

SENATOR IN NEW WATER PROJECT APPEAL TO PWA

Dec. 29, 1935

Sees Mayor After Return Home.

The city's application for a PWA loan and grant to build a waterworks reservoir and distribution system was the matter chosen from an accumulated volume of state, national and legislative problems for immediate attention of Senator Joe T. Robinson on his return home yesterday from an official trip to the Philippine Islands as a representative of the United States government.

He accompanied Vice President John N. Garner and other members of a Congressional delegation to Manila, where they attended the inauguration of the new Philippine commonwealth's first president, and the party visited Japan and Pacific points en route home.

With Mrs. Robinson, the senator arrived from Chicago at noon and went at once to his home at 2122 Broadway, where correspondence and files relating to several important matters had been brought from his office.

Following an interview with Mayor Overman on the waterworks question, Senator Robinson telegraphed Washington officials in regard to the city's application and expressed gratification at prospects for successful conclusion of the project.

Surprised by News Of Rejection by PWA.

"While on the voyage to Manila I was surprised to receive a message to the effect that the waterworks application had been rejected by the PWA," he said. "I cabled President Roosevelt, urging that the matter be reopened and given favorable consideration if possible."

"The president confirmed the attitude of the Public Works authorities to the effect that the original project did not come within the Emergency Relief Act of 1934 for a loan and grant because the financial benefit of the grant might inure to the benefit of a private corporation, and because a serious legal question had been raised as to whether the city may be authorized to construct a reservoir where the existing distribution system is privately owned."

"Upon arrival here I learned that the supplemental application filed by the city for funds for the construction or acquisition of a distribution system was favorably reviewed following the messages referred to, and that an allotment for the project awaits availability of funds. I am, therefore, hopeful that details pertaining to the application may be closed by the mayor, who is going to Washington with the information referred to. Since the application was first filed I have urged favorable consideration and action and quite naturally am gratified at the prospect of a successful conclusion."

Foresees Important Legislation at Session.

Senator Robinson said that he does not anticipate a prolonged session of Congress, but that he expects several measures of importance to come before the Congress for consideration.

Among these he mentioned the flood control question, saying, "Legislation pertaining to flood control is of great importance to the country generally and particularly to residents of the Mississippi valley. A drive will be made for action during the next session, and I am hopeful of satisfactory results, although there are still some conflicts as to the form the legislation may take which are difficult to harmonize. The location of the proposed spillway in the middle section of the river and the terms and provisions relating to compensation by landowners for flowage rights and damages constitute the two largest aspects of the problem from the standpoint of securing prompt and decisive action."

"It is my expectation also that a measure for payment of adjusted compensation certificates will receive consideration early in the session and that the subject matter may be finally disposed of."

"It does not appear likely that the work of the Congress will require a long session. Undoubtedly in addition to measures above mentioned a number of others of recognized general importance

will be brought forward for action. I do not undertake at this time to list or outline them and realize that as the work of the Congress progresses the present outlook for essential legislation may be modified."

Comments Caustically On Peace Proposal.

Asked to comment on the Italo-Ethiopian war situation and on international complications arising from present European conditions, Senator Robinson said:

"There exists ground for anxiety at the failure of all peace proposals that have been advanced. If the subject were not of tragic importance, one might suggest that the proposal of Great Britain and France to give Italy at least one-third of the territory of Ethiopia and a measure of control over almost two-thirds is a singular and amazing illustration of how ready some people are to give away other people's property. Quite naturally there appears a breakdown in the negotiations because it is wholly unacceptable to Ethiopia and does not satisfy Mussolini."

"The phase of the subject that interests me more than any other is that whatever course may be taken by other nations, the United States shall stay out of the conflict and shall refuse to participate in any war which may extend itself from Africa to Europe."

"We must be prepared to make some economic sacrifices. I believe that the observance of strict neutrality is the

only course which we can safely pursue and recognize that such a course will involve numerous difficulties."

Extension of Japanese Influence Noticeable.

Expansion of Japanese influence in the Far East and the commercial advantage gained by Japanese manufacturers as a result of low labor and production costs were apparent to Senator Robinson on his trip to the Orient.

"Japan, because of her low standard of wages and living conditions, has an advantage in commerce in the Orient which it is difficult for countries like the United States and Great Britain to overcome," he said.

"For instance, a yen per day or less is the wage paid male workers in Japanese cotton mills, and women laborers receive less. At one factory which I visited the company furnished houses for the workers at exceedingly low cost. Quarters in dormitories for laborers are free, and there is a daily food allowance by the company of 20 centavos for the men and 15 centavos for the women, the equivalent of five cents for the latter and less than seven cents for the former. It was stated, however, that the laborers were expected to contribute about an equivalent amount from their wages in payment for their food."

"Japan apparently has the idea that she is entitled to dominate the Orient, both politically and economically, although it does not seem likely that she will interfere in a political way in the Philippine Islands. Certainly she is speedily establishing control in north China, the so-called autonomous government being the method by which she expects to accomplish her purpose."

"There is no evidence of unusual depression in the Orient, although living conditions among the masses are exceedingly depressing to Westerners. Factories are running full time and workers appear enthusiastic in spite of their low wages, which would not be tolerated in other parts of the world."

To Be Busy Here Until Departure for Washington.

A full schedule of engagements awaits Senator Robinson's attention here before his return to Washington shortly after Christmas. Tomorrow he will attend a meeting of representatives from all New Deal agencies in the courtroom of the Federal building, at which the government's emergency program in Arkansas will be reviewed in detail.

Senator and Mrs. Robinson will spend Christmas with relatives here and will drive to Washington the latter part of next week to prepare for the opening of Congress January 3.

Officials To Discuss Water Project Today

Dec 27, 1935

Representatives of the American Waterworks and Electric Company and the city of Little Rock probably will meet today to talk about the city's proposed purchase, with a portion of its WPA water allotment, of the Arkansas Water Company's distribution system. The Arkansas Water Company is an A. W. & E. subsidiary.

J. F. Loughborough, attorney for the water company here, said he expected George W. Biggs and Lorenzo Semple

American Waterworks officials, to arrive this morning from New York and that if they did he hoped to arrange the meeting for 2 p. m.

Mayor Overman said it was up to the water company officials to arrange the meeting and also to speak first after the conference opens.

"The city has made its offer," he said, referring to the recent tender of \$3,000,000 for the distributing system. "We won't have anything to say until we hear what they think of the proposition."

If the conferees should fail to agree on a price the city might use part of its PWA loan and grant of \$7,074,500 to construct a new distribution system. Regardless of that angle, the city is expected to get its water from Alum Fork

of the Saline river. It will build a reservoir there and lay approximately 36 miles of pipe to bring the water here.

The City Council will meet Monday night to accept the PWA funds and the mayor expressed hope that the distribution situation also would be ready for its action then.

No Agreement Yet for Water Company Sale

Dec 29, 1935

Negotiations between the city and officials of the American Waterworks and Electric Company relative to proposed purchase of the Little Rock properties of the Arkansas Water Company were recessed yesterday, pending action of the parent company's Board of Directors.

The city is seeking to buy the properties with a part of a \$7,074,500 loan and grant approved December 21 by the PWA at Washington. The PWA offer to the city provides that \$3,080,000 may be used to construct a new water supply and \$3,994,500 for purchase of the existing distribution system or to construct a new system. The PWA has agreed to pay 30 per cent of the cost of labor and materials in an amount not to exceed \$1,939,500 and purchase four per cent bonds in a maximum amount of \$5,135,000.

The PWA required that the city make "a reasonable effort" to acquire the existing system.

Mayor Overman and John A. Sherrill, project attorney, held an initial conference Friday with George W. Biggs, chief engineer and Lorenzo Semple, assistant to the vice president, of the American Waterworks and Electric Company, J. F. Loughborough, attorney, and S. R. Brough, secretary of the Arkansas Water Company.

"Some progress" was made yesterday, but negotiations were proceeding slowly because of the city of referring controversial matters to New York headquarters of the parent company for approval.

Engineer Arrives. Marion L. Crist, engineer of the American Waterworks and Electric Company, arrived here yesterday and is expected to sit in when discussions are resumed tomorrow. Mr. Crist and Chester A. Smith, company engineer, prepared plans and specifications for the water supply project and also prepared the city's application for PWA funds to construct a competing distributing system. He is expected to aid city officials in determining a fair value for the company's properties.

Agreement on a price for the properties, within the city's ability to pay, would make it possible to ask bids within a short time for constructing the pipeline for the water supply, it is believed. Plans for the 36-mile pipeline estimated to cost \$1,500,000 are on file with the state PWA office. Engineering work on the dam site and reservoir have been held up awaiting release of PWA funds.

Before Council Tomorrow. The City Council will meet tomorrow night to ratify formally an offer of the PWA loan and grant.

The council will meet at 7:30 p. m. as a Committee of the Whole to consider ways and means of increasing the annual franchise tax of the Southwestern Bell Telephone Company.

Mayor Overman said yesterday that annual departmental reports would be presented to the council at the first meeting of the New Year. A budget based on 1935 revenue also will be presented at that time, he said.

Declares City Should Have The Water System Appraised.

Dec 31, 1935

To the Editor of the Gazette: There is only one proper course for the city officials to pursue to acquire the distributing system of the Arkansas Water Company in Little Rock, and that is the procedure provided for by the law and the constitution. The city is in no position to offer any price for the distributing system until it has secured an appraisal of the system by competent expert appraisers. There has

never been made such an appraisal of the system upon which a substantial valuation of it could be based.

There is now an outstanding indebtedness against the system of \$3,236,000 in bonds and preferred stock, and before the city could be justified in offering the water company anything in addition to that sum for its equity, the city must first find that much value in the present system. Besides, 15 per cent of the system is in North Little Rock and that part of it should be segregated or otherwise disposed of.

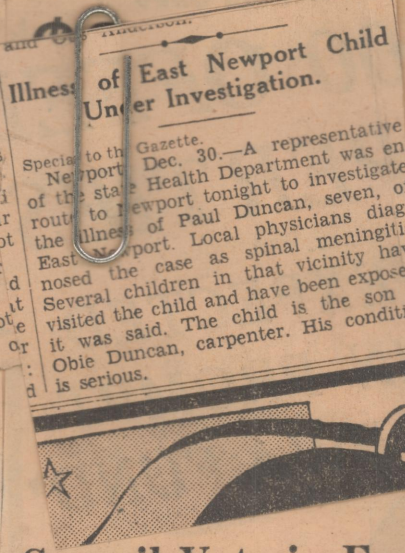
What a new distributing system would cost is no criterion or yard stick to measure the value of the system for the purpose of purchasing it. This basis of a valuation is entirely too high even for rate-making purposes which is a higher valuation than for purchasing purposes as has been held by the Supreme Court of the United States. The valuation of public utility property for purchasing purposes is much lower than the valuation on a reproduction, original cost or historical basis, as has also been held by the United States Supreme Court.

It is nothing more than a blind guess for the city to offer the water company anything for its equity in the distributing system until it has secured a complete appraisal of the system by a firm of competent expert appraisers such that the city could sustain in court in a condemnation proceeding. Were I to hazard a guess of the valuation of the water company's equity under such procedure, I would estimate it to be from \$1,000,000 to \$1,500,000 instead of \$4,600,000 asked by the water company and \$3,000,000 offered by the city officials, after deducting that part of the plant located in North Little Rock.

The records do not show the names of the holders of the outstanding securities of the water company, and it may be that the parent company, or one of its subsidiaries holds the securities which is nothing more than taking them out of one pocket and putting them in the other, but it would make a world of difference as to who actually owns them when it comes to a condemnation suit by the city to purchase the system. This is a question that should be solved in the open so that citizens of Little Rock who are interested and who will have to pay the bill in the end, could have an opportunity to know what is going on in the way of bringing about its consumation.

A. L. Rotenberry.

Little Rock.



Council Vote in Favor of Proposal, 16 to 1.

The city of Little Rock last night bought the water distribution system of the Arkansas Water Company for \$3,850,000.

A resolution offering that sum for the property was adopted by the City Council after an executive session. The company representatives previously had demanded \$3,990,000 but eventually accepted the amount offered.

The vote on the resolution was 16 to 1. Only Alderman Terral voted against it. Alderman Erwin was absent.

The deal covers all property of the Arkansas Water Company south of the Arkansas river.

The council's resolution will be filed at state PWA headquarters today or tomorrow and it is expected that the purchase money will be made available from the PWA allotment of \$7,074,500 within 30 to 90 days. As soon as the money is paid, the city will take charge of the property.

The city will petition the PWA for

a grant of 15 per cent of the purchase price when the application for a loan to purchase the plant is filed, John A. Sherrill, the city's attorney for the project, said.

Minimum Figure Without Litigation, Mayor Says.

Explaining the resolution authorizing purchase, Mayor Overman said it represented the lowest price obtainable unless the city wanted to engage in a legal fight to acquire the property.

In justification of the \$3,850,000 figure, he said the Burns & McDonnell engineering firm had estimated \$3,119,000 would be cost of reproducing the existing property. Construction of a new system would necessitate the expenditure of an additional \$425,000 for tearing up and repairing city streets, he said. Other costs involved in new construction would be \$140,000 for interest during construction and loss of an estimated annual profit of \$100,000, bringing the total involved expenditure to \$3,784,000.

Alderman Terral in voting against the purchase resolution said he believed the city was paying the Arkansas Water Company \$850,000 too much and asked that his objections be incorporated in the minutes. His initial objections to the purchase price caused the mayor to suggest an executive session, which lasted about 45 minutes.

When the aldermen returned to the council chamber Alderman Pickens offered the motion for adoption of the resolution, which was seconded by Alderman Turner. Alderman Guilely voted "aye" but said he considered the city's offer too high. However he said Mr. Sherrill had convinced him that the city had made the best bargain available.

In opposing the purchase plan, Mr. Terral said the city could construct a new and better distributing system for a little more than \$2,500,000 in actual cost to the city after the PWA grant of 30 per cent of the cost of labor and materials was deducted.

What promised to be a lively discussion of the purchase price was halted by the mayor's move for an executive session and when the council returned to the chamber the resolution was voted without discussion.

Company's Bonded Debt \$3,180,000.

Officials of the American Waterworks and Electric Company said last night that they were ready to turn over the property to the city as soon as the purchase price was paid. The Arkansas Water Company has a bonded indebtedness of \$3,180,000 and about \$56,000 in preferred stock, which must be paid before the city can take possession of the plant.

The bonds which bear five per cent interest can be recalled on 30 days' notice. Company officials said they have been regarded as gilt edge securities by investors and have been changing hands at three and four points above par.

The company will continue to operate its North Little Rock property unless suitable arrangements can be made to dispose of the holdings, it was said.

The North Side City Council yesterday accepted a proposal from a representative of a bond syndicate to finance purchase by the city of the water company's properties on that side of the river, and a committee was authorized to negotiate with the company.

Operating Revenues Indicate Safe Margin.

The income from the Little Rock properties last year was \$530,000, out of which the company paid about \$90,000 in taxes, \$170,000 operating costs and \$158,000 interest on its bonded debt.

Even if the city should be unable to obtain a 15 per cent grant of the purchase price, only a little more than \$200,000 annually would be necessary to pay principal and interest on a four per cent PWA bond issue for the entire amount. An additional \$100,000 would retire the bond issue necessary for the proposed \$3,080,000 water supply project on Alum Fork of Saline river, giving the city a safe margin if revenues and operating costs remain unchanged.

\$3,224,500 Remains To Provide New Supply.

Agreement on the purchase price leaves a balance in the \$7,074,500 PWA loan and grant of \$3,224,500 which can be used for construction of a new water supply and improvement of the existing system.

Approval by the PWA will clear the way for award of contract for construction of a reservoir on Alum Fork of Saline river and a connecting pipeline at an estimate of \$3,080,000. Plans construct a competing system. Con- already are on file in the state PWA office, but engineering work at the reservoir site has been delayed pending release of PWA funds.

The purchase agreement marks the climax of several months of negotiations, which were begun March 31, 1935, when the company placed a value of \$5,001,704 on its combined Little Rock and North Little Rock properties. The value of the Little Rock properties was placed at \$4,367,079 and the North Little Rock at \$634,625.

The price was considered excessive by the city but PWA opposition blocked a contract whereby the city would have obtained a PWA loan and grant for construction of a water supply system, the cost of which would have been retired through sale of water to the company.

After several weeks during which the city's application for loan and grant to construct a competing distributing system and water supply appeared doomed, the PWA on December 21 announced approval of a loan and grant of \$7,074,000. The offer provided that the city would receive a grant of not more than 30 per cent of the cost of labor and materials in a maximum amount of \$1,939,000.

It also required that the city make "a reasonable effort" to acquire the existing system before attempting to construct a competing system. Conferences were begun Friday with officials of the American Waterworks and Electric Company, which resulted in yesterday's agreement.

The company's Board of Directors yesterday morning reduced the price from the original \$4,367,079 to \$3,990,000. Further discussion resulted in acceptance of the city's counter offer of \$3,850,000.

Attending the conferences yesterday were: George W. Biggs, chief engineer, Lorenzo Semple, assistant to the vice president, and Clarence Dickey, attorney, for the American Waterworks and Electric Company; S. R. Brough, superintendent and J. F. Loughborough, attorney, of the Arkansaw Water Company; Mayor Overman and Mr. Sherrill.

Purchase of Cars For Police Authorized.

The council adopted a resolution authorizing the Board of Public Affairs to purchase four squad cars, an automobile for Chief of Detectives Martin, and a patrol wagon for the Police Department. It was adopted in response to a request from Chief Pitcock, who described present equipment as inefficient and in need of replacement.

A communication from Fire Chief Charles A. Burns asking that the personnel of the Fire Department be increased with the addition of 25 men was referred to the Fire Committee.

A resolution was adopted authorizing the Board of Public Affairs to execute a contract with the General American Insurance Company of St. Louis for insurance of firemen and policemen. It was adopted on recommendation of the Police and Fire Committees.

An ordinance assessing a privilege tax of \$350 annually on foreign liquor dealers operating in Little Rock was referred to the Police Committee.

Other business transacted was: Ordinances authorizing refunding of bonded indebtedness of Street Improvement Districts 411 and 438; referred to Improvement District Committee.

Petition of Charles J. Lee to erect church at 905-21 West Markham street; referred to Civic Affairs Committee.

Recommendation of Civic Affairs Committee that permits be granted W. E. Noble to operate a grocery at 524 Booker street and to D. F. Summers for garage between Twenty-eighth and Twenty-ninth streets on Arch street; adopted.

Gives Basis For Water Plant Price

Purchase of the Little Rock properties of the Arkansaw Water Company by the city at a price of \$3,850,000 must be approved by the PWA in Washington before the city can proceed to take over the distributing system and begin construction a new water supply estimated to cost \$3,080,000, Mayor Overman said yesterday.

A telegram was sent yesterday to Col. Horatio B. Hackett, assistant PWA administrator, informing him that the

purchase agreement had been approved by the City Council and asking that the city be awarded a grant of 15 per cent of the purchase price or \$577,500.

