

**A HISTORY OF PORT DISTRICTS
ON TILLAMOOK BAY, OREGON**

By Paul Levesque

March 19, 2010

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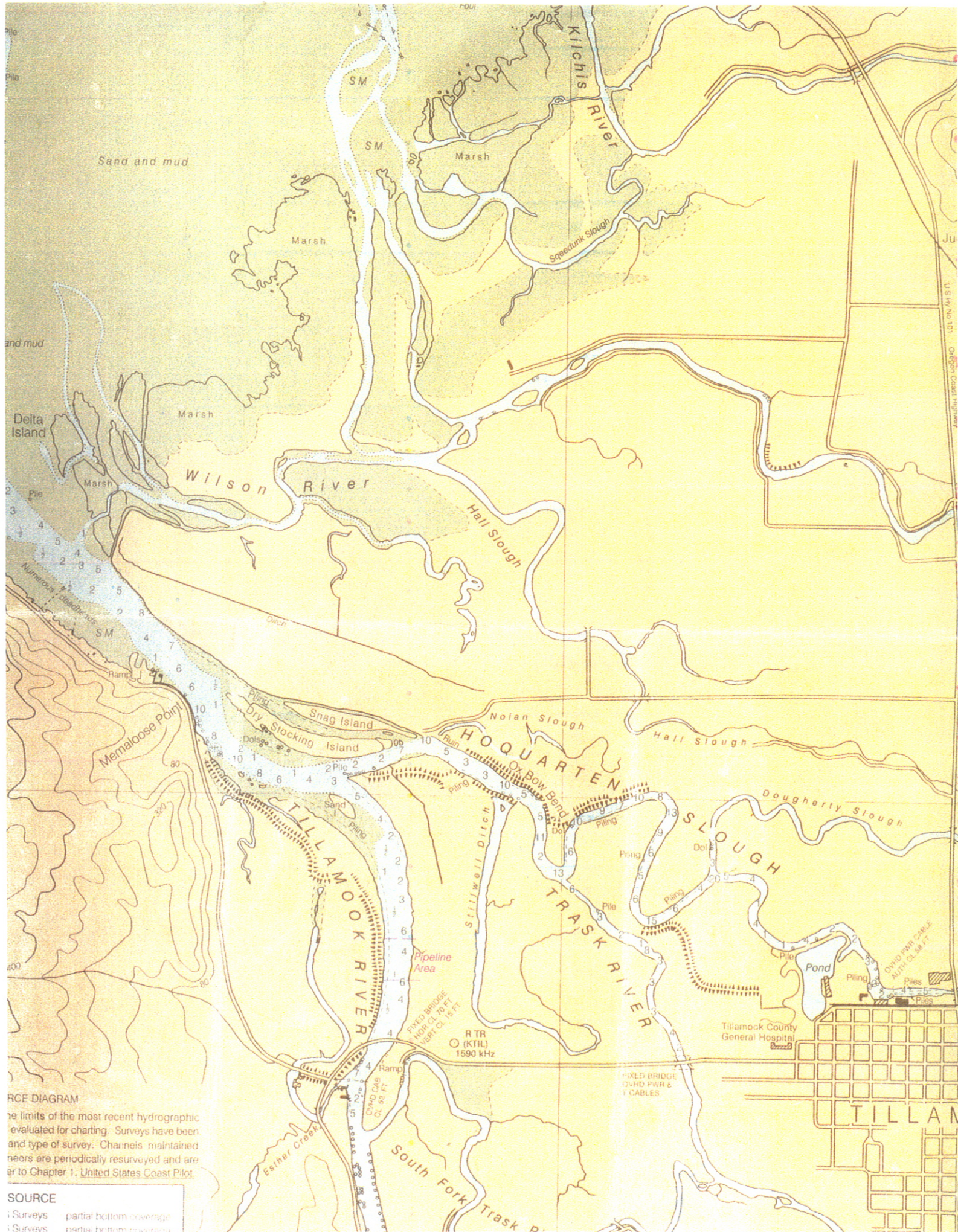
The story of the port districts on Tillamook Bay begins on Hoquarten Slough, a "tortuous" channel that extends from the south end of Tillamook Bay about 2 ¾ miles to the City of Tillamook.¹ Prior to European settlement there is evidence of wide spread use of this waterway by Native Americans. With the arrival of settlers, the town of Lincoln (now the City of Tillamook) was established along its banks. Hoquarten Slough became a main route for vessels from the bay and Pacific Ocean. This was due, in part, to the fact that before 1880 there were practically no roads around Tillamook Bay and the first bridge across the Trask River was not built until 1887. Most travel was by water, mainly over the Tillamook Bay Bar or within the bay itself to reach the beach or local settlements around the bay.² Although overland travel around the fringe of the bay by use of fords³ and make shift slough crossings, was possible, for much of the year travel by water was more practical, albeit not trouble free.

