Fleet.

Mr. Van Riper returned from the service recently and was employed in the Golden Rule Store for two weeks or more. He assumed his new duties at the court house on Monday morning. His predecessor, Mr. Fleet, will devote all of his time at the Klamath Valley Warehouse & Ford company, where he has interests.

WILL OPEN BIG
TIMBER TRACTConstruction of the Portland &
Southeastern Railroad Will Bring
to Market Five Billion Feet

Further light is thrown on the development that will follow the construction of the Portland & Southeastern railroad, projected from Mt. Angel to Bend, by an article in the Bend Bulletin, which follows:

In the minds of local business men and timber holders, it is apparent why the proposed line of the Portland & Southeastern railroad is projected southeast from Hogg pass to Sisters and Gist and thence to Bend. It has been authoritatively learned here that the Hill interests have approximately 45,000 acres of timber directly tributary to the proposed line, all of which is located on the east slope of the Cascade mountains. The proposed line extends through the heart of this timber for a distance of 65 miles. The breadth of the timber belt on the east slope is approximately 12 miles.

Huge Tract Tributary.
An estimate placed on the amount of timber represented is placed at 600 million feet, a great part of which is merchantable and tributary to the Deschutes river. It is estimated that other timber, including that owned by private interests and in the national forests directly tributary to the line, is five billion feet.

According to men well informed on the timber situation in Central Oregon, practically all of the Hill timber can be brought to the Deschutes river for milling more satisfactorily than at any other point along the proposed route of the Portland & Southeastern railroad.

Timber Pool Possible
It is confidently felt that Louis Hill is desirous of milling this timber, but there remains speculation as to the point he will conduct these operations. It is also felt that there may be some arrangement whereby the other timber interests, holding land tributary to the survey, may pool their timber with the view to general and extensive milling operations on the Deschutes river.

The haul from the summit presents no difficulties. It has been learned, but, rather, the conditions favor operations southeastward rather than northwestward over the pass.

Men who have traveled extensively in the Cascades say that the Hogg pass is the lowest point in the Cascade mountains over which a rail line might be constructed, and that the elevation at the highest point is no more than 4700 feet.

MAY DECLARE
MARTIAL LAWRace Rioting in Washington Last
Night Ends With Five Killed and
Fifty Injured—200 Rioters Ar-
rested

WASHINGTON, July 22.—Race riots continued last night with such increasing bloodshed that authorities are considering the advisability of declaring martial law.

Several days of disorders with soldiers and sailors leading the attack on the negroes for alleged assaults on white women, culminated in five deaths and fifty injured last night. Two hundred rioters were arrested. Detective Harry Wilson was shot through the heart by a negro girl who fired from a window into the street.

EWAUNA EMPLOYEES
HELP YOUNG WIDOW

Employees of the Ewauna Box Company made up a purse of \$139.50 for Mrs. W. L. Strickland, the widow of the late William Strickland, who was electrocuted last Friday afternoon.

Mrs. Strickland was employed at the Ewauna Box Company at the time of the death of her husband. The subscription by the employees was entirely voluntary, their desire being to express their sincere sympathy to Mrs. Strickland. Officials of the Ewauna Box Company contributed \$50 to the fund making a total of \$189.50 contributed by the company.

THIEVES ARE APPREHENDED.

Authorities of Dorris arrested Floyd Barnes, of San Francisco, and Alvin Gumm of Klamath Falls yesterday for having robbed Henry Anderson's general merchandise store in Merrill last week. They were brought to Klamath Falls and are now in the county jail.

Jewelry, cigarettes, clothes, flashlights, and foodstuffs were recovered from the thieves.

President Wilson as He Left White House
Carrying Copy of Peace Treaty to SenateDEALS WILL BE
FINISHED SOONWar Transactions Between the United
States and England May be
Completed by September 1—Offi-
cers Will Come Home Soon

LONDON, July 22.—American army and navy officers who are trying to close up the war financial transactions between the United States and Great Britain, hope to have their task completed by September 1. If that end is reached the majority of the 75 army officers and 200 men now here will be sent home, and the navy force will be reduced to a few experts to tie the last remaining strings.

The magnitude of the task will be appreciated when it is known that the army alone bought 2,000,000 tons of equipment and supplies here and shipped them to France, while the navy had large forces of ships which were constantly purchasing things from British warehouses.

Another element in the situation is the slow and deliberate manner in which the British render their bills. One such bill received at army headquarters today amounted to \$150,000 for supplies for the American troops in Northern Russia.

It frequently happens that errors occur, but they are quickly found and adjusted without friction, as in the case of a bill which reached the American naval headquarters here the other day. It carried the expenses of an entertainment given to the officers of an American battleship by the officers of a British squadron with which it had been working. The bill had been placed in the American package by the error of some clerk. The American paymaster in charge tactfully returned it without comment, and some one in the British office probably spent an unhappy half hour.

Civilian clerks are being released as quickly as possible, and the 800 still at work expect to be gone in two months.

American Red Cross activities also are being closed up with all possible speed, and it is possible the London

force will be reduced to a few expert accountants and stenographers by August 1. They too are paying bills, but one canteen and one hospital are still in operation.

DR. MITCHELL
WALKING AGAIN.

"Hello Doc—glad to see you around again. I knew they couldn't keep you down very long."