Certified copies of the resolution, which the council adopted, were forwarded to Washington yesterday by air mail with the request for immediate action.

George W. Biggs, chief engineer, L. Semple, assistant vice president, and Clarence Dickey, attorney for the American Waterworks and Electric Company, parent organization, left yesterday for New York by plane. Marion L. Crist, engineer of Burns and McDonnell, who assisted Mayor Overman and John A. Sherrill, project attorney, with negotiations left by automobile for Kansas City, Mo.

Sherrill Explains How Price Was Decided On.

Mr. Sherrill explained yesterday how the purchase price of \$3,850,000 was arrived at, during the conferences which began last Friday. In a statement explaining this, he said:

"The question, no doubt, will arise in the minds of some of the citizens of Little Rock as to how the city arrived at the value of the Little Rock properties of the Arkansaw Water Company of \$3,850,000. Shortly after the visit of the mayor to New York on June 15, 1935, the water company furnished to the city a detailed inventory of all of the assets of the Arkansaw Water Company showing the amount and value of all of the properties of the company. This was checked carefully by the city's engineers and it was found that a value greatly in excess of the purchase price could readily be proved by the water company. One of the convincing items making up this proof is a report filed by Judge Martineau on April 30, 1923, while acting as special master in chancery for Federal Judge Trieber, in which he found that as of June, 1922, the value of the used and useful property of the Little Rock water plant in the city of Little Rock was \$3,115,831. Since that time their report shows that there has been added to this property nearly \$1,500,000.

Return From Properties Included in Calculation.

"Another yardstick for measuring the value of this property is the return received from the operation thereof. For the year 1935, the estimated gross return for Little Rock is \$544,000 from the Little Rock side; deducting from this interest and sinking fund requirements and cost of operation will leave \$100,000 per year net profits to the city of Little Rock. By this we mean that this plant will not only pay for itself but will pay for the cost of installing a new supply system and net the city approximately \$100,000 per year on the basis of the agreed purchase price and the present returns being made by the company. Without any increase in expense except a slight charge for purification, we anticipate that the new water obtained from the new source of supply will materially increase the quality of water consumed in Little Rock without materially increasing the cost to the city, thereby netting the city additional net revenues from the operation of the plant.

Declares Condition Of System Satisfactory.

"A thorough investigation of the deterioration of castiron pipe has lead us to the conclusion, that there is practically no depreciation of castiron pipe in service of this kind other than tuberculation there. This can be removed by the cleaning of the mains, which was done here in 1918. So far no decrease in the pressure of the system has been noted, indicating that no early additional cleaning will be necessary, and in the ordinary course of events this expenditure will be avoided for sometime yet to come. There are approximately 40 miles of late design castiron mains which are cement lined, in which mains tubercles do not form and this section of the system will never require cleaning for tubercles. We have been advised that Mr. Ricketts, who investigated the local plant for the PWA, reported the Arkansaw Water Company to be well managed and well operated and in good operating condition. We know of no complaints for the failure of the company to furnish adequate supply at all times under adequate pressure, which of itself indicates an efficient operating system.

Cites Objections To Building New System.

"Even if this price paid for the plant should be considered by some not to be justified in the actual valuation of the specific properties of the company, there were additional features conducive to entering into the purchase at this time rather than the construction of a new entire system for the city; the first being a sincere desire not to destroy the value of the local system; secondly, our desire not to disrupt the traffic of the entire system by the construction of new mains and the destruction of practically every paved street in the city of Little Rock, it being well known that the tearing up of a street for the laying of mains generally leaves a defect in that street regardless of repairs being made; third, the cost of the litigation and the uncertainty of favorable results, together with the going value of the present operating system are

all assets to be considered in the purchase of the present going concern rather than the construction of a new system. If long and expensive litigation resulted from our attempt to construct a new system should follow we could not be assured that we could complete the installation of a new system in time to have obtained either the loan or the grant from the PWA and the grant of at least \$1,000,000, which the city will obtain on the new supply alone, might have been lost to the city in the event of litigation."

Contract Signing To Await PWA Approval.

Actual contract for purchase of the properties will not be signed with the company until the price agreement is approved by the PWA, Mayor Overman said.

In order to insure efficient operation of the plant the present personnel will be retained and operation will be entrusted toa Board of Commissioners of three members. He suggested that provisions regarding the authority and perpetuation of the board might be included in the bond debentures to guarantee freedom from political influences.

Water Company Lists Properties Included.

Here is what the city bought, as set forth yesterday at the offices of the Arkansaw Water Company:

More than 210 miles of pipe, ranging in size from 2-inch in the outlying districts to 30-inch.

Pumping and booster station on the bank of the Arkansas river, purifying plant and reservoir on Pulaski Heights, the area totaling 88 acres.

More than 16,400 water meters, and customers.

Standpipe and two lots north of Forest park, standpipe and two lots at Sixteenth and Gaines streets.

A total of 958 fire hydrants on which the city has been paying annual rental of \$35 each.

About 600 acres west of the pumping station, on which are four wells. Water from the wells has been used in conjunction with that from the river.

It was said that the oldest pipe in the system dates back to 1886, but that there is very little that old and that it need not be replaced. It was said that galvanized iron water pipe under the conditions here will be good for hundreds of years.

Mayor Sees Benefits In Buying Plant

The city's proposal to construct a new water distributing system here at a cost of \$3,994,545, which was abandoned in favor of an agreement to purchase the Little Rock properties of the Arkansaw Water Company for \$3,850,000, did not include a softening plant, or reserve equipment equal to the existing facilities, Mayor Overman revealed yesterday.

Making public an itemized cost of the proposed system, Mayor Overman said the network of pipes it proposed did not differ radically from the present pipeline setup.

Following is a comparison:

Size of pipe.	Present system.	Proposed.
30-inch	none	2.3 miles
24	.71	2.24 m es
18	.49	.49 m es
16	5.04	5.23 miles
12	10.00	11.05 miles
10	5.05	4.85 miles
8	65.40	70.00 miles
6	23.30	54.30 miles
4	1.85	39.60 miles
3	2.43	9.00 miles
2	96.50	22.40 miles
	210.77	218.00 miles

Little Difference in Mileage.

The figures show that the proposed system would have extended the existing water lines a little less than eight miles. Mayor Overman said that construction of a competing system would have been hampered by legal difficulties as well as the possibility of a competitive price war to secure water consumers.

If the PWA approves the city's proposal to purchase the company's property for \$3,850,000, he said the city will acquire a liquid concern with 16,400 consumers and an assured income. The maximum loan and grant from the PWA in the sum of \$7,074,000 can be retired with 85 per cent of income, while providing a surplus, he said. Purchase of the plant for \$3,850,000 will leave about \$144,000 for other construction if \$3,080,000 is spent for construction of a water reservoir and pipeline.

Cost Estimates.

To give a comparative value as to the existing system, Mayor Overman said the cost of the proposed competitive system was estimated as follows:

Distributing System.

Mains	\$1,609,835
Fittings	132,093
House services	298,273
Meters	293,430
Fire hydrants	71,400
Laterals	63,776
Pavement cuts, 189,022 sq. ft.	425,299
Crossings	10,414
Total	\$2,904,500

Filtration plant, 15,000,000 gallons daily capacity, \$450,000, plus \$18,000 for elevated storage and pumping station.

Auxiliary Plant for Emergency Service.

Electrically driven pumping station	\$ 100,000
Intake	11,000
Force line to filter plant	77,000
Contingencies	24,500

Cost of land, right-of-way easements and preliminary expense	212,500
Engineering and technical work and legal costs	128,529
Interest during construction (1 yr.)	179,255
Bond printing, maintenance equipment, motor and office equipment	65,910
Recapitulation,	35,851
Cost of distributing system	\$2,904,500
Cost of filtration plant	468,000
Cost of auxiliary plant	212,500
Cost of right-of-way and other expense	409,545

Total estimated cost of constructing new system \$3,994,545

Company officials said yesterday, that the number of Little Rock customers had increased 85 per cent since 1918 and the number of North Little Rock customers 115 per cent.

PWA Official Absent, Water Deal Held Up

No decision on the city's proposal to buy the Little Rock property of the Arkansaw Water Company with \$3,850,000 of its \$7,074,000 PWA allotment can be made until Col. Horatio B. Hackett, assistant PWA administrator, returns to Washington, Mayor Overman was informed yesterday in a telephone conversation with J. H. Foley of the PWA legal division at Washington.

Mr. Foley said the City Council's approval of the purchase agreement and the PWA offer of loan and grant had not been reviewed there, although the documents were sent by air mail Tuesday.

The mayor was told that the city has little or no chance to obtain a grant of 15 per cent toward the purchase. Mr. Foley said the PWA never intended that its funds should be used for purchase of a water system but planned to act as intermediary for the city in obtaining an RFC loan.

He said the city's proposal to construct new water facilities had been set up under the 30-70 plan and that the city could not obtain approval under the 1935 program of 45 per cent grant and 55 per cent loan. He said reports that the allotment might be rescinded were "speculative."

John A. Sherrill, project attorney for the city, said last night he did not

believe the program of purchase and construction was in danger.

Engineer For PWA To Washington

Following a conference yesterday between John A. Sherrill, project attorney, and Alexander Allaire, state PWA engineer, it was announced that the latter would leave tomorrow for Washington to seek final approval for the city's proposal to purchase the Little Rock properties of the Arkansaw Water Company for \$3,850,000 and provide a new water supply at a cost of \$3,080,000.

The PWA agreement approved by the City Council last week, calls for a loan and grant of \$7,074,000 to the city for construction of a water supply and distributing system, on a basis of a 30 per cent grant of the cost of labor and materials.

Money for purchase of the company's plant must come from the RFC rather than the PWA and Mayor Overman said yesterday the city is anxious to learn immediately whether other requirements must be met to secure the RFC loan.

J. C. Foley, chief of the PWA Legal Division, advised the mayor Friday that the city could not hope to secure a 15 per cent grant on the purchase price. He indicated that the \$3,080,000 water supply project would have to be financed on the 30-70 plan but Mayor Overman said that an attempt would be made to secure its approval on the 1935 plan of 45 per cent grant and 55 per cent loan.

Mr. Sherrill said yesterday that, when details of the PWA are completed, the city will seek bids from private investment houses in an effort to sell the bonds without paying four per cent interest, the rate charged on bonds sold to the PWA.

Purchase of the water company's properties must be completed before the city can embark on its water supply improvement program, Mayor Overman

Water Project Engineers Arrive Today

Chester A. Smith and Marion L. Crist, engineers of Burns & McDonnell of Kansas City, advised Mayor Overman yesterday following his return from Washington that they had been delayed but would reach Little Rock late today with several other engineers to resume work on the \$3,080,000 water supply project.

Mayor Overman planned to deposit the PWA's check for \$87,500, representing the initial grant on the supply project, in the Union National bank today to finance engineering work necessary to complete specifications for the 36-mile pipeline and select a final location for the damsite.

Honored at Breakfast.

The check, representing the culmination of efforts extending over nearly a year, was exhibited to Little Rock citizens yesterday morning at the Hotel Marion, where Mayor Overman was the guest of honor at breakfast.

About 70 business and civic leaders attended the testimonial breakfast, which was sponsored by the Little Rock Chamber of Commerce, in tribute to the mayor's successful efforts to give the city a municipally-owned water supply and distributing system. Speakers included Grover T. Owens, president of the chamber; Henry H. Tucker and J. K. Shepherd, former presidents; Charles L. Thompson, chairman of the chamber's Water Supply Committee, and Ben D. Brickhouse, former mayor.

Responding to the tributes, Mayor Overman expressed his appreciation of the honors and declared that launching the project by the city marked the beginning of a new era in civic affairs.

"Col. H. B. Hackett, assistant PWA administrator, told me in Washington that the Little Rock water project was one of the most meritorious submitted to the PWA," the mayor reported. "Its soundness as a municipal undertaking is unquestioned."

"When bids were opened recently to sell our bond issue for purchase of the Arkansaw Water Company's properties not one of the bidders questioned the security."

"Construction of the water reservoir and pipeline will employ 3,000 men for one year at better than a living wage. That pay roll together with the pay roll on our sewer improvement project and other undertakings will contribute to the economic prosperity of our city."

Lawyer to Washington.

John A. Sherrill, project attorney, will leave today for New York city to close the city's contract for purchase of the distributing system for \$3,850,000 and the city probably will take over operation of the plant March 1.

The mayor expressed appreciation for the co-operation of the Chamber of Commerce and other civic organizations, of citizens of Little Rock generally, Alexander Allaire, state PWA engineer, and his staff, Colonel Hackett and Senator Joe T. Robinson.

Mayor Overman announced that a meeting of the Special Sewer Committee to approve plans and specifications for the proposed \$1,640,000 sewer im-

provement project, which was scheduled today, had been postponed until 2:30 p. m. Friday.

Engineers For Water Project Arrive

Chester A. Smith and Marion L. Crist, engineers of Burns & McDonnell, arrived yesterday from Kansas City and began preparations to place engineering crews in the field today to complete the pipeline survey for the Alum Fork water reservoir project, which will be built with a PWA loan and grant of \$3,080,000.

Plans for all except the last mile of the pipe line are on file with the state PWA and the engineers hope to complete the location in time to award a

contract about March 1. Work also will go forward immediately to determine the final site for the reservoir dam. Boring and core drilling will be necessary to determine the stability of several sites.

City Takes Over Water Plant March 1

Barring unexpected difficulties, the city will take over operation of the Arkansaw Water Company as a municipally owned plant March 1, John A. Sherrill, project attorney, said yesterday, following a long telephone conversation with George W. Biggs Jr. of New York city, vice president and chief engineer for the American Waterworks and Electric Company.

Mr. Sherrill said he will leave Tuesday for New York to close the city's purchase agreement with the company, under which \$3,850,000 will be paid for the Little Rock properties. The city will pay an additional sum for inventory and accounts receivable and one of the purposes of Mr. Sherrill's visit will be to arrange the price of those items. The \$3,950,000 which the city will receive for \$4,090,000 in value bonds will allow \$100,000 for the extra items and operating capital.

Mayor Returns Tomorrow.

Following the return of Mayor Overman from Washington tomorrow, the City Council will be asked to pass an ordinance approving a \$6,290,000 bond issue to pay for the company's properties and construct a new water supply system.

A group of business men will be at the railroad station when the mayor arrives and will extend felicitations and express appreciation of the successful negotiations for a new and municipally-owned water supply, it was announced at the Chamber of Commerce offices yesterday.

An ordinance authorizing actual issuance of the bonds is being drawn in New York by bond attorneys for the successful bidders and will not be ready for presentation. Mr. Sherrill said the Council probably will meet late this week to authorize the issue.

The \$4,090,000 worth of four per cent bonds will be sold to the Bancamerica-Blair Corporation of New York and Stranahan, Harris & Co. of Cincinnati, whose bid of 97.30 was the highest of three bids submitted last week.

The PWA will buy the \$2,200,000 issue of four per cent bonds at par and donate 30 per cent of the cost of labor and materials for the \$3,080,000 water supply project.

Engineers to Resume Work.

Marion L. Crist and Chester A. Smith, engineers in charge of the project for Burns & McDonnell of Kansas City, will arrive here late today or tomorrow to resume work immediately.

Mr. Sherrill said yesterday that money received from sale of the purchase bonds will be delivered to the American Waterworks and Electric Company in New York. Mayor Overman is expected to go to New York during the week of February 24 to sign the bonds and complete the transaction.

Mayor Sees Many Gains for City in

Mr. Overman Says Besides Huge Benefits to Be Derived From Pur Rock to Interest Industries Which Demand Soft W

Increased Consumption With Rates Eventually Lowered Also May Be Expected

By WILLIAM JOHNSON.

Maybe there's truth in that ancient wise crack about the first hundred years being the toughest. Anyway, Little Rock has some reason for thinking so, in the new water system now dangling before its eyes. The Capital City, up to just a few months prior to the state's hundredth birthday, which occurs June 15 next, had accumulated public property to the amount of some \$2,900,000. That's the figure, as Mayor Overman stated the matter, at which Little Rock's city hall, hospital, and other municipal buildings, together with its parks and sundry holdings, is carried on the books. Against that credit, he noted, there's a bonded debt of around \$2,000,000. So, in almost a hundred years of Arkansas's statehood, its capital city has built up a net worth in public possessions of only about \$900,000. But, the mayor continued, just as the state's centennial was looming on the horizon, Little Rock got a PWA grant for a new water system, and accepted an offer to buy the local water company's properties. "Thus," he said, "the city will add \$7,000,000 in a brief period to the worth of its public holdings, or nearly two and a half times the value acquired up to now, during more than a century of civic life. Our people will enjoy large immediate benefits from this investment, and when the borrowed portion of the grant is paid off, in 25 to 35 years, they will profit further, financially and otherwise, from the great increase in the city's assets.

Though a news dispatch from Washington, last Friday, declared the PWA would not finance, either by partial loan or grant, Little Rock's purchase of the local water company's properties, the bright vision of the city owning an improved system hasn't faded out of the picture.

A loan from the RFC for the purpose of buying the company's holdings seems to be within the possibilities, while a PWA loan and grant to finance development of a new water supply on Alum Fork creek is, apparently, reasonably certain. And if the city fails to obtain federal aid in purchasing the local distributing system, there remains the promise of privately financing it. Mayor Overman said the city had received a number of such offers.

An Earning Property.

In its prospective new water system Little Rock will have a property earning substantial and growing revenue, Mayor Overman pointed out. That will make it a very different possession from the usual city property, which pays no income. The earnings of the water system, said the mayor, ought to lift a considerable burden off local taxpayers in years ahead, and should enable the city to do many things for the public welfare and advancement that have had to be neglected in the past, for lack of means, or were financed by drives.

"Suppose, for instance," the mayor continued, "that Little Rock should want a sewer some time in the future, after the city gets the earnings of its water system cleared of the debt for acquiring it, or pretty much so. Or suppose there was a chance to bring an industry with a fat payroll here, by putting up a little cash. Or say that in a time of difficulty the city had to make an emergency contribution to the Community Chest. For any of those purposes, and for others of a similar nature, the income from the water system could be used."

It is a fact that the city of Little Rock has a long and illustrious history. The city was founded in 1821 and has since that time been a center of commerce and industry. The city has a rich cultural heritage and is known for its beautiful architecture and scenic views. The city has a strong sense of community and is proud of its achievements. The city has a bright future and is looking forward to many more years of growth and development.

easier for the city to get many kinds of industries which use water freely. Soft water serves their purposes more efficiently than hard water does. It saves a lot of expense inflicted by hard water for cleaning boilers and pipes—and in that economy the householder will share along with industry.

Dr. George Branner, state geologist, who has given much study to the prospective new water supply from Alum Fork creek, says the housewife's bills for soap and washing powders should drop sharply when this soft water begins to gush from the city's faucets. It carries, he pointed out, only about half as much of the mineral matter which makes water hard, as is allowed in water classified as soft. Present costs of soap and washing powders average \$7.88 per family of five annually, according to a survey made under Dr. Branner's direction. He expressed no opinion as to how much of that money the Alum Fork water would save—but did say that very little soap is required with such soft water as the city now has in sight.