An example of the travails of early water travel on Tillamook Bay is documented by Paul Kelty who relates an 1882 story of two local families' first visit to the beach at Barview. After leaving their wagons and horses to pasture in Tillamook City, two sail boats were hired at Hoquarten Slough. The boats were rowed to the mouth of the slough where sails were hoisted. Although one of the boats navigated successfully to Garibaldi within a few hours, the boat carrying the Kelty family ran aground where it remained stuck on an outgoing tide. Night fell, but there was little they could do until the tide turned. The boat eventually floated free and drifted back to the Tillamook River where they tied up until dawn. By then the wind had turned and they were finally able to reach Garibaldi. Following a steep climb and equally steep descent over the mountain from Garibaldi to

¹ Report of the Board of Engineers for Rivers and Harbors, July 24, 1918, p 3

² Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, p 9

³ Bester's ford on Wilson River, near the site of the present Donaldson bar is an example of a ford used by travelers during the early years of settlement.



U.S. No. 101 Oregon Coast Highway

SOURCE DIAGRAM

The limits of the most recent hydrographic surveys evaluated for charting. Surveys have been identified by number and type of survey. Channels maintained by the U.S. Army Corps of Engineers are periodically resurveyed and are identified by Chapter 1, United States Coast Pilot.

SOURCE

- 1 Surveys partial bottom coverage
- 2 Surveys partial bottom coverage

Barview, they were finally able to enjoy a breakfast of fried razor clams and hot biscuits at the Bay View Hotel.⁴

Coastwise travel from Tillamook Bay was also fraught with peril. Like other coastal harbors, Tillamook Bay needed large and expensive improvements. Jetties were needed to deepen bay waters at the crossing, which at low tide was only seven feet deep and to control sands which shifted across the entrance. There were stormy months when no boat could or would attempt to cross in. Inside the Bay, a great part of the wide basin was shallow and filled with tide flats and shoals. Nevertheless, from 1851 through the turn of the century, coastal navigation became the primary mode of travel between local coastal communities and the "outside". Ocean going vessels remained the only practical means of importing supplies and exporting local cargos of goods and lumber throughout this period.⁵

During the first 25 years of settlement on Tillamook Bay, marine commerce was confined to exports of local products and the import of supplies. Captain Means was the first sea captain to carry in supplies over the Tillamook Bar in 1852. He returned the following year with additional provisions. Freight rates at that time were \$50 per ton.⁶ The need for supplies became so critical that pioneers constructed a small schooner, The Morning Star for use in providing their essential needs. In fact, by 1867 there were three vessels built on Tillamook Bay, with the largest being about 40 tons burden. One of these in 1867, engaged in making occasional trips to Portland for flour and other supplies. Exports consisted of a small amount of butter and a few hides. Imports and exports did not exceed 50 tons annually.⁷

⁴ Address by Paul R. Kelty, delivered at a meeting of the Tillamook County Pioneer Association at Mohler Grante Hall, October 3, 1937, as contained in "Tillamook Memories", Tillamook Pioneer Association, 1972

⁵ Id. pp 31 – 32

⁶ Appraisal of the Tillamook Band of Tillamooks and Nehalem Band of Tillamooks Tribal Lands, Leroy D. Draper, M.A.I., Docket No. 240, Indian Claims Commission, Portland, Oregon (1957) p 222

⁷ Coast Pilot of Oregon, Coast Geodetic Survey, 1869, pp 137 – 140

Because of the importance of this early maritime activity, Tillamook's first business district developed along the east-west orientation of Hoquarten Slough. In 1882, for example, there are reports of a general store operated by George Fearnside along the slough. He also had another general store on a scow, tied up to a rough dock where Highway 101 presently crosses the slough and would ply his trade at the local ports of Garibaldi and Jawbone on Tillamook Bay.⁸ About 1885, a small sawmill was built on Hoquarten Slough by George Smith and John Barker of Forest Grove. From all reports, the mill produced lumber over the following six years only as required to meet local building needs. A sash and door factory was later added.⁹