Such were the cheery words that greeted Dr. George C. Mitchell as he walked up and down Main Street this morning on his first trip outdoors since the severe bullet wound he received in the abdomen over a month ago.

"Feel Fine," said Dr. Mitchell as he walked eagerly with the aid of a cane. And he looks well for a man who but a few weeks previously was hovering between life and death. His quick recovery is considered remarkable by his many friends who knew the seriousness of his condition.

AMERICANS RELIEVE
FOREIGN CHILDREN

PRAGUE, July 22.—The American scheme of child relief in Czechoslovakia is now in full swing. Large quantities of milk, cocoa and other goods are in the hands of the central committee and the feeding of the children has been completely organized in the different districts.

Not every child in Czechoslovakia is being fed, but only those who are actually hungry and needy. In most districts about one child in three is now receiving the American ration.

With the co-operation of various national, religious and social organizations, encouraged by the Czechoslovak government, local and district committees have been formed to carry on the details of the child-feeding scheme. Food is at hand in many places only awaiting the organization of the local committee. Additional American personnel has recently arrived from Paris, and as soon as word is received that a community is ready for organization, representatives are being sent out to put the relief into operation.

POLICE TO LOSE "PIN MONEY."

LONDON, July 22.—The policemen of the pretty seaside town of Ramsgate are to lose their "pin money." This money has been obtained by waking early risers by a knock at their door or tap at the window.

A "season ticket" system was in force whereby the cost of this service was reduced to two cents a call. The receipts were pooled and shared between the police as "pin money."

Instructions have been issued to the chief that the police must discontinue the service. Old residents resent the new order.

SHOEMAKER & STOUT
LEAVE FOR LAKE CO.

State Game Warden Shoemaker, accompanied by his deputy, Henry Stout, expect to leave today or tomorrow for a tour of inspection through Lake county. Many matters of interest to the people of Lake have been brought to the attention of Messrs. Shoemaker and Stout and it is for the purpose of enabling them to make a co-operative personal investigation at this time that the trip is taken. Mr. Shoemaker will continue north to The Dalles, while Mr. Stout will return here. He will be absent a week or more.

AMERICAN LEGION WEEKLY
ISSUED FOR SOLDIERS.

Americanism combined with punch—that makes the new American Legion Weekly a most interesting and vital factor in purging this country of the evils of Bolshevism.

In the interests of the American Legion—that is the sole purpose of the new magazine. It is published in New York and is filled with live, interesting news and cuts concerning soldiers who did their part in the world war. Special articles in the second number issued last week by Ole Hanson, mayor of Seattle, and Bennie Kauff, famous baseball star, add much to the magazine.

WASHINGTON IS
RUSHING AHEAD
WITH DUTIESPresident Eager to Return
to His Desk

McNARY LAUDS LEAGUE

Oregon Senator Urges Adoption of
Covenant Without Altering Pur-
pose of Covenant—Senate Cannot
Approve Appointment of Repre-
sentative on Reparations Com-
mission Until Treaty is Ratified

WASHINGTON, July 22.—Despite the President's weakened condition he is most anxious to continue his conferences with Republican senators and official Washington is again rushing ahead with its many duties after a dull Monday.

Senator McNary of Oregon, in a speech before the senate, urged that the League of Nations should be accepted without such amendments and reservations as would "alter the splendid purpose of the covenant or weaken it so far as it affects our duties." McNary further declared that the senate could adopt certain reservations in the form of interpretations but should not endanger the covenant by reservations vitally affecting important features. Article ten, the "pillar section of the league" must be unimpaired, said the Oregon senator.

The senate Foreign Relations Committee declared in answer to the president's request that it approved the provisional appointment of the American representative on the Reparations Commission to be created under the peace act, that until the treaty was ratified "no power existed to carry out the provisions."

Senator Morris, who was invited yesterday to confer with President Wilson, declined. President Wilson will no doubt be able to discharge his full duties either Wednesday or Thursday.

MOUNTAIN STREAMS ARE
DRYING IN CALIFORNIA.

PASADENA, Calif., July 22.—Southern California mountain streams, which heretofore have maintained at least a "trickle" during the summer, are going dry, and many trout are dying as the result, according to S. W. Sopp, engineer of the United States forest service, with headquarters here.

For the first time in many years, Mr. Sopp says, the waters of Little Santa Anita and Fish canyons are insufficient and the streams have gone dry. The streams in Pacoira and Rogers canyons dwindle away and the San Gabriel river, as a result, is practically nothing but a dry bed.

The mountain trout are dying in the rapidly diminishing pools.

OFFICERS OBJECT TO SALE
OF HORSES TO MEXICANS.

EL PASO, Tex., July 22.—Cavalry officers at Fort Bliss unofficially protested against the selling of 400 cavalry horses to the Mexican government for mountain cavalry troops in pursuit of Villa rebel bands. Officers who have been in Mexico with various expeditions assert the Mexican federal or rebel soldier has little or no regard for his mount, rides it hard, takes no care of the animal and permits it to become saddle sore, acquire hoof rot and other equine diseases.

50 AMERICANS SLAIN
DURING LAST 3 YEARS

WASHINGTON, July 22.—American ambassador to Mexico, Henry Fletcher, told the house committee today that 50 Americans had been killed in Mexico the past three years. Not a single prosecution has been made by the Mexican government, according to the ambassador.