Negotiations Begun.

There was a good deal of drama in this swift development, which got under way last March. As you know, the first step was the attempt of the city to obtain a new and better supply by getting federal money to construct a dam and reservoir on Alum Fork creek, with a pipe line to the local waterworks. This project fell through, as you recall, and it looked as if the whole business had gone a-glimmering to wherever lost bright dreams betake themselves. But Mayor Overman refused to accept defeat. He kept hammering away at the project, and December 21, the exciting news of a PWA loan and grant of \$7,074,000 to build or buy a distributing system, and to provide the reservoir and pipe line, was flashed into the city.

The local water company at first



Showing location of the dam and reservoir on Alum Fork creek, and proposed route of the pipeline, which last may be changed somewhat, though not greatly, engineers say, with further study of conditions. The pipeline will be about 32 miles long, entering Little Rock

on K street, crossing Prospect, going into Hillcrest avenue, and across Allsopp Park and down Hill Road to the water plant. At the right is shown a section of the pipe to be used, which will be of reinforced concrete, with an inside diameter of 39 inches.

ing map shows about the route the pipe will take, though some changes may be found advisable, the engineers said in their report, after further study of conditions. As planned, the pipe will enter the city on K street, running into Hillcrest avenue, crossing Allsopp Park and going down Hill Road to the water plant.

Abundant Supply.

The reservoir would assure the city an abundant supply of water, according to the engineering study. On that point Burns and McDonnell said, "With an estimated storage capacity in the reservoir of 14,900,000 gallons, and the estimated total draft on the reservoir in 1975, including evaporation, being 7,710,000,000 gallons, the yield and storage would be sufficient to supply the

draft for three successive estimated dry years—Therefore, the yield of the water shed with the proposed storage capacity is ample to supply all estimated future water demands."

And Dr. Branner pointed out that if, in the long future, a larger supply should be needed, the Alum Fork development could be handily tied into a huge quantity of high grade water in the Fourche la Pave basin. The Alum Fork basin, he said, "was made for Little Rock needs."

He added that in buying the local water company's present facilities, the city would have, in the Arkansas river and the company's wells, a reserve for any unpredictable emergency.

Here are the properties the city would get by that purchase: More than 210 miles of pipe; the pumping and booster station on the Arkansas, and the reservoir and purifying plant in Pulaski Heights, with 88

acres of ground; more than 16,400 water meters; standpipe and two lots north of Forest Park, and another standpipe and two lots at Sixteenth and Gaines; 958 fire hydrants that now cost the city \$35 each for annual rent; about 600 acres, with four wells, west of the pumping station.

Present Supply.

Of the present water supply, the engineers said, in effect: the river water is too salty at low periods, and when diluted with well water, it's too hard. "Perhaps the price at which the city accepted the water company's properties, \$3,850,000, is \$200,000 or \$300,000 more than they are worth," said Mayor Overman. "But, viewed from every angle, the city will receive large value from any over-payment. We couldn't get Federal money to provide a water supply until we owned a distributing plant. To build one, would mean tearing

up the streets, a lot of resulting mess, and a great deal of expense for repairing them—and the patched places are seldom, if ever, as good as they were before. Then, there would follow competition with the privately-owned company for customers, a rate war, with the two systems starving each other to death. We paid a premium to avoid that and other costs that would be greater than the excess in the price agreed on for the properties."

A water supply could have been developed nearer the city than the Alum Fork basin, the mayor commented, as on the Little Maumelle, where it was figured the cost might be around \$1,600,000. But, he continued, on all closer sources, the water would have had to be pumped. All pumping costs, he said, would pile into heavy bills through the years. "We went farther out, with a higher initial cost, to save money," he declared.

Water Project Work May Lead City

Employment of Over 3,000 Men on Construction of New Supply and to Other Industries of Central Arkansas and Subsec

Plans for Developing Arkansas Sites for Resettlement in Washington Awaiting Final Approval of Dr. Rexford Tugwell

Outlook for Good Crops in 1936 Also Encourages Business Leaders

By WILLIAM JOHNSON.

It looks as if Little Rock is all set for a prosperous 1936. Employment, payrolls, and the merry jingle of cash registers in business establishments, are due, it appears, for a handsome stepping up. Bulking large in this cheerful outlook is the city's new water system. Work on that development will begin, Mayor Overman thinks, by the last of March, or the first of April. Starting off with jobs for 1,000 to 2,000 men, the project is expected to build up rapidly to 3,000 jobs, or more, for several months. Then, according to estimates, the payrolls will drop to around 1,000 hands toward the end of the year it is figured the enterprise will take. At the same time, there is the bright promise of another young army of labor being employed in creating a real sewer system of Little Rock. This boon is practically assured, Mayor Overman said, needing only a technical final approval. It will require, according to the engineers' plans, a force of men for a year, beginning with 400, climbing swiftly to 1,000 for three or four months, and then tapering off to around 750.

Little Rock should present a zippy appearance when all of that industry gets under way. The water system project will release in this section, \$1,191,100 for labor, while the wage bill on the sewer proposal is put at \$675,787. Then there are the materials to be purchased—\$1,447,350 under that head for the water system, and \$461,727 for the sewers. A good bit of that money will click into local business tills. And a considerable additional sum is to be sown around for land rights, professional services, and other miscellaneous needs.

All together, the water project runs up to an expenditure of \$3,080,000, 30 per cent of which is to be a grant from the PWA. An initial \$87,500 of this bestowal has been received by the city and deposited in a local bank. The sewer system will cost \$1,600,000, and 45 per cent of that sum will be a federal grant to the city, if the application goes through, as Mayor Overman is confident it will.

So, it would seem that Little Rock has reason to lift its collective chins, and step out into the months ahead with a jaunty smile. There will be much buying and selling in the capital city when all that prospective digging and pipe laying gets under way. The dollars thus released will travel on, as dollars do, throughout the commercial and business network of the community, moving goods, paying rent, and perking up the earnings of doctors, dentists, garage men, movie proprietors, hot dog vendors, and a lot of other folks.

More jobs ought to be opened in the city by the prospective stimulus to its affairs. The whole outlook is a happy one. Main street and its environs should present a lively scene this coming summer, fall and winter, what with better-heeled and cheerier crowds parading the sidewalks, and the vehicular movement expanded by additional trucking and delivering and buzzing about of cars.

To Pay Prevailing Wages. This looming gladness is made surer, Mayor Overman pointed out, by an important fact. It is that prevailing wages—not merely subsistence pay—are specified for the workers on the water system and sewer projects. Wages are to run from a minimum of 40 cents an hour for common labor to around \$1 an hour for skilled labor. That means workers can buy something more than bacon, bread and beans. "They'll be able to live comfortably, and will make good customers for business," the mayor said.

Some labor for the sewer project will be taken from Saline and Perry counties, as well as from Pulaski outside of Little Rock. Federal rulings require that labor shall be drawn as far as possible from relief rolls in the region of the project.

The water system and the strongly indicated sewer project, importantly as they stack up in Little Rock's pleasant prospects, are by no means all of the sunny outlook. Nor is the promised uplift in affairs confined to the capital city and its suburbs and purlieus. The whole state seems to be riding into something nearer "piping times" than it has been since the depression cracked down in 1930.

First of all, Arkansas is going along up Prosperity Hill with the general swing of the entire country. National statistics from every line of production and trade show that recovery has been definitely translated from a hope into a fact. According to Harper Sibley, president of the chamber of commerce of the

United States, the economic condition of the country is at the highest level in the past five years. Factories and mills are roaring into activity, and the great building industry, which was so long in a sort of trance, has begun to show signs of life.

All of this means a keener demand for the raw materials on which Arkansas depends for most of its income—cotton, lumber and minerals. It means, too, with more people at work and able to buy, a better demand for Arkansas fruits and vegetables. And along with improving domestic markets for the state's productions, the foreign outlet for cotton, our main source of new money each year, has been widening appreciably in recent months.

Good Farm Year Seen.

Agricultural leaders of Arkansas, sizing up all the prospects, believe that the state will have one of the best farm years since the depression came along with the drought of 1930 to show us how moderately the dictionary man stated the meaning of "adversity."

Thus, there appears to be a solid foundation of recovery under our gains in Arkansas during the past three years. Consequently, additional money, like the expenditures for Little Rock's water system and sewer construction, should give us a strong shove out of the depression bog, onto firm ground. And such additional money in fairly hefty amounts is in sight for all Arkansas during 1936.

Other projects effected through federal aid, are on the schedule up and down the state. A stimulating total of government cash, including a considerable sum for the resettlement of rural people who have been starving along on gaunt little patches of farms, is going to be injected into the financial veins of Arkansas during the months just ahead.

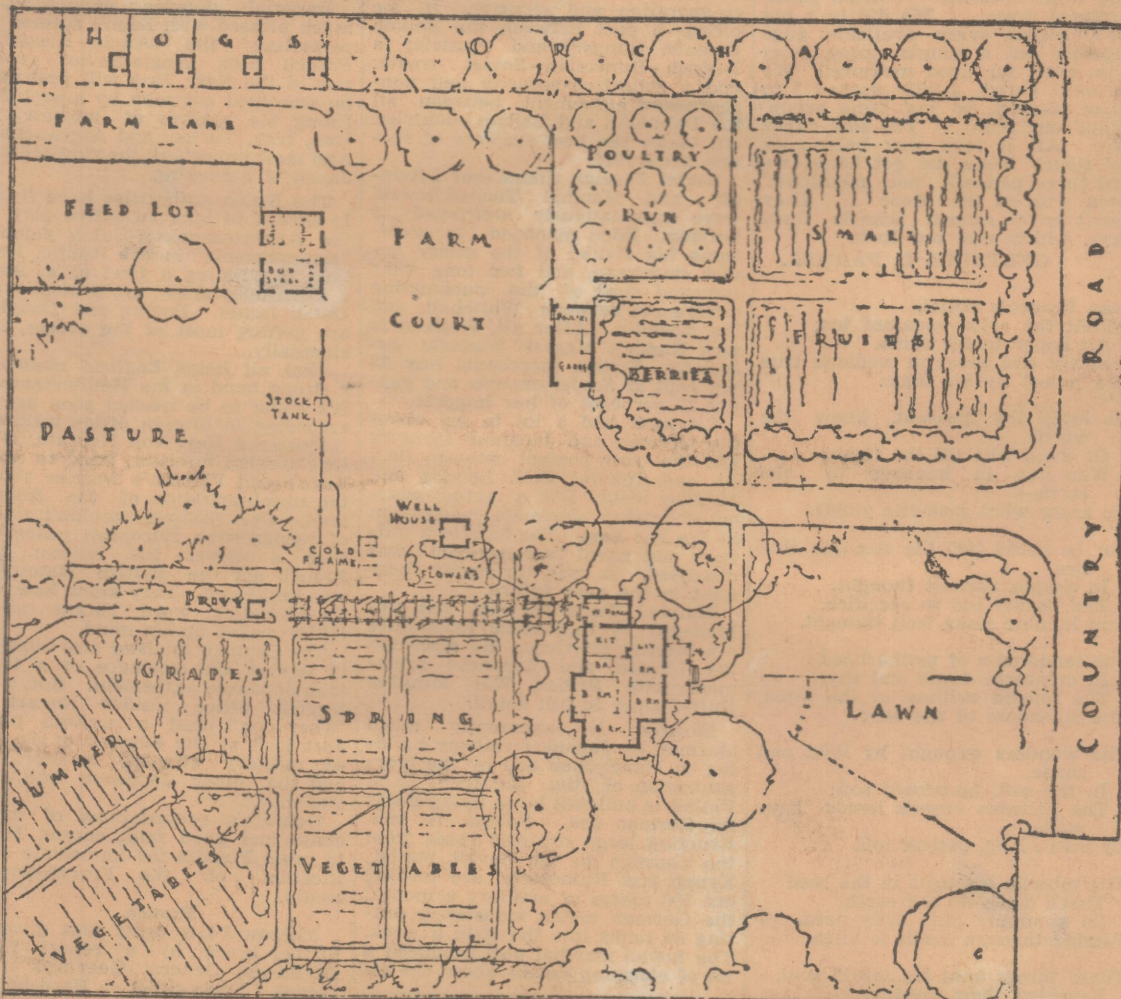
AAA payments to the state's planters and farmers, outlawed by the supreme court, promise to be resumed, in part, at least, under the soil conservation bill Congress is now shaping up.

Then, there's the distribution of the soldiers' bonus, which soon will sow about \$22,000,000 into every city, hamlet, rural community and cross-roads. Economists tell us that, on the average, each dollar spent turns over about five times in a year. They mean that it passes through five hands, doing a dollar's worth of buying or debt paying each time. So, according to that calculation, the \$22,000,000 of bonus money will add \$110,000,000 to the state's business volume in the 12 months after it is received by the veterans and turned loose in the channels of trade for homes, clothes, cars, bills, and other purposes.

Tourist Traffic.

Tourist traffic, too, should take a rise in 1936 which will further swell the state's income. Arkansas may yet decide to put on some kind of a celebration of its centennial. If it does, a good many additional motorists probably will drive in among us, and linger a spell over our diverse and rich appeals to the eye, spending money the while for gasoline, nourishment and shelter. In any event, streams of motorists doubtless will whiz down our roads to view the \$20,000,000 show Texas is putting on. And they must exchange some cash for necessities in passing through the state.

All together, it looks as though Arkansas may this year bid the depression a glad farewell. If our 1936 crops are good, and if they bring fair returns, as it now seems likely they will, the agricultural income,



The above chart illustrates typical plans for model five-acre farm-home units on 35 to 40 farms to be developed and sold to rural resettlement families by the Resettlement Administration. Such grouping of the is the result of intensive study and planning by government experts in efforts to aid in modern and scientific living on farms. To be varied only to conform with topographical requirements, the plan will be carried out on all farms in the rural resettlement sites, four of which have already been selected for this state.

helped out by the other inflows of cash now in sight, should put the state on a pretty solid financial basis. We should end 1936 comfortably on the black-ink side of the ledger, in position to look forward to another uplifting spell of prosperous times.

And we'll have a fine lot of improvements to carry along with us, and enjoy, in the years ahead. Much of the federal money we've received has gone, it's true, for matters of no lasting worth. But it saved many families from stark suffering during the bleak years of the depression. And things like Little Rock's new water system, and its sewer development, if that comes through, will pay dividends of comfort and health each succeeding year. Besides, they will make Little Rock a more attractive site for industries, thereby contributing to the development of the capital city and of the state.

The water system was described in detail in a former article. Let's glance now at the sewer project.

Sewer Meets Needs.

As planned by the engineers, the sewer construction would take care of the city's needs for 30 to 50 years to come, with only the usual upkeep sewers require.

Specifications were drawn on the basis of 75 gallons of sewage per capita daily. Then, in the south and east end of the city, an additional allowance was made of 2,250 gallons per acre, to take care of infiltration from vacant property. In the west end, where the sewers are newer and better, an additional allowance of 1,000 gallons per acre was figured in. But for the industrial sections, the additional allowance was 7,500 gallons per acre, to take care of future development, and in the commercial sections, that margin was raised to 20,000 gallons per acre.

About two-thirds of the sewage flow would go into the Arkansas river through a huge 13-mile "interceptor line" swung around the city, according to Hugh L. Carter, local engineer, who devised the plans. Looking back up this conduit from the river, its course would be roughly as follows: Along Lawson street, through Factoria, westward to Confederate Boulevard, then paralleling the Rock Island to cross the I. C. just south of the County hospital, west over the Mary street, down Twenty-fourth to Coleman's creek, north to Fair Park, on up to a point north of Fair Park, to Pfeifer's Addition, then to Normandy Addition.

At its outlet, the interceptor line would be a 60-inch pipe. It would drop to smaller sizes as it moved nearer its beginning, where 12-inch pipe would be used. This huge conduit would do away with 49 septic tanks scattered along its proposed route.

Another down-town interceptor is planned to carry the sewage now emptying into the Town Branch. This one would be about three and a half miles long, starting at Eighth and Broadway, and emptying into the river at Collins street.

In something like 37 places, short stretches of pipe would be put in to replace small ones, inadequate for their work.

Wherever sewage now empties on the river banks when the current is low, as it does in one small area, it would be conducted out to the water.

About 197 miles of the existing sewer system would be cleaned out and repaired.

At the river, a pumping plant is planned, to lift the flow over into the current when high water prevents a gravitational discharge. Mr. Carter, basing his computation on Weather Bureau records, thinks that not more than an average of 70 days of pumping per year would be required.

Eliminates Old Nuisances. The pumping plant is to have three pumps driven by motors, each capable of handling 8,500 gallons per minute.

A sweetly cheering picture of the advantages of this system is given you by Mr. Carter and Mayor Overman. It would end water backing up out of man holes during a heavy rain, flooding the streets, and sometimes basements. It would do away with the noxious septic tanks now necessary, and banish from the city forever the sometimes appalling odor that rises out of the Town Branch—a problem Little Rock has wrinkled its brows over and fumed about and discussed and cursed since granddad was a barefoot boy with cheeks of tan getting bumble bees red-hotly esconced between his toes.

"Our present sewer system is a deplorable patch-work," Mayor Overman pointed out. "Not only are the pipes too small in many cases, but here and there we have pipes emptying into others of smaller size. That 'bottle-necks' the system in those places, causing the flow to jam and back up when the pipes are loaded to capacity, as during a torrential rain. We have accumulated this problem through the years, as a result of additions being opened in

a hodge-podge manner. Nobody is to blame for it, of course. But now, we have got to solve the difficulty in a satisfactory and lasting way."

The labor estimate for the sewer project, calls for 400 men the first month, 600 the second month, 1,000 each of the next three months, 900 the seventh and eighth months, and then a decline to 731 the twelfth month.

Skilled labor would include the following: 22 machine operators, 20 pipe layers, 25 brick layers, 12 carpenters, four each of powder men, blacksmiths and machinists, and nine of other miscellaneous trades.

And, what puts some beauty into the dullness of figures, the employment of that labor is expected to get under way around April first.

Water Deal Closed In New York

The city's contract for purchase of the Little Rock properties of the Arkansas Water Company was closed yesterday in New York city by John A. Sherrill, project attorney for the city, Mayor Overman said last night. Details were not available.

A telegram from Mr. Sherrill said he would arrive in Little Rock tomorrow morning. The city agreed several weeks ago to buy the company's properties for \$3,850,000 but supplemental details, including the price to be paid for accounts receivable and supplies, remained to be determined. The date when the city would assume active operation of the plant also was undecided when Mr. Sherrill left here Monday. He indicated that he would seek to arrange the change in operation for about March 1.

Council May Meet Tomorrow. If Mr. Sherrill brings back a proposed ordinance, prepared by New York attorneys, authorizing sale of \$4,090,000 four per cent, water revenue bonds to Bancamerica-Blair Corporation and Stranahan, Harris & Co. for 97.30 cents on the dollar, Mayor Overman said the City Council will meet tomorrow night.

Mayor Overman, Chester A. Smith and Marion L. Crist, engineers for the \$3,080,000 water supply project, and City Engineer J. E. McCook Jr. conferred yesterday with water company officials regarding present methods of operating the plant.

Much of the company's bookkeeping is done in New York and the city

Little Rock's Bond Issue on Sale Tomorrow

Securities to Be Retired From Operation of Municipal Plant.

Little Rock's \$6,590,000 issue of revenue bonds will go on sale tomorrow subject to a future delivery date, John A. Sherrill, attorney who assisted the city with negotiations for the purchase of the Arkansas Water Company properties and the securing of a PWA project to expend \$3,080,000 for a new water supply for the city, has been informed by the bond brokers.

The city council Friday night authorized the issuance of the bonds, which are to be retired from the operation of the municipal water plant over a period of 40 years. Only the revenues from the plant are pledged to secure the bonds.

The water company properties have been purchased for \$3,850,000 and the city will take possession of the plant April 1 when the Bancamerica of New York and Cincinnati, O., bond firm receive the bonds from the city officials.

In order to pay for the water system and to provide an operating capital of \$100,000, the city has authorized the issuance of \$4,090,000 in bonds. An additional issue of \$2,500,000 was authorized in connection with the PWA projects. PWA will bid par on these bonds, which have not been sold by the city, and city officials believe that a better bid might be received.

While the bonds were issued for two separate purposes, the schedule of maturities has been so arranged that both issues will be retired with uniformity so as not to give one project preference over the other in the matter of financing.

The bonds are being printed in New York by the bond firms which were successful bidders when the city advertised for bids on the securities to finance the water system purchase.

Mayor R. E. Overman and H. C. Graham, city clerk, face the task of signing their names to 6,590 bonds, each representing \$1,000 which the city must repay with interest. The two officials have been advised, however, that they will not have to sign their names 6,590 times, but will use a device which makes 10 signatures at a time.

The bonds will mature as follows:		
Maturity.	Purchase Bonds.	Yearly Supply.
1937	\$ 43,000	
1938	45,000	
1939	46,000	20,000
1940	48,000	20,000
1941	50,000	31,000
1942	52,000	33,000
1943	54,000	34,000
1944	57,000	35,000
1945	59,000	37,000
1946	61,000	38,000
1947	63,000	40,000
1948	66,000	41,000
1949	69,000	43,000
1950	71,000	45,000
1951	74,000	46,000
1952	77,000	48,000
1953	80,000	50,000
1954	85,000	52,000
1955	87,000	54,000
1956	91,000	56,000
1957	94,000	59,000
1958	98,000	61,000
1959	102,000	63,000
1960	106,000	66,000
1961	110,000	69,000
1962	114,000	71,000
1963	119,000	74,000
1964	124,000	77,000
1965	129,000	80,000
1966	134,000	84,000
1967	140,000	87,000
1968	145,000	91,000
1969	151,000	95,000
1970	157,000	99,000
1971	163,000	103,000
1972	169,000	107,000
1973	176,000	111,000
1974	184,000	116,000
1975	197,000	120,000
1976	202,000	125,000

The bonds will bear interest at the rate of four per cent and the bond indenture designates the Guaranty Trust Company of New York as trustee for the securities.

The bonds were issued under authority of Act 131 of the 1933 legislature and amendments to this act passed in 1935. The validity of the acts has been passed upon by the supreme court and no litigation is anticipated in connection with the issue. Because the securities are not direct obligation bonds of the city and no tax levy can be voted to retire the debt, it was not necessary to submit the bond proposal to the electors of the city in a special election.

While the city council Friday night passed the bond ordinance, the action does not become final until after a public hearing on the issue is held. This hearing has been scheduled for March 16 at 8 p. m. at the city hall. A similar hearing was held on the sewer bond issue of more than \$1,000,000 and no protests offered.

Sale of the water project bonds is expected to follow soon after actual delivery of the bonds issued to finance the purchase of the water plant. The city will receive the PWA loan and grant money as it is needed to pay for the construction of the 32.4-mile pipe line to connect a huge reservoir on the Alum fork of the Saline river with the water company's present filtration plant on Ozark point in Pulaski Heights.

Some of the money will be needed in April to pay for right-of-way for the pipe line and for lands needed in the reservoir area in addition to national forest lands, which have been made available to the city without charge.

R. E. Overman Jr. Will Join Water Project Staff.

Marion L. Crist, engineer of Burns and McDonnell of Kansas City, Mo., in charge of construction of the \$3,080,000 Alum Fork water reservoir and pipeline announced yesterday that Richard E. Overman Jr., formerly of Los Angeles, Cal., will become progress engineer for the project April 1.

Mr. Overman is the son of Mayor Overman. He is a native of Little Rock and a graduate of the University of Arkansas, School of Engineering. For the past six years he has been associated with the Maine Machine Co., of Los Angeles, manufacturers of mining machinery. With his wife and son, R. E. Overman III, aged three, returned here last week to make his home.

CITY TO RETAIN 62 IN HANDLING WATER SYSTEM

Annual Payroll Now Totals \$66,650.

The Little Rock system of the Arkansas Water Company, which will be taken over by the city next week will add to the city payroll 62 employees whose salaries total \$66,650 a year, according to a report made yesterday to Mayor Overman by Chase & Gaunt, auditors.

The report did not include the salary of the general superintendent, who is to be selected by a proposed Water Commission.

His pay probably will be \$7,500 to \$10,000 a year. Also omitted were an engineer and three office workers, who will remain in the employ of the American Waterworks and Electric Company at its North Little Rock plant, pending negotiations to sell the properties there to the city.

The 62 employees represent the number that city officials believe necessary to operate the municipal plant, Mr. Gaunt said. Mayor Overman has said the city will retain employees of the water company. The only addition to the staff so far is H. F. Dodge Jr., general accountant, at \$3,000 annually.

L. A. Jackson, who will serve temporarily as acting manager, is on the pay roll as assistant manager at \$3,036 annually.

Status In Question.

Status of C. H. Duttlinger, Sixth ward alderman and also assistant cashier for the Arkansas Water Company, remains subject of conjecture. Mr. Duttlinger, unopposed candidate for re-election in the April 7 city general election is slated for retention along with other water company employees, but his right to be on the city's payroll other than as alderman is being questioned.

Under Section 7520 of Crawford & Moses' Digest, several lawyers suggested, even if he should resign from the council, the courts might rule that he cannot hold a job with the municipal water system until a year after expiration of the term for which he is elected.

Employees Classified.

Employees were classified, as follows:

	Yearly Salaries
Assistant manager	\$ 3,036
Cashier	2,446
General accountant	3,000
Assistant cashier	1,710
General office clerks	7,542
Bookkeepers and machine operators	4,578
Stenographer	1,326
Janitor	546

Total\$24,402

Pumping Plant.

Chief engineer	1,920
Assistant chief engineer	1,158
Three shift engineers	3,474
Two oilers	1,800
Utility man	900
Grounds keeper	200
Three firemen	3,060
Three coal passers	2,622
Coal unloader	728

Total\$15,862

Purification Plant.

Supervisor and chemist	\$ 1,800
Three coagulant men	3,054
Filter man	1,050
Three softening men (part time)	650
Grounds keeper	200

Total\$ 6,754

Meter Department.

Meter foreman	\$ 1,764
Meter readers	2,166
Meter tester	1,050
Meter setters	1,524

Total\$ 6,504

On and Off Department.

Inspector	\$ 1,524
On and off men	1,800

Total\$ 3,324

Repair and Leaks Department.

General foreman	\$ 2,208
Assistant foreman	1,422
Leaks man	1,164
Laborers	4,992

Total\$ 9,786

Total, all divisions\$66,650

Where City's New Water Supply Will Originate



Level of Mountain Stream To Go Up 100 Feet When City's Reservoir Is Built

Engineers' plans will take definite form within the next few days for the reservoir on the Alum fork of Saline river to hold a new and better water supply for Little Rock. The construction of the reservoir and a 32.4-mile pipe line will be financed with a loan and grant of \$3,080,000 from the PWA.

The water level on the mountain stream in the Ouachita National Forest, shown in an accompanying photograph, will be raised about 100 feet by the dam. After tunneling several hundred feet through a mountain, the engineers plan to deliver the water to the city by gravity.

Strange as it seems, the drilling of wells, which are in reality test holes to locate solid rock, is one of the first moves to be made by the engineers in planning the construction of the dam which will be 115 feet high and a half-mile long.

The test holes are being drilled by P. D. Huff and a crew of two men. Thirty-one holes have been drilled the past month, the deepest being 40 feet, which means that contractors when they begin actual construction of the dam must excavate 40 feet at that particular point to find solid footing.

The rock strata is found at varying depths. Eighty-two test holes have been dug by pick and shovel crews and when rock is not found at eight to 10 feet the drill rig is put to work.

Workmen were busy last week at another location a quarter of a mile upstream where they are seeking clay deposits to be used in the earth fill for the dam.

Approximately 1,500,000 cubic yards of materials will be needed to construct the dam, which will be 2,600 feet long. The top of the dam will be 115 feet above the bottom of the creek bed. About

700,000 yards of material have been located in what will be the bed of the lake.

The well drilling crew has found it necessary to cut its way into the heart of a jungle to provide a roadway for the drilling.

Approximately 75 men were at work at the dam site last week. M. H. Walser and Earl J. Thompson, supervising engineers with Burns & McDonnell of Kansas City, are in charge of the job. M. L. Crist, a member of the firm, is directing operations from his office in Little Rock.

About \$3,500 has been spent in payrolls during the past month to make the tests at the dam site, Mr. Crist said. This should be completed in another week or 10 days and detail plans then can be prepared for submission to the PWA in connection with the reservoir angle of the city's water supply project.

Plans for a 32.4-mile pipe line have been in the hands of the PWA for several days and actual construction on this project can be started within six weeks from the time PWA officials announce their approval of the plans and specifications.

Mr. Crist said that Dr. George O. Branner, state geologist, has agreed to serve as consulting geologist for the project. He has prepared a relief map showing the area to be included in the reservoir. The map is to be placed on exhibit in one of the downtown stores.

Mr. Crist yesterday received from the state PWA office several suggestions involving minor changes in the plans for the pipe line and also the recommendation that a consulting engineer be employed in connection with the water supply project.

No action will be taken toward the employment of a consulting engineer until Mayor Overman returns from New York and Washington.

Deep in the Ouachita National Forest in Saline county, engineers found a stream of clear water and they plan to divert the flow of the Alum fork of the Saline river through a mountain and into the City of Little Rock by a 39-inch pipeline.

The stream is shown above at the site of the reservoir that will impound the water supply. A well drilling crew is at work in the lower photo making tests to locate a foundation of solid rock for the dam, which will raise the water level more than 100 feet and creating a lake which will extend seven miles back into the forest.

City Becomes Owner Of Waterworks

Midnight passed without the noise of firecrackers, the flash of fireworks or other displays, but it was an important date in the history of Little Rock for at 12:01 a. m. today the city had become the owner of a municipal water plant.

Operations continued without interruptions and consumers reported no difference in the appearance or taste of water drawn from faucets before and after midnight. The city acquired the Little Rock properties of the Arkansas Water Company for \$3,850,000.

Final details of the transaction will be completed at a conference of Mayor Overman, John A. Sherrill, project attorney, and City Clerk H. C. Graham with officials of the American Waterworks and Electric Company at the Guaranty National bank in New York city, at 10 a. m. today. Formal transfer of the property will take place here before noon after word of closing of the deal is received from company officials by S. R. Brough, superintendent. There will be no changes in personnel.

62 Employees Retained.

Mayor Overman announced before his departure from the city that 62 employees of the water company will continue in their present positions. Among them is C. H. Duttlinger, assistant cashier of the company, and alderman of the Sixth ward.

Operation of the Little Rock Municipal Waterworks temporarily will be in the hands of the City Council Finance Committee and Mayor Overman. City Treasurer G. L. Alexander will supervise disbursements. Organization of a permanent regulatory body, probably a three-member commission, will be undertaken by the council at its meeting Monday night, following the return of Mayor Overman from New York.

The waterworks property was purchased with the proceeds of a \$4,090,000 four per cent water revenue bond issue, which netted \$3,950,000. A water reservoir and connecting pipeline will be constructed with a PWA loan and grant of \$3,080,000. Plans for the pipeline have been approved by the PWA subject to execution of suggested changes in specifications.

To Stop in Washington.

Mayor Overman, en route home, will visit Washington, in the interest of pending legislation affecting Municipal Airport, flood control and a proposed National Guard armory.

L. A. Jackson, assistant superintendent of the water company, who will serve as acting manager for the municipal operation, was ill at his home yesterday with influenza. The city will maintain the plant's present rates and make no changes in policy. A new accounting system has been installed by Chase & Gaunt, auditors, and the plant's financial transactions are set up to conform with provisions of the recent bond issue, the auditors said yesterday.

Water Committee

Of C. of C. Meets

The water committee of the Chamber of Commerce, at a meeting in the office of C. L. Thompson, chairman, this morning, voted to offer its assistance to Mayor Overman, the city council, federal officials and engineers on the Little Rock water project.

The committee, which made the initial study of the Alum Fork source of supply, will keep in touch with the various agencies and will lend its help in case obstacles arise.

The committee, in addition to Mr. Thompson, is composed of Thomas S. Buzbee, H. H. Tucker, M. Z. Blair and George Branner.

The committee, at a recent meeting of the board of governors of the Chamber of Commerce, was instructed to place itself at the disposal of Mayor Overman and others active in carrying out the city's new project.

MAYOR RETURNS AFTER PURCHASE OF WATER PLANT

Robinson Working For Flood Control.

Senator Joe T. Robinson is making every effort to secure recognition for the Arkansas, White and Black rivers in proposed legislation for a national flood control program, Mayor Overman said yesterday, following his return from New York and Washington.

With John A. Sherrill, project attorney for the city, and City Clerk H. C. Graham, Mayor Overman closed the deal whereby the city acquired title to the Little Rock properties of the Arkansas Water Company for \$3,850,000. The city had agreed to pay for stock inventory in excess of \$18,022 but the company's auditors reported the stock on hand March 31 was only 27 cents in excess of that amount, Mr. Sherrill said.

The city collected about \$83,000 for customers' deposits, accrued interest on the bond issue and adjustment of outstanding accounts. The purchase was executed with officials of the American Waterworks and Electric Company in the offices of the Guaranty Trust Company in New York.

Stops at Washington For Series of Conferences.

En route home, Mayor Overman and Mr. Sherrill stopped over in Washington for a series of conferences regarding municipal affairs. The mayor, who is president of the Arkansas Valleys Association with membership in six states, said Congressman D. D. Terry was working for inclusion of Arkansas river reservoirs at Petit Jean and Nimrod in the pending flood control program. Congressman Miller is active in behalf of the White and Black rivers.

Senator Robinson is using much influence and energy toward working out a national program which will include adequate protection for Arkansas, Mayor Overman said. After conferences with F. A. Fowler of San Francisco, Cal., chairman, and W. W. Horner of St. Louis, Arkansas basin representative on the National Water Resources Committee, the mayor said he believed the reservoir plan of flood control will be given prior consideration in any national program.

Senator Robinson assured him that the bill transferring title to the municipal airport from the War Department to the city had passed both houses and been sent to conference, with an early agreement anticipated.

Confers With PWA Officials On Pending Projects.

With Col. Horatio B. Hackett, assistant administrator, and other PWA officials the mayor and Mr. Sherrill discussed the pending \$3,080,000 water reservoir and pipeline project, the municipal auditorium project which was tabled last year, and the new hangar and administration building at the municipal airport, bids for which were opened here March 27.

Colonel Hackett congratulated the city on purchase of the water plant and assured the officials that additional funds for the project not to exceed 15 per cent can be allocated, after the required application is filed and approved.

PWA officials could offer no assurances regarding the municipal auditorium. Mayor Overman said, pending inauguration of a new program by Congress. However he said he would ask Wittenberg and Deloney and Eugene John Stern, architects, to reconsider existing plans so as to provide for an auditorium in conjunction with a National Guard armory. The revised plan will be submitted if a new program is started.

Mayor Overman said he was encouraged by PWA officials to file an application with the state office for an additional allotment for the airport

hangar and administration building, the lowest bid for which was nearly \$20,000 in excess of the \$56,000 allocation.

The city will file the application without delay, he said.

Seeks Consulting Engineer For Water Supply Project.

In compliance with a PWA recommendation the mayor invited F. A. Fowler of San Francisco, to become consulting engineer for the \$3,080,000 water supply project. Mr. Fowler deferred reply but he is expected to notify the city today of his decision.

During the trip, Mayor Overman also discussed the water supply project with Harrison Eddy of the firm of Metcalf and Eddy, engineers of Boston, Mass., who have specialized in such construction.

The mayor will make a brief report of his trip to the City Council, which meets at 8 p. m. Inauguration of a permanent set-up for operation of the Little Rock Municipal Waterworks is expected to be discussed and the council probably will create a committee to fix the legal fee of Mr. Sherrill for his services in connection with the city's purchase of the water company's property.

The Rev. Mr. Blalock Discusses Fee for Legal Services.

Discussing a proposed fee of two per cent, which would amount to \$77,000, the Rev. Arden P. Blalock, pastor of the First Baptist church, declared in a sermon last night: "This amount is to my way of thinking and I believe to the citizenship of the city unreasonable."

"It is more than the president of the United States receives for a whole year of services. It is more than the average man earns in a life time. The nature and size of the transaction do not justify it," he said.

"The mayor has worked diligently and incessantly at the task. The mayor more than all others has made the transaction a reality. The equivalent of a year's salary for the mayor should be a reasonable fee for any attorney. All expenses involved certainly should be borne. But private citizens should be willing to serve the public interest with the same degree of sacrifice and loyalty that our official manifest."

Urging Civil Service regulations for employees of the municipal waterworks, he said: "Their positions should not be made subject to political changes. As long as we have our present form of city government the whole council should serve as the Board of Directors."

Waterworks Board Plan Held Illegal

Democrat 4-14-1936

The City Council is without authority to delegate operation of the Municipal Waterworks to any board or commission, City Attorney Ed I. McKinley Jr. said in a letter to Alderman Floyd Terral yesterday. The opinion was in response to Mr. Terral's inquiry as to legality of an honorary advisory commission, such as had been proposed.

"It is my judgment," the city attorney wrote after citing various statutes, "that the City Council would have no more power to delegate this important function of the city than it would to delegate the operation of the city."

"I have made an investigation with reference to the operation of municipal plants in other cities of the state. I find that in all instances where there is not a special act of the legislature or where an improvement district is not operating the utility, then the council operates the utility under its control and supervision."

Hope As An Example.

He quoted the following excerpt from a letter written to him by William S. Atkins, city attorney of Hope:

"As per your request, I am writing you with respect to the method by which the city of Hope operates the city water and light plant.

"This plant was built by the city and has been operated by the city for many years. It is operated by a superintendent under the direction and supervision of the City Council just as any other department of city government is operated.

"It has been suggested several times that the plant be operated by a commission; but it is my opinion (and my predecessors have concurred in the same opinion) that the only way under the present law to operate the plant is under the direction and supervision of the City Council."

Water Project Delay Charged To Dispute

An engineering deadlock between Alexander Allaire, acting state PWA director, and Burns & McDonnell of Kansas City, Mo., the city's engineers for the \$3,080,000 water supply project, prompted Mayor Overman to obtain support of the City Council last night in a move to establish disputed points in defiance of the PWA state office.

On motion of Alderman Terral, the Council authorized the mayor to select a committee of three to sit with the Board of Public Affairs and determine questions of policy in connection with the water supply project. He selected Alderman Pickens, Wherry and Sprick. Terral declined a suggested appointment.

Louis C. Hill of Los Angeles is en route to Little Rock to serve as consulting engineer for the project, but his retention has not received final approval of the state PWA office, Mayor Overman said.

Says Washington Offered No Objection.

R. E. McDonnell, senior member of the engineering firm, told the Council that although the Washington office of the PWA had offered no objection to plans and specifications for the 32-mile pipeline connecting the proposed Alum Fork reservoir with the city, the state office has withheld approval, despite the fact that plans were filed 48 days ago. He said "grave disagreement" existed.

The state PWA office has refused to accept the cost basis on which Burns & McDonnell insisted that bids for pipe be submitted, he said. The project has been set up so that the cost of cast iron pipe will be figured on the basis of 100 years of life; the cost of reinforced concrete on 70 years, and the cost of steel on the basis of 50 years.

Mr. McDonnell said that in line with competent waterworks engineering practice, the specifications call for cement-lined cast iron and reinforced concrete pipe 39 inches in diameter and steel pipe 44 inches in diameter. The cement-lined and concrete pipe retain their carrying capacity, he said, but barnacles form in the interior of water-carrying steel pipe, which reduces its capacity.

Reports 'Active Interest' In Having Steel Used.

The state PWA office has demanded that bids for steel pipe be submitted on the same basis as for other types of pipe, Mr. McDonnell said.

"I don't want to be in the position of saying there is any ulterior motive but there is an active interest in getting steel pipe on the basis of other materials," he told the Council.

The reservoir-pipeline project lends itself to award of four contracts for construction, one for the pipeline, one for the dam, a third for clearing the reservoir site and a fourth for tunneling, he said.

The state PWA office has insisted that the pipeline be contracted for in three sections, he said, although heavy and expensive machinery is required for the job and such division would increase costs. He said it would not speed up the work because construction and delivery facilities for the size of pipe required are limited.

Mr. Allaire was not present at the Council meeting but was advised by the Gazette of the Council action. He declined to comment.

Mr. Hill Consultant On Many Big Projects.

Mayor Overman told the Council he was hopeful that the difficulties can be adjusted by Mr. Hill, provided his services are accepted by the state PWA office.

He read a letter signed by Mr. Hill listing his qualifications, as follows:

At present consulting engineer on the Long Valley dam for Los Angeles, Cal., also on the Bouquet Canyon dam, recently completed by the same city.

Consulting engineer on the Fort Peck dam in Montana (largest earth dam of its kind in the world) for the War Department, and on 14 dams of the Muskingum Conservancy District in Ohio, for the War Department. These dams cost in the neighborhood of \$1,000,000 to \$1,500,000 each).

Consulting engineer for the War Department on the Tygart dam in West Virginia, the Bluestone dam in West Virginia, and the Conchas dam in New Mexico.

Consultant for the Boulder Canyon dam and the All-American canal and Imperial dam for the Bureau of Reclamation.

Consultant for San Diego, Cal., in construction of El Capitan dam, hydraulic fill dam.

The mayor said he had opposed demands for retention of a consulting engineer because the Burns & McDonnell

original cost estimate had been reduced \$420,000 by the PWA and he believed funds were limited. He also reminded the Council that no consulting engineer had been required for the \$1,600,000 water supply project at Fort Smith, which is a PWA job.

Mr. Hill is scheduled to arrive in Little Rock tonight.

Contracts Given On Sewer Project.

The Council approved award of contract for the first four sections of the \$1,640,000 sewer project, subject to final approval of the PWA, as follows:

Section A—Nolan Construction Company of Detroit, Mich., using electric power for pumping station, \$425,912.17.

Section B—Drainage Construction Company of El Paso, Tex., \$302,342.69.

Section C—Drainage Construction Company, \$95,208.67.

Section D—G. C. McEachin Construction Company of Little Rock, \$119,890.

Other Business Transacted at Session.

An ordinance appropriating \$32,985 for payment of semi-annual interest coupons on outstanding 4 1-2 per cent funding bonds and \$176.81 for expenses incurred for refunding \$33,000 of the bonds, which were in default, was voted unanimously.

Part of the business on the calendar was carried over until Monday night after Mayor Overman explained that his grandson, Richard E. Overman III, had undergone an emergency operation at Baptist State hospital, following an acute attack of appendicitis. He left for the hospital immediately after the Council adjourned.

The following routine affairs were disposed of:

Recommendation of Finance Committee that \$50 due Baptist State hospital for care of the late Detective Sergt. W. R. Henson be paid; approved.

Recommendation of Finance Committee that petition for additional orderly at City hospital be denied; approved.

Recommendation of Finance Committee that petition of Mrs. G. H. Lyon for tax exemption on spur track be denied; approved.

Recommendation of Finance Committee that request of Fire Department for automobile for fire inspector be denied; approved.

Recommendation of Finance Committee that communication from Miss Vera J. Snook regarding salary adjustments at Public Library be received and filed; approved.

Report of Chief of Police Pitcock regarding disposition of traffic cases during March, received and filed.

Petition of Gordon Johnson Jr. and Duncan Ingram to operate a fish dock at 1718 Pine street; referred to Health Committee.

Petition of L. Narkinsky for refund of \$14.29 paid for repair to sewer line; referred to Finance Committee.

'Well Farm' Leased To White Brothers

Democrat 4-14-36

Lease of the "well farm" of 400 acres, part of the property that the city obtained from the Arkansas Water Company, to White Bros. for seven years has been disclosed by a deed filed in the circuit clerk's office.

The property, lying along the Arkansas river north and west of the Riverside golf course, was leased from the Arkansas Water Company for a period beginning January 1, 1934, and with an option of renewal for three years. The lease was not signed and filed until February 29, 1936, but was back-dated. The city obtained the property with the other water company properties on March 31.

The rental fixed in the lease is \$300 annually for the first three years, \$400 the fourth and fifth years, \$600 the sixth and seventh years, and \$700 the following three years if the option is taken up.

The lease, executed by E. W. Clark, president of the Arkansas Water Company, provided that the company retain water rights, but conveyed all others to the lessees, limiting development to such activities as would not pollute the ground waters.

White Bros., also lessees of a building at the airport which is used as a cotton compress and warehouse, has sub-leased the well farm to government agencies since 1934. The Resettlement Administration is present holder of the sub-lease.

Mayor Hopes For Water Offer

Gazette 4-19-36

Mayor Moore expressed hope yesterday that the American Waterworks and Electric Company of New York, parent of the Arkansas Water Company, would name a price for its local properties this week, so that the real dickering might begin.

An offer of \$450,000, made by the city several days ago, was rejected, but the New York company did not advance any counter demand at that time, as city officials have requested.

The mayor said that S. R. Brough, superintendent of the Arkansas Water Company, advised him yesterday that officials of the American Waterworks and Electric Company were away from New York city last week, inspecting another water system. The mayor said he was told that they might take action in the local deal early this week and advise the city of their decision before the end of the week.

It is considered certain that the water officials will ask a higher figure than that offered by the city. A valuation of about \$650,000 was placed on the local properties during negotiations for purchase of the company's properties in Little Rock. Should North Little Rock be as successful as Little Rock in negotiating a reduction in the original "asking" price the sum the city might expect to pay would be about \$510,000, city officials say.

Officials of the water company are being moved from the city hall, where a branch of the Little Rock office has been maintained for several years, to 117 East Third street.

Water Firm's Offer Awaited

Democrat 4-19-36

Next Move Up to Company in Negotiations for Purchase.

City officials are awaiting an offer from the Arkansas Water Company as to the value of their local properties in the hope that an early settlement can be made. The water company officials recently declined the offer of the city of \$450,000 for the local distribution system, and Mayor Moore wrote the officials asking them to make a price.

Mayor Moore believes that since the water company declined the city's offer that the price which they will ask will in all probability be in excess of what the city believes to be the value and in that case an arbitration committee will be asked to determine the price. The city will select one, and Mayor Moore indicated that he will ask the department of utilities at the state capitol to represent the city. The water company also will select one and the two thus named will select the third party.

Mayor Moore said that he hoped for an early offer from the water company so that the matter could be brought to an amicable agreement thus eliminating long court action.

Waterworks Authority Delegated

Gazette 4-19-36

L. A. Jackson, superintendent and acting manager, was given full authority to operate the Municipal Waterworks yesterday, at a meeting of the City Council Utilities Committee with Mayor Overman.

Mr. Jackson's acts will be subject to final approval of the committee, but a resolution adopted unanimously on motion of Alderman Leiser authorizes him to carry on ordinary operations without interference. The committee also voted to consider no capital expenditures without his recommendation.

Chairman Erwin, Aldermen Pickens and Muswick and Mayor Overman supported Leiser's declaration that operation of the Municipal Waterworks should be carried on without political interference. Declaring that direct control of the property should be removed from the committee as far as possible, to relieve the members of "political pressure" the committee directed that all petitions and other requests be filed with the superintendent, rather than with the committee or its members.

Mayor Overman told Mr. Jackson that the city was looking to him for

efficient management and a sufficient profit to care for bond requirements. To accomplish that objective, he agreed it was necessary that the superintendent be given authority of an executive.

No Action on Petition.

The committee deferred action on its first petition for capital expenditure—the request of the Little Rock Basket Company at the foot of East Fifteenth street for installation of a fire hydrant estimated to cost \$1,500. Ed Gaunt, auditor, warned that only a limited fund is available for such work.

Continuation of life and annuity insurance for employees, estimated to have cost the Arkansas Water Company about \$2,800 annually, and other questions of policy were referred to a sub-committee composed of Mayor Overman, Aldermen Pickens and Erwin and City Attorney Ed I. McKinley Jr. The committee also will determine whether pensions to two retired employees of the old company will be continued.

Mr. McKinley said he believed it was possible for the company to continue payment of a \$12,000 annual privilege

license to balance the city's payments for water used for municipal purposes.

Receipts Reported.

A report was presented showing that receipts from water sales during the period from April 1 to April 9 were \$11,166.23. Consumers' deposits were \$375.50 and disbursements were \$831.74, leaving a balance of \$10,709.99 on hand for operations.

Mr. Jackson estimated that collections from April 10 through April 15 would total \$15,000 and payroll requirements for the same period would be \$2,350.

He was authorized to arrange for advertisements notifying the consumers of a change in collections' policy required by the city's bond indebtedure. Effective immediately, bills paid within 10 days of date of issue will be subject to five per cent discount. Bills paid within 10 to 20 days will receive no discount and after 20 days a 10 per cent penalty will apply. After 30 days, service will be discontinued.

The Finance Committee and the mayor will meet at 5 p. m. each Friday to review operation of the property.

Early Action On Waterworks Contract Seen

Engineer's Report Sent to PWA Office in Washington.

Following a conference yesterday with Alexander Allaire, acting state PWA director, Mayor Overman was hopeful last night that last obstacles in the way of awarding contracts for construction of the pipe line and reservoir for Little Rock's proposed new waterworks system were about to be removed.

Mayor Overman said Mr. Allaire told him, other members of the Board of Public Affairs and several aldermen, who also attended the meeting, that the report of Louis C. Hill of Los Angeles, Calif., consulting engineer for the project, had been sent to the PWA office at Washington, D. C.

Mr. Allaire indicated, the mayor said, that he believed action on the report could be expected soon, possibly within the next day or two.

Mr. Hill was employed to help bring about a settlement of points in the proposed work on which the state PWA office and the city's engineers, Burns & McDonnell, were at variance. His report was read to the city council at its meeting Friday night.

Await Final Approval.

With final settlement of differences and approval of the plans by the PWA the city will advertise for bids from contractors, and work will start shortly after contracts are let.

Mayor Overman at Friday night's council session took cognizance of questions asked by the "Observer" in Friday's Democrat concerning the delay in awarding of contracts and starting of work on the project. The mayor said the city is ready to proceed, but has been forced to await action by the state PWA office.

Hugh Carter, engineer for Little Rock's new sanitary sewer system, said last night that bonds of contractors for the first four sections of the system, were filed yesterday and approved following approval of the awards by the PWA headquarters at Washington, D. C.

A requisition for the bond money was filed yesterday and when approved by PWA headquarters will release funds for actual construction. Mr. Carter said he believed work will start within the next two weeks.

Quartet Breaking Up Bits Of Earth Has Important Part in City Water Project

In an improvised workshop in the basement of the city hall four young men are engaged in work which will have an important bearing on successful completion of Little Rock's proposed new water supply system.

An uninitiated citizen, however, might suspect them of retarded mental development if he saw them sitting on the floor breaking earth into bits or pounding the fine dirt into a metal cylinder.

Actually the young men are making tests to determine valuable information necessary to construction of the earthen dam which will impound the waters of Alum Fork of the Saline river to form the lake which will be the source of Little Rock's new water supply.

Edwin A. Elliott, employe of Burns & McDonnell, engineers on the water supply project, is in charge of the soil testing laboratory, official designation of the workshop. He is assisted by Robert Burns, William E. Byrd and J. E. Cherry.

Breaking the earth and placing it in three cylinders is only a minor part of the work. The dirt is samples from the site where excavations will be made and the dam constructed.

Through the exhaustive tests by the laboratory workmen, engineers will be enabled to know which of the four types of soil found near

the site of the dam will be best to use for the structure, how wide the dam must be, and even how many times a "sheepsfoot" roller must be drawn over the earth of the dam to compress it to the proper degree of density.

Instruments used in this work include plasticity needles, a tool resembling a giant hypodermic needle, which measures the pressure necessary to penetrate the soil; compaction cylinders, a complicated device which measures the rate of seepage of water through soil, drying ovens and others.

A "sheepsfoot" roller, the reporter learned, is a heavy cylinder which has protruding "feet" for packing an earthen fill.

"Almost any type of earth can be used successfully for a dam, but it must have the correct moisture content and the correct compactness," Mr. Elliott said.

Importance of the soils testing laboratory was stressed by R. E. McDonnell, senior member of Burns & McDonnell, in an address before the city council Thursday night.

Mr. McDonnell related how several hundred lives were lost in bursting of a large earthen dam which had been constructed without proper preliminary tests having been made.

"Soil used for the dam was so hard when dry that it could hardly be broken with a pick and yet water impounded by the structure immediately washed it away," he said.

The Board of Public Affairs, together with Mayor Moore and the Water Committee of the City Council will carry on negotiations with the American Waterworks and Electric Company for purchase of the local properties of the Arkansas Water Company, it was decided at the meeting of the city council, last night. The negotiations will open next week with the arrival of officials of the waterworks company.

The council will meet at 7:30 o'clock tonight with W. F. Moody, engineer, who appraised the local properties of the water company for the city.

On recommendation of Laurence Berger, city attorney, the council rescinded its vote adopting a resolution two weeks ago in which the city notified water company officials formally of its desire to buy the properties. It was stated that the resolution was not properly worded and bound the city to definite procedure.

Ed Wright and A. E. Mercing are members of the Board of Public Affairs and Aldermen W. A. Raney, Ed Skinner, and Frank Dukes comprise the water committee.

An ordinance was unanimously passed appropriating \$1,500 to the Community Chest of Greater Little Rock. The pledge was made by the city during the last Community Chest drive.

Water System Appraised At \$508,685

W. F. Moody & Co., civil engineers, employed by the city, appraised North Little Rock properties of the Arkansas Water Company at \$508,685.17, Mr. Moody informed the City Council last night.

The Arkansas Corporation Commission yesterday fixed the assessed valuation for taxation purposes of the North Little Rock properties of the Arkansas Water Company at \$240,000 for 1936. The assessed valuation was on a basis of 50 per cent of the actual valuation of the properties, and taxes will be payable next year on the basis of this assessment.

Mr. Moody was asked to appear before the Council at a special meeting to explain in detail his written report of appraisal filed with Mayor Moore several weeks ago.

The city made an offer recently to the American Waterworks and Electric Company of \$450,000 for the Arkansas Water Company's properties here. The offer was rejected by the New York company, which is the owner of the Arkansas Water Company. No counter offer has been made, but it has been predicted that the company will ask in the neighborhood of \$700,000.

At the time the sale of the company's Little Rock properties was being negotiated, the water company fixed a valuation of \$634,000 on its North Little Rock properties.

No Decision Is Reached on Water Clause

Washington PWA Officials Indicate Concrete Pipe Bids to Be Asked.

Washington—Public Works Administration officials had not reached a decision today on the evaluation clause, which provides for differentials between bids on three types of pipe suggested for use in Little Rock's proposed new waterworks system.

The best indication of settlement of the problem advanced here is that bids will be asked on concrete pipe alone with definite specifications set for that product.

The report of Alexander Allaire, state PWA director, including the findings of Louis C. Hill, Los Angeles consulting engineer, is now being studied by PWA officials.

Concrete, cast iron and steel pipe are alternate types provided for in the plans of Burns & McDonnell, Little Rock's engineers on the project. The report of Mr. Hill approved of the evaluation clause. He also suggested that final plans be changed so that bids could be received on a fourth type of pipe, the Humes centrifugal reinforced concrete pipe. It was indicated here that Mr. Allaire did not wholly agree with all of Mr. Hill's findings.

Hope for Quick Decision. Neither Mr. Allaire nor Mayor Overman had any comment today on the Washington dispatch. Both expressed hope, however, that a final report from the Washington PWA office would be received soon. Mr. Allaire said he had expected the report for several days.

Alternative Water Source Studied

Steps were taken yesterday to revive interest in Little Maumelle creek as a source of supply for the city's proposed reservoir if the PWA rejects plans or delays further the \$3,080,000 Alum Fork project.

Award of contract for the pipeline connecting the proposed Alum Fork reservoir with the city has been held up nearly two months by failure of the PWA to approve specifications. The report of Louis C. Hill of Los Angeles, consulting engineer, was sent to Washington about 10 days ago, but apparently it has failed to break the engineering deadlock between the state PWA office and Burns & McDonnell, the city's engineers, regarding specifications.

Mr. Hill will return here before May 20 to review specifications for the Alum Fork dam and reservoir, which will be completed within two weeks. Engineering activities will be suspended unless PWA approval for the pipeline is received before that time.

Survey Cost Estimated. A survey of the Little Maumelle supply to determine the annual discharge from the watershed and the general desirability of the water would cost less than \$5,000, estimates indicate. Engineers believe that if a survey determines the sufficiency of the supply, a reservoir and pipeline could be constructed at a cost far below that of the Alum Fork project.

A report of the Chamber of Commerce Water Supply Committee which resulted in selection of Alum Fork as a source of supply objected to Little Maumelle because it was believed that a dam at Shinnall mountain, 16 miles west of Little Rock, would create a lake with an undesirable percentage of shallow water.

But, in the event that action from the PWA is not forthcoming this week, engineers are expected to launch a more exhaustive investigation of Little Maumelle.

When \$4,090,000 water revenue bonds were sold April 1, the bond purchasers, Bancamerica-Blair Corporation and Stranahan, Harris & Co., obtained an option on \$2,500,000 additional four per cent bonds. The Little Maumelle project is being considered because it is believed that it could be carried out with that amount of money without an additional grant from the PWA.

Seek to Speed Work on New Water System

Plans Complete and Bids Expected to Be Asked Soon.

Mayor Overman yesterday said he is considering a trip to Washington, D. C., to confer with PWA officials in an effort to speed up a final decision on Little Rock's proposed new waterworks system.

Final approval has been held up while officials consider a report of Louis C. Hill, consulting engineer, and of Alexander Allaire, state PWA director. Plans are complete, and bids probably will be asked as soon as approval is obtained.

Differences of opinion have developed between the state PWA office and Little Rock's engineers, Burns & McDonnell, over several points in the city's plans, especially the evaluation clause, providing for a differential between bids on several types of pipe proposed for use in the pipeline from the reservoir in Saline county to the waterworks here.

Mayor Overman added that he suggested in a conference yesterday with Mr. Allaire that both go to Washington, but that Mr. Allaire said he was unable to make the trip.

Last night Mr. Allaire reported that he had received a telegram from the Washington PWA office asking for additional information concerning several details of the waterworks plans. He declined to divulge nature of the inquiries, but said that the Washington office still had reached no decision on the city's plans.

Formal ceremonies are planned when work is begun on the waterworks and also on the city's proposed new sewer system, Mayor Overman announced yesterday. No definite plans have been made for the ceremonies, he said.

Final approval has been obtained on the sewer system, and funds for the project have been requisitioned from the Washington PWA office, but the money has not arrived here. Hugh R. Carter, project engineer, said he believed work would start within about 10 days.

Officials To Capital On Water Project

Departure of city officials, engineers and PWA officials for Washington last night, following arrival yesterday morning of two agents of the PWA Bureau of Investigation at Kansas City, Mo. presaged early settlement of questions relating to the city's \$3,080,000 water supply project.

Mayor Overman, Alderman Jack Pickens, Marion L. Crist, project engineer for Burns & McDonnell engineering firm; Alexander Allaire, state PWA director, and Don A. MacCrea, PWA engineer, left last night for Washington by train. Chester A. Smith of the Burns & McDonnell firm, planned to join them at St. Louis.

J. J. McLaughlin, attorney, and J. W. Fuhrer, engineer, for the Bureau of Investigation, conferred with Mr. Allaire and Mr. Crist yesterday, launching what promised to be an intensive investigation into engineering differences between the city's engineers and the state PWA office over pipeline plans and specifications which have held up the project for more than two months. It was indicated that they would remain here until after the return of the official party from Washington late this week.

The Washington conference, which probably will take place tomorrow, is expected to result in a showdown on the water supply project. The report of Louis C. Hill of Los Angeles, consulting engineer, which was submitted to Washington about two weeks ago will form the basis of discussion.

Alderman George Wherry of the Seventh ward is serving as acting mayor.

Mayor Endorses Commission Proposal.

The proposal of Alderman Jack Pick-

ens for creation of an honorary five-member commission to operate the Municipal Waterworks, subject to City Council supervision was endorsed yesterday by Mayor Overman.

Declaring that he would be pleased to carry out the plan if it meets with approval of a majority of the council, the mayor said the proposal probably will be discussed at the council session Monday night. It provides for appointment of three business men to serve with the mayor and city treasurer on an operating commission.

Inspector Named For Water System

Notice of the appointment of Alfred M. Lund as chief engineer inspector for the city's proposed \$3,080,000 water reservoir and pipeline was received yesterday, by Acting Mayor George R. Wherry from A. W. George Jr., state engineer inspector for the PWA. Mr. Lund will maintain offices on the Ninth floor of the Rector building, during construction of the project.

Mr. Lund served as engineer inspector for the St. Francis Levee District PWA projects and recently completed a term as engineer inspector for the Hot Springs PWA sewer project. His office will adjoin that of Mr. George in the Rector building.

To Transfer Engineer Here.

C. S. Young, chief engineer inspector for the Fort Smith water supply project, which is scheduled to be completed May 10, will be transferred here in the same capacity for the city's \$1,640,000 sewer project, contracts for which already have been awarded. Mr. Young will report here by June 1.

Music Representative Named.

George A. Lescher, director of civic music, was appointed yesterday, by Mr. Wherry as the official representative of the city to the Arkansas Federation of Music Clubs convention here today, tomorrow and Saturday. The acting mayor explained he would be unable to attend because of previous engagements.

Acting Mayor Wherry issued a proclamation yesterday designating the week of May 11 to 16 as Life Insurance Week in Little Rock, in conjunction with national observance of Life Insurance Week.

Late yesterday, Mr. Wherry received a telegram from Congressman D. D. Terry announcing that the House had agreed on a conference report of the military appropriations bill, which carries an amendment conveying title to Municipal Airport from the War Department to the city.

Mrs. Wherry and Mr. and Mrs. F. T. Henry of Rohrer, were among those visiting the office to congratulate the acting mayor.

The Water Attorney's Fee

5-10-1936

In order to arrive at some basis regarding the reasonableness of the \$50,000 fee claimed by John A. Sherrill as the city's lawyer in the purchase of the Arkansas Water Company's plant, the Gazette questioned 12 Little Rock lawyers who have had long years of civil practice. These lawyers were chosen for their standing as members of the Little Rock bar. All said that \$50,000 would be out of the question as reasonable compensation for the work performed.

The \$50,000 is claimed solely in connection with the water plant purchase. Mr. Sherrill is claiming a separate fee for his services in the matter of the \$3,000,000 PWA loan and grant for the Saline basin water supply project.

In Fort Smith, Harry P. Daily represented the city as its water project attorney. His employment has extended over about two years. He was called on to handle much litigation, including defense of the entire plan, first in the Sebastian Chancery Court and then in the Arkansas Supreme Court. As legal adviser in the acquisition of 20 miles of right-of-way he examined some 50 abstracts of title and handled several lawsuits. He prepared the contracts under which the project is being carried out.

Mr. Daily got for all these services \$6,500, or about one-half of one per cent of the project cost, and will continue to take care of legal matters arising in connection with the project without additional compensation. The cost of the Fort Smith water supply project was \$1,399,000 as compared with \$3,000,000 for the Little Rock water supply project.

Mr. Sherrill was employed to represent the city in negotiations for the PWA loan for a new supply. He is claiming from \$15,000—one-half of one per cent—to \$30,000—one per cent—for his services in that connection, besides the \$50,000 (originally \$77,000) claimed in connection with the water plant deal. Those two undertakings overlap for him as well as for the city. When PWA refused to grant any funds for a new supply unless the city owned the distributing system, the question of any fee whatsoever for Mr. Sherrill became dependent on the purchase of the waterworks.

Water Pipeline Plans Revised As Advised by Consultant.

In conformity with the recommendations of Louis C. Hill, consulting engineer, plans for the 32-mile pipeline connecting the proposed Alum Fork reservoir with the city have been amended to admit bids on the Hume & Bussuiel types of concrete and steel pipe, Marion L. Crist, project engineer, said yesterday.

By the Hume & Bussuiel processes, steel pipe is given a spun concrete lining under high pressure. Under the Hume plan the outer concrete covering is "gunned" to the surface under pressure while by the Bussuiel method the outer concrete covering is poured and molded. Bids also will be received on reinforced concrete, steel and cast iron pipe.

Final decision of the PWA office at Washington on the pipeline specifications is expected today or tomorrow.

Water Plant Value Fixed State Commission Assesses North Side Properties at \$240,000.

Assessment of the North Little Rock properties of the Arkansas Water Company was set at \$240,000 by the Arkansas Corporation Commission in an order issued this morning.

The order places the assessment on real estate at \$3,900 and the assessment on personal property of the company at \$236,100.

LAWYERS AGREE WATER PROJECT FEE TOO LARGE

may 10, 1936

Compared to Fort Smith Allowance.

A dozen lawyers, leaders in their profession who have specialized in civil practice for many years, were asked by Gazette reporters last week to give an opinion as to the amount to which John A. Sherrill, attorney for the city of Little Rock in the Municipal Waterworks purchase negotiations, is entitled as a fee, and they concurred in the belief that he will be vastly overpaid if the City Council tomorrow night votes to carry out its agreement, reached as a Committee of the Whole last Monday night, to allow him \$50,000.

Two of the lawyers compared this with the \$6,500 which the city of Fort Smith paid its water project attorney, Harry P. Dally. They pointed out that Mr. Dally's employment has extended over about two years, that he had handled considerable litigation, including a direct attack on the entire plan. In this case, Mr. Dally was the city's attorney both in Sebastian Chancery Court and in the Arkansas Supreme Court.

Officials at Fort Smith said that Mr. Dally's duties had included examination of about 50 abstracts of title and that he had served as legal adviser in acquisition of 20 miles of right-of-way. Litigation developed over right-of-way matters in some instances, and Mr. Dally handled all such suits.

Also, he prepared the contracts under which the project is being carried out with PWA financing. Three contracts were awarded, one for the dam and lake, \$543,195, another for the pipeline leading to the city, \$746,226, and the third for the pipeline within the city (\$110,137). These contracts totaled \$1,399,558.

While the \$6,500 has been paid to Mr. Dally, he will continue to take care of legal matters arising in connection with the project. Fort Smith officials explained, and there will be addition to his fee.

An exact statement of expenses of Mr. Dally was not available, but it was said they would not exceed \$1,000, including cost of trips in the interest of the project. The attorney had no contract with the city, and the fee was fixed after the bulk of the work was out of the way.

Mr. Sherrill to Collect Additional Compensation.

On the basis of the \$3,080,000 which the PWA has allotted Little Rock for construction of its water supply system, Mr. Sherrill will receive about \$15,000 for his services in connection with that phase of the city's waterworks program. However, he told the council the PWA might permit payment of double that amount.

The \$50,000 fee on which a majority of the aldermen agreed Monday is for Mr. Sherrill's work in the sale of water revenue bonds and purchase by the city of the Arkansas Water Company's properties here. He first sought \$77,000, as two per cent of the sum paid by the city, but said Monday night that he would accept \$50,000. He holds no contract but explained that he had consented, at the request of Mayor Overman, to serve as special attorney for the city with the oral understanding that he would be paid two per cent of the total involved.

Several lawyers emphasized that an attorney would be entitled to expect a larger fee when he took a case on a contingent basis than if he were assured of adequate compensation. Mr. Sherrill, they said, was in the position of "gambling" his own time and money in the effort to provide Little Rock with a new and municipally-owned water system.

Nevertheless, they declared, \$50,000 would be too much for the city to pay. The lowest figure suggested was \$7,000 and the highest \$25,000, with the city reimbursing Mr. Sherrill for any expenditures which he made personally in the course of negotiations. Most of the lawyers thought \$10,000 to \$15,000 would be adequate.

Statement Prepared By Mr. Sherrill.

Expressing belief that criticism of a \$50,000 fee for his services was the lack of public understanding of the details involved, Mr. Sherrill yesterday reviewed the project as it was discussed last week before the City Council as a Committee of the Whole.

At the request of the Gazette, Mr. Sherrill prepared a statement, answering questions pertaining to the water project. He said he was reluctant to discuss the value of his services, but wanted citizens of Little Rock to understand that he was not selected because he was a political or personal friend of Mayor Overman.

"I had never represented him personally, had not campaigned for him in his race for mayor and in fact was never in his headquarters," Mr. Sherrill said. "I was nominated as a member of the Charter Committee which was voted on at an election in an endeavor to unseat the mayor and aldermanic form of government but it was voted down by the people and the mayor retained office."

"I do not know why I was selected. The mayor came to my office one day and unexpectedly announced that I had been selected to handle the water project and asked if I would accept the employment. Without hesitancy I informed him I would not; that I had never been employed in any matter pertaining to politics, that I never had taken part in political matters, that I made my living from fees paid by corporations and did not desire to participate in this particular project."

"The mayor insisted that my affilia-

tions were such, notwithstanding my corporate practice as to make me the most available attorney for the handling of the project. Several interviews were had before any agreement was reached as I was most reluctant to take on this type of practice."

"The mayor frankly advised me in the various consultations that the city had no funds to employ auditors, engineers and bond attorneys, or pay an attorney's fee. He was aware that it would require all of these experts and that their charges would be in excess of \$50,000 for the taking over of the distribution system. It was understood that my fee must be wholly contingent on my accomplishing the acquisition of the distribution system."

Possibility of Criticism Made Him Reluctant.

Declaring that attorney's expenses promised to be large, he said "there also was the fear that this being a public matter, criticism would arise against me either from the method of handling the project or from the fee charged, just as has happened. This, of course, all attorneys are reluctant to undergo."

"When I finally agreed to consider the matter," the attorney continued, "my fee was discussed and a two per cent of the cost of acquisition of the system and the building of the new source of supply was agreed upon. This basis was arrived at because the fee was wholly contingent upon the success of the project. All my expenses were to be paid by me. This is the same fee paid where such matters are accomplished by improvement districts in the building of streets, roads and other improvements."

"In other words it is as customary to pay a two per cent attorney's fee for an improvement district as it is to pay five per cent engineering fee, and this fee was thought reasonable under the circumstances both by the mayor and myself."

Mr. Sherrill said the water project had taken practically all his time and had required the time of three associate attorneys as well his office force.

Replying to a question as to when work was started, he said: "The mayor came to me before his election and I started work upon the project in the latter part of October or the early part of November, 1934. I estimate that I will have been employed upon the job at least 36 months before the final consummation of the project."

The maximum fee of \$80,000 possible for the entire project if the PWA should increase his fee from \$15,000 on the supply project to \$30,000 "will I believe increase the earnings of the office over the period of 36 months," Mr. Sherrill said, "but whether we will realize any permanent benefits from it or not is very doubtful because we have been forced to displease many good clients by giving preference to the water problems over our usual and ordinary business."

Others Handling Part Of Business, He Says.

"I have important matters pending now with many of our leading attorneys, some of whom are Cockrill, Armistead & Rector; Rose, Hemingway, Cantrell & Loughborough; R. E. Wiley, John W. Newman and others, in which there are very substantial fees and in which the cases have been

pending for many months and are yet unsettled and in many instances untried," he said.

"My reason is that in large cases it requires uninterrupted preparation for several weeks before you are ready for trial and I have had no such period of time I could devote to any other matter than the water question since I have been engaged by the city on this project."

"The passing of these cases has necessarily greatly reduced the ordinary income to the office and in one instance I have been required to release a case to other attorneys in which the fee, although partly contingent, the same as the city fee, would have equalled more than half the fee which the city now proposes to pay for the acquisition of the distributing system if successfully concluded."

"I do not like to make public statements of earnings. These are matters of which my closest friends do not have the slightest idea. However, I presume when one becomes employed by the public he should disclose his most personal transactions to the public if of public interest."

"This file on my desk is an income return to the federal government for the year 1934. The occasion for it being out is the invitation from the government to pay an additional tax on the 1934 return of \$843.40 on one item and \$293.30 on another."

"The total gross income on which these items were assessed in 1934 was \$57,724.91. [Mr. Sherrill exhibited a duplicate federal income tax return to a reporter.] There is not a great variance in my annual returns ordinarily. There was, however, some decrease in 1935 and apparently there will be a much greater decrease in 1936 in my ordinary law fees."

The water project has required long hours on the part of firm members, he said, and all four members will participate in the fee.

Declares He Saved City More Than His Fee.

Mr. Sherrill said he was able through sustained effort to "induce the bond buyers to purchase the bonds secured by a lien on the distribution system and its revenues without requiring the usual engineering investigation and report (\$40,000) and the usual auditorial work (\$25,000). This alone saved the city an amount in excess of the fee which it proposes to pay me."

"There was, also I am sure the members of the Council Committee participating (Alderman Muswick, Pickens, Wherry, Erwin and others) will bear me out, quite a controversy raised to who was entitled to the bonds on the bond sale, he recalled. "Each of the three bidders insisted that he was low and the Council committee was in some doubt as to just who was low."

"There was some inclination to award the bid to a bidder other than the purchaser (Bancamerica-Blair Corporation and Stranahan, Harris and Company) on the belief that he was entitled to it. Our office worked out definitely the fact that the bid accepted was \$200,000 higher than the next highest bid and when this information was presented to the Council committee the sale was awarded properly. On the final schedule of bonds this difference was substantiated."

Technically, Mr. Sherrill admitted, his fee might be considered to be paid by tax fund, but practically it will not be paid by the taxpayers, he said.

"No obligation rests upon the city to pay any part of the purchase price of the distributing system," he said. "It is paid solely from the revenue of the plant. There is no increase in rates to the citizens. My fee, like all other expenses, must come out of the revenues from the project. If the project had not been taken over by the city, the citizens would have continued to pay the same water rates for many years to come."

"Now the rates will not be increased but there is a strong probability that they will be reduced when the bonds are paid off if not before. The citizens will get a better grade of water without direct cost or expense, as the result of consummation of this project."

Credits Aldermen With Sincerity.

"I have been in close touch with the Council since being on this work and its members have exhibited a sincere interest in the outcome of this project. The reduction in my fee by the Council has, in my opinion, been the result of an earnest endeavor on their part to determine as best they can what is a reasonable fee for the work done."

"I do not believe that any of them hold any personal animosity toward me, but think that each and every one of them wants to do what is fair in the matter and that many of them are familiar with and appreciate the great effort that has been occasioned to accomplish this undertaking and that they are willing to pay a fair fee for the work that they know to have been done."

"I believe that criticism is largely due to lack of information on the part of those who have criticized it. They probably do not understand the conditions under which the work was un-

dertaken; that it was wholly contingent, the pay depending entirely upon the success of the project; that the history of the litigation between the city and the water company for many, many years past was that the city had at all times lost its contentions; that the attorneys' expenses had to be borne entirely by himself; that the expenses for

all experts to assist him had to be arranged by the attorney without pay from the city.

"I, of course, greatly regret that, after a long life in the city of Little Rock which has been wholly without criticism, I should be brought into such criticism upon a contract made in good faith with a very active and efficient mayor, who was fully authorized by the Council to make a contract before the work was well under way."

I feel that I am justly entitled to the fee arranged for with the mayor and that the success of the project should have warranted the payment of it, but the fee has been severely reduced by the Council and I will be forced to take this fee together with all the criticism that the critics care to pass on to me with it. The fees of the lawyers for the water company in this matter when compared with mine make my fee seem most reasonable. There is not much inducement for lawyers to lay down a good practice and undertake difficult and unusual tasks for the public."

Wage Scale Fixed For Pipeline Work

A wage schedule affecting construction of the 32.4-mile pipeline for the city's \$3,080,000 water supply project was fixed yesterday by Mayor Overman, H. M. Thackrey, secretary of the Arkansas State Federation of Labor; and Marion L. Crist, project engineer for Burns and McDonnell, Alexander Allaire, state PWA director, approved the schedule yesterday afternoon, removing the final obstacle toward construction of the pipeline.

Bids for pipeline will be opened here June 16 it was decided definitely.

Mr. Crist will leave today for Kansas City, for a series of conferences with company engineers but will return here Sunday.

The Schedule.

The wage schedule provides 40 cents per hour for labor in Pulaski county and 30 cents an hour for Saline county labor, which will be housed largely in construction camps. The camp labor will be permitted 40 hours weekly and the urban labor 120 hours monthly. The remainder of the wage schedule approximates that adopted several months ago for the city's \$1,640,000 sewer improvement program, which is being financed by a PWA loan and grant.

Dam on Saline Proposed for Water Supply

Survey Committee Offers Plan for \$3,000,000 Project.

Mayor to Capital

Overman Leaves Seeking Federal Funds to Finance Plan.

Coincident with the filing of the report of the Water Survey Committee of the Little Rock Chamber of Commerce yesterday recommending the construction of a reservoir in the mountains 38 miles from the city and piping the water to the city by gravity at an estimated cost of nearly \$3,000,000, Mayor R. E. Overman left last night for Washington to confer with members of congress and federal officials in an effort to secure a PWA or RFC loan to enable the city to carry out the recommendations for a new source of water supply.

The committee report will be submitted to the board of governors of the Chamber of Commerce tomorrow.

Mayor Overman in a statement yesterday said that he found the report thorough, but took issue with the Arkansas Water Company, which was quoted in the report as having informed the committee it is now supplying the city with wholesome and potent water from the Arkansas river.

Mayor Overman expects to spend a week or 10 days in Washington discussing financial arrangements for the water project, which was the major issue in his campaign for office last fall, and other projects the city plans to launch under the new public works program of the federal government.

Since the recommended site for the reservoir to impound waters of the new supply for the city is partly within the bounds of a government reservation, Mayor Overman plans to discuss with the Arkansas delegation in congress the possibility that legislation will be needed to give the city the right to construct the reservoir on government-owned lands.

Thinks Report Thorough.

"If legislation is necessary," he said, "we should make every effort to secure it before congress adjourns."

After making a brief study of the report of the Chamber of Commerce committee, Mayor Overman issued the following statement:

"The time at my disposal has limited my examination of the report of the committee, to a cursory study. I am impressed with the thoroughness displayed by the committee in their investigations, as revealed by the report.

"The committee, over the signatures of each member, expresses the hope that their investigations will be of assistance" in forwarding the Community Purpose—to secure a new water supply.

The committee quotes from a letter written to it by the Arkansas (Cont. on Pg. 10 Gen. News Sec.)

DAM ON SALINE PROPOSED FOR WATER SUPPLY

(Cont. from Pg. 1, Gen. News Sec.)

Water Company, which states that the Water Company will co-operate with the committee and adds: "But we want it thoroughly understood that we are now supplying pure, wholesome and potable water from our present sources of supply." The people of Little Rock will not believe this statement, and it is doubtless made with the idea of a technical defense of its inertia over a period of more than 20 years.

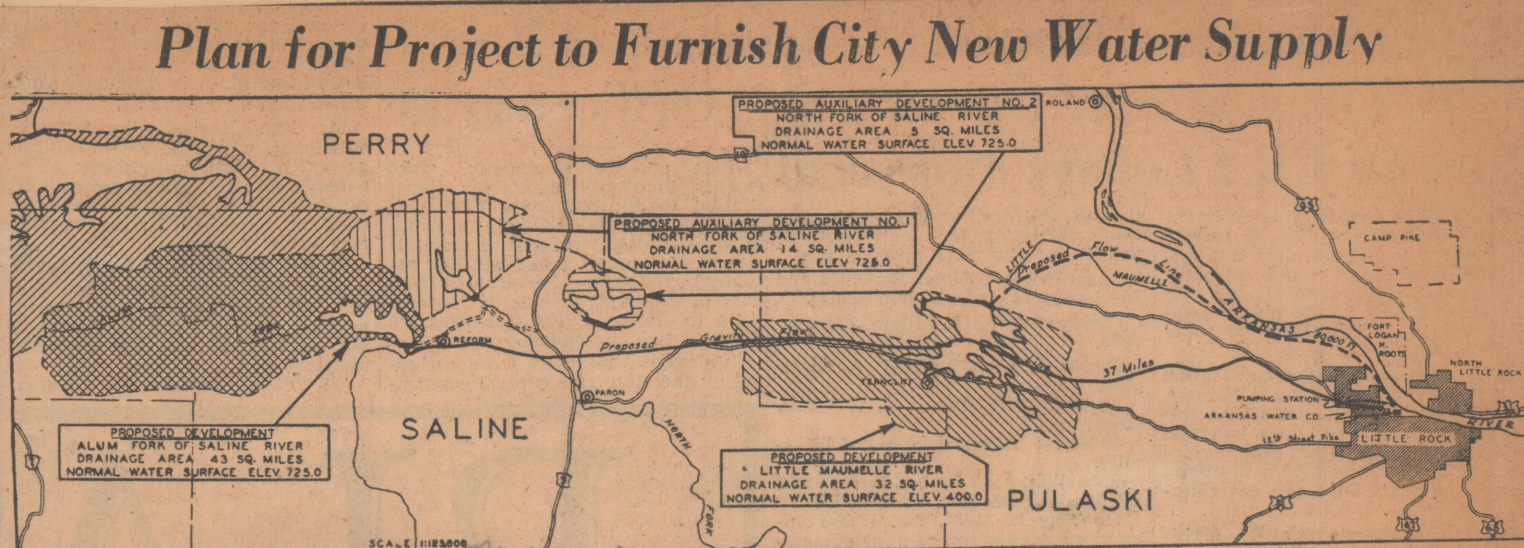
The report shows the feasibility of an impounded surface water supply and in this respect sustains the report of Dr. Geo. C. Branner, to Mayor H. A. Knowlton, on August 7, 1934, and which was made the principal feature in my platform, as candidate for mayor, as announced August 9, 1934.

Agrees New Supply Needed. "One of the conclusions of the committee, that:

"Studies of the history and financial set-up and returns of the water company, together with the reports and investigations on which present rates are based, convince us not only that a new supply is needed, but also that this supply can be made available to the community at no increase in total cost for water service to the consumer," is very interesting and with which I am in hearty accord.

"In conclusion, I might state that the City Council and the mayor are very much pleased with the findings of the committee and wish to thank the committee for the very thorough and exhaustive study given the subject matter.

"The public, I am sure, will be interested to learn that the investigations, made by the committee, together with the work and study given the matter by the mayor, are in thorough harmony, so much so that it can be stated, without fear of contradiction, that the demand for a new water supply for Little Rock is unanimous."



The proposed site for construction of a dam on Alum Fork of Saline river which would supply by gravity flow a new source of water supply for Little Rock is shown on the map. The proposed location is shown at the left, surrounded by

shading showing the watershed which would supply water to create a lake impounding 8,700,000,000 gallons. The auxiliary development No. 1 is on the North Fork of Saline but the water survey committee declared the estimated cost pro-

hibitive. Another proposed site which was investigated was Little Maumelle river but it was found that a dam at the point indicated would impound water at a very shallow depth at most points. A survey also was made of the South

Fork of Fourche La Fave but this was not favored because of high cost, although it was cited as an auxiliary supply when needed. The report, prepared after nine months of surveys, will be submitted by the committee to the board of governors of the Chamber of Commerce tomorrow.

Favor Saline River Dam.

Construction of a dam across Alum Fork of Saline river at a point 37.7 miles west of Little Rock is the most desirable project in a plan for furnishing the city with a new source of water.

Following nine months of work, the water supply committee will make this report tomorrow to the board of governors of the Chamber in a summary of surveys of all available sources of supply.

The report estimates that such a project could be carried through for a total of \$2,844,500. Of this amount, \$706,500 would be for the dam, land, clearing, road re-location, spillway and intake; \$1,952,000 would be for a 39-inch flow line from the dam to the filter plant; and \$186,000 would be for administration, legal work, and engineering. It would result in no additional total cost to the consumer, it is stated.

On the basis of a 30 per cent grant from the federal government on labor and material, the net loan required would be \$2,064,500, which is equivalent to approximately \$18 per capita on the basis of a total population of 115,000 for both Little Rock and North Little Rock, the report states. With 30-year bonds and an interest rate of four per cent, the annual fixed charges should not exceed \$150,397, it is pointed out.

Supply Would Be Adequate. "This project would be capable of furnishing an average of 10,000,000 gallons of water per day, which would be equivalent to 80 gallons per capita for a population of 225,000 people," the report states. "Both from the standpoint of adequacy and the quality of the water available, as well as the net cost considered over a period of years, this supply seems to be the most favorable available."

The surveys in the Alum Fork area revealed several damsites of sufficient elevation to discharge water by gravity to the existing purification plant, it is stated. The proposed site is located within the National Forest at a point where the watershed has an area of 27,110 acres, or 42.4 square miles. Geological formations are of shale and sandstone which would practically eliminate possibility of the water having objectionable mineral characteristics. The formations also provide excellent footings for a dam and should prevent excessive seepage.

A suitable dam site is available at a point where the banks of the stream have an elevation of 650 feet, 138 feet above the flow line in the settling basin at the purification plant. A dam having a spillway elevation of 725 feet is practicable, with a spillway discharging through a tributary of Alum Fork, it is stated. The lake created by such a dam would cover 850 acres and would have a storage capacity of 700,000,000 gallons, approximately 3.8 times the present annual consumption of water.

A study indicates that the lake charge of 11,000,000,000 gallons. Stream flow measurements last month indicated a discharge of 86,832,000 gallons a day, equivalent to 4.7 times the annual consumption when the average daily rate of consumption reached 18,000,000 gallons.

Gravity Would Cut Cost. The flow line would traverse rolling country and in a number of low valleys would require siphons where high pressure pipe would be needed. However, gravity flow would reduce delivery cost as compared with any system requiring use of pumps, it was pointed out.

"The supply from the stream can readily be supplemented at low cost by impounding several small catchment areas, located east of the Alum Fork project and in close proximity to the flow line, and at sufficient elevation to permit discharge by gravity," the report states. "Approximately 8,000,000 gallons per day additional are available from these supplementary impounded supplies."

A proposed auxiliary development which was investigated was the south fork of Fourche La Fave river, 15 miles northwest of the Al-

um Fork project. No estimate of cost was made, as it would be much more costly than the Alum Fork project, but attention was called to the fact that this would be available for development as a part of the proposed source should further demands require such additional source of supply.

Another proposed source of supply which was included in the survey was the north fork of Saline river. A suitable dam site was found three miles east of Paron but elevation would permit gravity flow only to the pumping station, making necessary pumping of the water. "As the estimated cost of the project is high, it is not considered the most desirable," the report states.

Fourth Source Surveyed.

The fourth prospective source investigated was Little Maumelle. Construction of a dam across from the west end of Shinnell mountain with a spillway elevation of 400 feet would create a lake impounding 3,000,000,000 gallons of water but the lake would provide a high percentage of shallow water, "a feature generally undesirable in an impounded supply," it is stated.

The report also includes data on surveys made in connection with proposed ground water supplies. The survey revealed that the most suitable areas available for ground water supply development are apparently areas underlain by the Wilcox formation in northern Jefferson, western Lonoke and southwestern Pulaski counties, at least 20 miles from Little Rock.

Such water, although found in abundant quantities, is frequently high in iron content and would require chemical treatment. "The fixed charges on the investment necessary in connection with the development of a well supply, combined with the very high cost of pumping, indicate that such a project is economically less desirable than available surface sources of supply," the report states.

The summary of findings of the committee include the following: That the highland area west of Little Rock will provide adequate supplies of soft water suitable for all domestic and industrial use; that the supply may be available from three or more catchment areas; that the most satisfactory source of supply appeared to be the Alum Fork project; that the cost would be moderate as compared with expenditures of other cities of similar population; that substantially increased consumption would result from a new source of supply; that a substantial saving would accrue to the consumers, and that the new source is needed and could be provided at no increase in total cost to the consumer.

Asks City to Act.

The committee, commending Mayor Overman and the city council for a resolution to provide a new source of water supply, recommended that the city take such steps as are necessary to accomplish this purpose. Courses of action suggested include a change in existing contractual relations between the city and the distributing company to provide a new source of water, for the city to construct reservoirs and conduits and sell water to the distributing company, and for the city to acquire the present plant and supply a new source of water. It also was recommended that if new contractual relations are entered into, a thorough study of costs be made to ascertain the justification for the rates contemplated.

The report is accompanied by six maps and plans showing Little Rock and the area west of the city with the proposed sites covered by the survey, topography of the proposed lake and dam on Alum Fork, the flow line from the proposed dam to the city, topography at the dam site,

and location of wells located in Pulaski, Prairie, Lonoke, Jefferson, Grant and Arkansas counties.

Plan Is Submitted.

A plan for the proposed dam also is submitted. The dam would have a concrete mid-section extending not less than three feet into solid rock. On each side would be a slope of selected material, covered by a slope of earth and stone.

The committee expresses its thanks for assistance to Dr. George C. Branner, state geologist; the United States Coast and Geodetic Survey and the Geological Survey, the ERA, Judge John E. Martineau and officials of the Arkansas Water Company. "Undertaking personal services, which were essential to our purpose and which would usually have cost many thousands of dollars, have made possible our report," it is stated.

The committee includes C. L. Thompson, chairman, and M. Z. Bair, H. H. Tucker, T. S. Buzbee and George Suter.

Water Tested for More Dem. Data on Tooth Ills

Grand Forks, N. D. (UP)—Until a few years ago, science was unaware of the substance in artesian drinking water caused permanent tooth discoloring or mottled enamel and even complete destruction of children's teeth.

But since late in 1934, Dr. G. A. Abbott, of the University of North Dakota, has pioneered in a fight against fluorid, the salt that produces discoloring and damaging of teeth, and is found in some drinking water in virtually every state.

His experiments with animals indicate that in addition to causing mottled enamel, fluorid in certain types of water may result in malformation of tooth structure, bone defects, high blood pressure and nervous disorders, and may affect normal growth.

Fluorid, if it occurs to the extent of more than one part per million in drinking water, causes mottled enamel, Dr. Abbott said.

Hampton Deep Water Democrat Well Is Completed

Hampton—The deep water well for Hampton's new PWA waterworks system has been completed. The well was drilled to a depth of 450 feet and a flow of approximately 150 gallons per minute was obtained. The water analysis is said to be very satisfactory.

The system will cost approximately \$27,000, 45 per cent of which is an outright grant by the PWA, the balance being a loan secured by water revenue funds. Work on the 50,000 gallon tank and laying of the water lines will be commenced in a few days.

May 17, 1936
Gazette

SOURCE OF FUTURE WATER SUPPLY



This view of the damsite for the proposed Alum Fork reservoir, which will provide the city's new water supply through a 32.4 mile pipeline, was made looking north from a plane of the 154th Observation Squadron, Arkansas National Guard.

In the foreground is Alum Fork of Saline river. The cleared space in the center shows the progress made in clearing the damsite. The dotted white

line indicates the center line of the dam. The tiny dots in the clearing are test pits and the smoke is from burning brush piles. To the right is the road leading to the Reform CCC camp, several miles of which must be relocated because of overflow from the reservoir.

Marion L. Crist, project engineer, will return tomorrow from Kansas City with preliminary plans for the dam. Louis

C. Hill, consulting engineer of Los Angeles, who arrived last week, will canvass the plans with Mr. Crist and other members of the Burns & McDonnell firm.

In company with Engineer Earl J. Thompson, Mr. Hill visited the damsite yesterday, and expressed pleasure over the progress of clearing, which he said would make it possible for contractors

to submit more accurate bids at a saving to the city on construction costs.

After being reviewed by Mr. Hill plans for the dam will be submitted to the PWA for approval. Estimated cost of the dam is \$1,200,000.

Advertisements for bids for construction of the \$1,800,000 pipeline probably will be published this week and bids will be opened June 16. Construction is expected to start about July 1.

WATER ENGINEER LUNCHEON GUEST

Prior to his departure yesterday afternoon, Louis C. Hill of Los Angeles, consulting engineer for the city's \$3,080,000 water supply project was guest of honor at a luncheon at the Albert Pike hotel, at which the new water supply was discussed. After giving final approval to plans for the 32.4-mile pipeline estimated to cost \$1,800,000 and reviewing plans for the dam and reservoir on Alum Fork of Saline river, Mr. Hill left at 2:30 p. m. en route to Los Angeles.

Guests at the luncheon included: Mayor Overman, Marion L. Crist, Chester A. Smith, and Russell Kincaid of the Burns and McDonnell engineering firm; Dr. George E. Branner, state geologist; H. T. ("Will") Terry, member of the Board of Public Affairs; and Henry Tucker, past president, and Arthur Phillips of the Little Rock Chamber of Commerce; and Herbert L. Thomas, president of the Pyramid Life Insurance Company.

Plans for the dam will not be ready for submission to the state PWA office for several weeks, but Mr. Hill expressed pleasure over laboratory reports which indicate that materials for the dam can be obtained within a short distance of the proposed site, eliminating expensive hauling.

Alum Fork is said to flow as much as 50,000 cubic feet of water per second during the flood season.

"At that rate in 40 minutes a whole year's supply for the city would flow into the reservoir," Engineer Crist said. "It is these flood flows which will be stored and used by the city. The dry weather flows are negligible and are not considered in estimating the capacity of the supply."

During the past 50 years the lowest annual rainfall on record was approximately 30 inches. The city's present annual usage of water is 2,200,000,000 gallons and once the reservoir is filled the supply would be adequate for the city's present needs through seven successive years of minimum rainfall, he said.

Foresees \$164,000 Saving Annually in Soap Bill.

Soft water from the reservoir will be a boon to housewives. Mr. Crist estimated that the saving to Little Rock housewives and other water users will be about \$164,000 annually, or enough to pay six months' interest on the total bonds issued for purchase of the Arkansas Water Company's properties and construction of the new supply.

Alum Fork water has a hardness of 15 parts per million compared to 150 parts per million which is the average hardness of the present water supply.

"It is estimated that the average family in Little Rock softens about 1,800 gallons of water annually with soap, in the laundry, kitchen and bath, using approximately 100 pounds of soap per year just to get the present water soft enough for soap to be effective," Engineer Crist said.

With soap at 10 cents per pound, he estimated that the average family annually uses \$10 worth of soap, which will be saved when the new supply of water is available.

"The whole city in a year uses \$164,000 worth of soap that will be saved," he added.

Officials Have Picnic At Reservoir Site

Gazette 6-5-36

A group of picnickers ate lunch yesterday on a spot that will be under 100 feet of water before many months pass.

That spot will be part of a lake bed—the bottom of the lake that will serve as reservoir of the city's new water supply.

The picnickers were Mayor Overman, members of the City Council and the Board of Public Affairs, representatives of the Public Works Administration, the agency that made possible Little Rock's purchase of a distribution system and construction of reservoir and pipeline, and other persons interested in the project.

The occasion was dedication of the damsite, on Alum Fork of the Saline river in Saline county. It was one dedication in a million. There wasn't a speech of any description.

"This is going to be one ceremony where everybody enjoys himself," the mayor announced as the caravan of officials and business men prepared to leave the city hall. And it turned out just that way.

Dam Location Viewed.

There were about 50 persons in the party, which reached the damsite via Highways 70 and 9, skimming Highway 10 with its loose gravel. They parked their cars in a clearing bordering the road to the CCC camp nearby and viewed the damsite from its eastern extremity.

A cleared space running down the bluff and stretching across the valley to a bluff on the western side, marked the ground dimensions of the huge structure which will be 2,600 feet or nearly a half mile in length and rise 115 feet from the floor of the valley.

Hundreds of mounds of dirt, marking the location of test pits, were pointed out by Marion L. Crist, project engineer, who explained that 1,500,000 cubic yards of dirt will be needed for the earth dam.

Plans for the dam will be completed about July 1 and barring unexpected delays contract will be awarded about August 1. Bids for building the 32.4-mile pipeline connecting the reservoir with the city, will be opened here June 16.

Timber will be cut from the valley and its bordering slopes and the completed dam will imprison a lake of 14,000,000,000 gallons of water over an area of 1.9 square miles. A spillway on the east side of the dam will take care of the overflow, diverting it through Spillway canyon and back into Alum Fork of the Saline river.

Gout Handicaps One.

Yes, it was a fine dedication and everybody enjoyed it—even Alderman Henry G. Leiser, who made the trip despite an attack of gout. He wore

mismatched shoes and aided his ailing member with a stout cane.

Besides Mayor Overman, unofficial hosts were H. T. ("Will") Terry and H. C. Daugherty of the Board of Public Affairs and Aldermen Jack Pickens, George Wherry and Dan Sprick of the City Council's Water Project Committee, aided by other members of the

council, State PWA Director Alexander Allaire, members of his staff and delegations from the Little Rock Chamber of Commerce and from Saline county were guests.

Ground Broken for Sewer Job.

There was an episode of dedicatory nature before the party left the city. It was at the foot of East Seventeenth street, where ground was to be broken for the start of the \$1,640,000 sewer improvement program.

The ground-breaking was delayed a bit while Hugh R. Carter and Frank A. Pritchett, engineers, scouted for a shovel that the mayor and other officers might use. Steam shovels and draglines were under foot everywhere, but they wouldn't do. Finally two hand shovels were located, and the earth was turned at the designated place—without oratory.

It is expected that construction on four major sections of the sewer project will start Monday. Several hundred men will be hired through the federal Re-employment Service.

Alum Fork Declared Adequate

7-10-1936

The fact that Alum Fork of Saline river at times recently ceased to flow because of the extended summer drouth should not raise doubts that the stream will prove a sufficient source of water for Little Rock, Marion L. Crist, project engineer for the \$3,080,000 water supply project, said yesterday.

The city will depend on spring floods for its water supply, he said in a report compiled yesterday at the request of Mayor Overman and the Gazette. The proposed water supply reservoir will have a storage capacity of 14,000,000,000 gallons. The average run-off for the 43 square miles comprising the drainage area tributary to the dam, on the basis of an annual average rainfall of 48 inches is 17.57 inches or equal to 14,000,000,000 gallons, the capacity of the reservoir.

Little Rock's New Water System to Be

Construction of Dam on Alum Fork to Store 14,000,000,000 C to Be Under Way; All Angles of Project Studied in Light of S

Research Extends From Effects Of Drouth to Savings for Cities on Soap Bills

By WILLIAM JOHNSON.

Some time early in 1938 the water faucets of Little Rock are going to be hitched up to rain clouds, giving Mr. and Mrs. Local Citizen the advantages and pleasure afforded by soft water. That is what the new water system for the Capital City will mean. Rain water collected by the Alum Fork of the Saline river will be impounded with a dam into a lake of 1,290 acres. A huge pipe, 32 and nearly one-half miles long, will carry the stored cloud moisture into the city and its homes, business places and factories. And there you are—or rather, there you will be when the equipment is finished—enjoying a kind of miracle. You will turn on a faucet and out of it will come clear, bright aqua pura that, a few weeks or months before, was floating around in “the red lightning.” Meanwhile, a lot of scientific dexterity is going into the achievement of that feat. Engineers have figured and drawn stacks of plans and made laboratory tests as intricate as a pathologist's search for a microbe. And still this expert calculation goes on, with test tubes, levels, slide rules, logarithms and other aids to the engineer in imposing human ideas on nature's plan. You will enjoy a glimpse of the modern magic that is thus to tie your household water system into February downpours and April showers.

Throwing up an earth dam to turn a stream into a lake may look, off-hand, like a simple job. But there's vastly more in it than meets the casual eye. That is, there's more in it nowadays. Formerly—until just a few years back—such dams were built without much scientific detective work. Engineers figured out the dimensions required to hold against the amount of water impounded, the soil was scraped and derricked and tamped into place, and that was about all the job meant.

Sometimes, however, dams constructed in that way gave trouble. They settled and were weakened by too much water soaking into them, and occasionally one was washed out with a huge foaming roar as the lake behind it raged through the crumbling barrier. The water supply was suddenly gone, and maybe its thundering escape visited disaster on people living along the stream course below the dam.

Nothing like that is going to happen with the dam Little Rock is building on the Alum fork of the Saline, declared M. L. Crist, managing engineer of the project. He then explained why. Quite recently the Los Angeles bureau of water supply evolved a laboratory method of testing soils to find how much they would settle under the weight of a dam and their rate of absorbing water. That method, adopted by the U. S. Bureau of Reclamation, is being used on the Alum Fork dam. It enables the engineers to steer around every structural fault.

Within a radius of about a mile from the damsite, 989 pits have been dug and the soil taken out and tested. Some 25 kinds of earth were put through the laboratory examination. This consisted in packing the soil in cylinder under varying degrees of compression and with different percentages of moisture, and measuring the effects. Another feature of the test was to force water through the samples to determine their resistance.

Secret of Building Dam.

The heaviest load on the dam will be seven tons per square foot, Mr. Crist said, and the engineers wanted to know that the earth used would endure that pressure. They also sought to learn the precise moisture content at which the earth would pack firmest. That point, the engineer declared, is the big secret of constructing a solid earth dam. The soil must be neither too dry nor too wet, or it can't be pressed down as compactly as is required, he explained.

“When construction work starts,” Mr. Crist asserted, “we'll move our laboratory out to the site and keep a close check on the vital moisture content of all the earth that goes into the dam.”

An important discovery was made when the engineers got into their Sherlock-Holmes study of the earth samples. They found that the soil on the dam site would settle as much as two feet under the weight of the 1,500,000 cubic yards of earth the structure will require. But fortunately there is plenty of denser earth near at hand. So the soil placed on the site by Nature, who wasn't contemplating any dam there, will be scooped out to the rock and replaced with earth that can be depended on to hold back a 14,000,000,000-gallon lake.

“Built in that way,” said Mr. Crist, “the dam will be one-third more solid than the native hills surrounding it. The selected soil put into the structure will have greater compactness than it has in its natural condition. Where this soil now weighs 90 to 95 pounds per cubic foot, it will be pressed into place at weights between 110 and 120 pounds per cubic foot. Our test show that with the dam thus made it will take centuries for water entering the upstream face to penetrate through to

the downstream face. In fact, the absorption will be so slow that to all intents and purposes the dam will be just as moisture-proof as if it were concrete.”

Construction Begins Soon.

The construction work is expected to begin in a couple of weeks. A contract for the dam at a price of \$921,726.05 was awarded, under competitive bidding, to the L. O. Brayton Company of Dyersburg, Tenn., and is waiting WPA approval. Mayor Overman pointed out that a number of the bids were very far apart. That indicated, he said, that the soil tests had effected a saving, by showing contractors the exact conditions they would meet. They were thus able to figure their costs closely, he explained, without adding varying sums to take care of unknown difficulties the job might present.

The first step in the project will be to build a diversion channel around the dam site to carry the flow of Saline Fork. Then, when the water has been pumped out of the stream bed and the surface soil removed down to the rock, the dam will be laid in eight-inch layers of earth.

Each layer, tested for moisture and sprinkled if too dry, will be gone over eight times with a heavy roller of special design, called a “sheep's foot” roller. Mr. Crist told your informant. This implement has projections suggesting hoofs on the cylinder. So, while the weight of the roller firms the soil, the “feet” leave the surface rough and a little loose. This gives a better union with the next layer added.

And thus, layer by layer put down under the engineer's hawk-eyed watchfulness, the dam, 2,800 feet long and 650 feet wide at the

base, will rise to its height of 115 feet at the deepest point in the valley. It will probably be finished, Mayor Overman said, around December 1, 1937. How soon thereafter the lake it is to form will supply Little Rock with water, depends on the rainfall, he continued—possibly by April, 1938, if the winter rains are heavy, but perhaps not till May or June if they are light.

When the lake is filled it will have a depth of 100 feet at the spillway on the east end of the dam before the water starts over that avenue of discharge. The lake will then be about four miles long and have a surface area of some two square miles. One year of normal precipitation, which is 48 inches, will fill the lake to its 14,000,000,000-gallon capacity, according to Mr. Crist. That is enough water, he said, to supply the Twin Cities at their present rate of consumption for nearly five years, allowing also for evaporation. He added:

“The safe net yield of the Alum Fork watershed with the storage to be provided, considering even the driest years such as we are now experiencing, is about 10,000,000,000 gallons annually, and Little Rock and North Little Rock now use approximately 2,250,000,000 gallons annually. So the lake will afford sufficient water for a city four times the size of Greater Little Rock today.”

Importance of Spillway.

It appears that in a wet time a considerable volume of water will be going over the spillway. Having that release adequate to its purpose is a most important matter, Mr. Crist pointed out. The very life of an earth dam hangs on the spillway functioning as it should, he declared. “For,” the engineer explained, “if water starts over an earth dam, because of the spillway failing to discharge a surplus, it will quickly cut a channel and the result may be disastrous.”

So, to make sure of safety in this essential matter, the engineers went up to the University of Iowa, where they have tip-top facilities, and built a model of the spillway as it had

been designed. And right away a defect was uncovered. It was revealed that the water washing through the spillway would break into waves 17 feet high, with a force carrying the flow over the walls. A little change in the curvature of the walls corrected this flaw.

The spillway, shaped somewhat like a milk bottle, with the wide end in the lake, will be of concrete, built on a natural saddle at the east end of the dam. It will be 300 feet wide at the lake inlet, narrowing toward the outlet and 800 feet long. This escape will discharge 30,000 cubic feet of water per second, Mr. Crist said, a volume which affords a safe margin above any demand it is likely ever to meet. The overflow water will be discharged into a little ravine, against the side of a young mountain, at a velocity of 70 feet per second, and is going to make a pretty sight which will impress visitors and cause them to take pictures of it to be preserved in their snap-shot albums. A big hole will be washed out where the water falls, forming a deep pool, as the overflow lashes into the mountainside and foams away down the ravine to the channel of the Alum Fork below the dam, Mr. Crist depicted.

Water for the Twin Cities will be taken from the lake at a deep point out from the spillway. There a chimney-like tower of octagonal-shape will be erected from the lake bed, 24 and one-half feet across, and rising above the water to a small sort of rock house on its top. This tower will have four water intakes at different depths, with control machinery allowing water to be taken through any one, closing the others, into the central chamber of the structure. From the central chamber the water will flow out through a 48-inch supply pipe to the Twin Cities 32 and nearly one-half miles away.

Where Best Water Found.

The reason for those four intakes at varying heights in the tower, Mr. Crist explained, is that the best water is found at different depths as the seasons change. In summer, he said, the water near the bottom will have the highest quality, because during the warm months microscopic growths—“infusoria”—occur in the sun-heated surface. In winter these growths settle toward the bottom, and the purest water is then near the top.

They think of everything, these scientific lads who serve us nowadays. It's mighty different from what it was years ago. When Granddad required a water supply he merely dug a hole in the ground, or maybe drilled one in the rock, and if none of the family got typhoid fever, why, that proved the water was okeh. There was no science in granddads' method. The closest approach to it was, perhaps, that he engaged a water “witch” to walk over the ground with a forked twig and locate the likeliest spot to dig or drill. And even in getting water for a city the procedure employed in Granddad's time wasn't much more scientific than that used on his own well.

Today, it makes you a little dizzy to look into all the preparations for a city water supply. Bacteriologists test it for microbes. Geologists examine it for hardness and other characteristics related to mineral content, and scrutinize and measure the source-basin for every possible advantage or disadvantage. Precipitation records for decades back are looked into, and consumption curves are plotted for a century ahead. Engineers go over the site with all the zeal of a miser hunting for a lost gold piece. The whole business is explored and studied and mapped and charted from the clouds that will furnish the water to its uttermost quality when it splashes out of the faucet into use. For instance, on the latter score we're told that the new soft water in prospect will save Little Rock nearly \$200,000 a year on soap.

And there it may be well to mention one point about which some apparently erroneous ideas have got around. You may have heard it said that the Alum Fork water will dissolve the incrustation off the city mains and pipes. Mr. Crist asserted it won't. It will not deposit any more crust—that is all. The engineer added that another matter had to be taken into consideration, however. That was the danger of the soft water seriously corroding metal pipes. To prevent this, he explained, the water will be treated to harden it a trifle.

The dam on Alum Fork will have a picturesque feature in a little water wheel which will generate electricity for use at the site. No current is available there, and the engineers figured they would as well provide some with the small flow of water that will be allowed to continue down the stream, through a cast-iron pipe in the dam, or at the water-supply pipe. This slight flow will be permitted in order to preserve the stream and its fish life. And, driving a water

wheel and generator, it will afford another attraction to visitors.

The multitude of details preliminary to an undertaking such as the city's new water supply represents, have both been got pretty well in hand. The land at the dam-site and most of the right-of-way are acquired. The contract for the pipe line was let last June to the Lock Joint Pipe Company of Ampere, N. J., for \$1,561,682.72. Construction of the dam will soon begin—bringing in sight the time when your water faucets will be hitched up to the rain clouds.

Work Order Issued For Reservoir

9/19/1936

A work order for construction of a dam on Alum Fork of Saline river creating the city's proposed water supply reservoir was issued yesterday to L. O. Brayton Company of Dyersburg, Tenn., by Marion L. Crist, project engineer for Burns & McDonnell, following a meeting of the Board of Public Affairs with the City Council Water Committee. C. B. Ford, member of the Brayton firm, said equipment was en route from Louisiana and Eastern points. Preliminary work will be started next week.

Through agreement with county officials and the National Re-employment Service, labor will be requisitioned on the basis of 65 per cent from Pulaski county, 10 per cent from Perry county and 25 per cent from Saline county. A labor camp will be constructed at the damsite to house workers who will not be able to return to their homes nightly. A caretaker's house will be one of the first items undertaken, and Mr. Ford indicated that the house along with other units might be turned over to a sub-contractor.

The board executed a contract with M. E. Gillioz Inc. of Monett, Mo., for relocation of a CCC road at the proposed reservoir site at a cost of \$39,000. The contract was submitted to the state PWA office with a request for authorization to issue a work order.

A financial statement of the \$3,500,000 water supply project showing a cash balance on hand of \$1,185,024.91 was submitted by Chase & Gaunt, certified public accountants. Cash receipts for the project, from the sale of the first block of bonds and PWA grants, totaled \$1,847,500.

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“Before taking snap judgment on the free
nasal several facts should be considered.” s

CHANCE TO SEE WORK ON CITY'S DAM JUST ONE OF INDUCEMENTS FOR VISITING OUACHITA FOREST



This photograph was made from an airplane by Capt. George Adams of the 154th Observation Squadron, Arkansas National Guard, while he was acting mayor last week. The picture shows Alum Fork of Saline river and the dam site at which work is under way. The lake from which Little Rock will get its water will be in the area at the extreme left. The cleared space to the right outlines the base of the dam.

Oct. 25, 1936



Suggested route for auto trip in Ouachita National Forest.

Continue west along the same road toward Highway 7. You'll see occasional signs erected by the Forest Service, giving the mileage.

Soon, if you are watching closely enough, and you must do that, you'll see another forest sign pointing to the right. It reads "Oak Mountain Tower 2.1-4 Miles" and just about here you really begin to get into the Ouachita mountains.

After you've climbed the tower and registered in the visitors' register climb back down, get in your car and go right on and out the other side of the "yard." Follow the main road until you come to a junction with another road, where you'll find a sign pointing back where you were that reads "Oak Mountain Tower, Eix Miles."

Turn right and follow this road until you come to a fork to the right. There are two signs here—"Flatside Pinnacle" and "North Fork Tower." You'll stop at Flatside Pinnacle and look. Then on to North Fork Tower. This is nominated the prettiest spot on the trip.

To the north you can see Petit Jean and farther west Mt. Nebo. If the day is clear away off yonder in the northwest Mt. Magazine shows up.

Back down the road again, turn left at the first turn and follow the signs that say "Highway 9." Soon you come to it. Two signs are here marking the boundary between two Highway Department maintenance districts.

Turn left, three miles to junction with Highway 10. Turn right here for Little Rock, 35 miles away.

W. S. Grimmett of Harrison for a rehearing on his application for a permit to operate a freight line over Highway 65 from the Missouri line to Little Rock and from Harrison to Lead Hill over Highway 45. The application was denied several weeks ago.

Roy Smith of Russellville was authorized to operate a motor freight line over Highways 64, 65, 67 and 70.

ns for a six-hour 150-mile au-
rip from Little Rock into Oua-
ntains, including a vist to the
le Rock's new municipal water
Alum Fork of the Saline river
ney were written by John E.
aintenance supervisor for the
way Department.

xtion promises "varied and
scenery that will make you
" and ask your companions
ody hasn't told you about it
om here on it is his story.

ittle Rock, or any place, in
rive at the junction of High-
nd 70, between Benton and
s, not later than noon. Then
No. 9, the famous "roller
ad, about 14 miles until you
sign reading, "Camp Jeff
h an arrow pointing west
w road.

ut here you see first signs
construction that is to bring
f Alum Fork to Little Rock.
road west a few miles and
you come to Reform.

A little further on is the construction
company's headquarters and camp, just
starting. It will soon be a busy little
city, and who doesn't get a thrill from
the hustle and noise and newness of a
big construction camp?

Pass the camp and turn left to the
top of a hill on which will rest the left
end of the dam. Park, walk to the
brow and look down into the valley.
The cleared area around you and at
your feet in the valley marks the base
of the dam. Way across the valley is
Alum Fork, and across it machines are
the diversion channel, always
job on projects like this.