But by 1883 three canneries and a small sawmill had been established at Hobsonville, prompting the Oregonian newspaper to identify Hobsonville as the main port on Tillamook Bay.¹⁰ That year Joseph Smith and Sons also constructed a saw and planing mill at Hobsonville. Joseph Smith embarked on the flourishing markets of the Pacific coast lumber industry at a time which proved to be an epochal decade for the industry.¹¹ Exports of lumber from the Joseph Smith and Sons sawmill began in the summer of 1886 and consisted of four cargos for that year aggregating about one million board feet.¹²

⁸ Address by Paul R. Kelty, October 3, 1937 as contained in "Tillamook Memories", Tillamook Pioneer Association, 1972

⁹ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, p 26

¹⁰ The Portland Oregonian, August 1, 1883

¹¹ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume 1, pp 9 – 12

¹² Tillamook Headlight, June 5, 1891

Although the Joseph Smith and Sons cargo mill – as the sawmills that produced lumber for this sea based trade were known¹³ – did not become a major player in the Pacific Coast cargo trade, the mill, together with other local sea borne traffic, launched Tillamook Bay as an ocean port, albeit one destined never to reach major significance. Shallow depths of the local bar crossing limited vessel size, thereby restricting shipments to only the primary west coast ports of Portland, San Francisco and Los Angeles. Transoceanic shipments, on the other hand, remained the property of the larger, more developed harbors which could facilitate larger vessels.¹⁴

There were a number of factors which tended to limit Tillamook Bay as a port of call for lumber vessels. The amount of lumber which could be safely loaded for the shallow out-bound crossing proved to be an important economic factor. It was often unprofitable for droghers to leave port without a full load. Moreover, many mill owners of Tillamook Bay, possessing neither tugs nor schooners of their own often had to shut down because they could not get lumber carriers to haul away their cut.

This early shipping activity on Tillamook Bay nevertheless led to a preliminary examination of Tillamook Bay and bar by the Corps of Engineers in 1886 and prompted the first federal navigation project by Congress. This project provided for the improvement of Hoquarten Slough and Dry Stocking Bar, near the mouth of the slough, by building pile dikes.¹⁵ The name Dry Stocking Bar appropriately described one of the chief obstacles to navigation.

In 1888, the Corps removed some snags and similar obstructions along Hoquarten Slough and closed two small outlets with brush and stone dams, giving a depth of three

¹³ A published history of the Pacific Coast lumber industry may be found in the richly documented 1933 treatise of Thomas R. Cox entitled "Mills and Markets, A History of the Pacific Coast Lumber Industry to 1900"

¹⁴ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, pp 19 – 20

¹⁵ H. Doc. No. 185, 50th Cong., 1st sess, and Annual Report of Chief of Engineers, 1888, p. 2150

feet over Dry Stocking Bar at mean high tide.¹⁶ This unfinished work was destroyed in 1890 and replaced that year by 1,148 linear feet of sheet pile dike and 448 linear feet of pile and brush revetment.¹⁷

Water borne commerce continued to increase. For the year ending June 20, 1890 there were eight steamer schooners and 84 other vessels that called at Tillamook Bay.¹⁸ Over 10,000,000 feet of lumber were reportedly shipped from Hobsonville during 1890. Less than one year later, the Tillamook Headlight newspaper noted "... now the arrival of a boat is no new thing for it happens two or three times a day."¹⁹ During this period, water borne shipments from Tillamook Bay increased from 3,571 tons in 1889 to 27,427 tons in 1890 and 28,292 tons in 1891.²⁰

Yet at the same time, there were at least ten vessels wrecked on the Tillamook coastline between 1870 and 1890.²¹ Many of these were related to conditions at the Tillamook Bay bar crossing.

The Corps conducted a further preliminary examination of Tillamook Bay and bar in 1892, resulting in the adoption of a new project by Congressional Act of July 13, 1892.²² But nothing was included in the act to deal with the bar crossing. This project could do little more than connect the north and middle channels near Bay City by a cut through the intervening mud flat and the further construction of dikes in the upper Bay,

¹⁶ Reports of the Chief of Engineers for 1888, US Army Corp of Engineers, p. 2153

¹⁷ Report of the Chief of Engineers for 1890, US Army Corp of Engineers, p. 2979

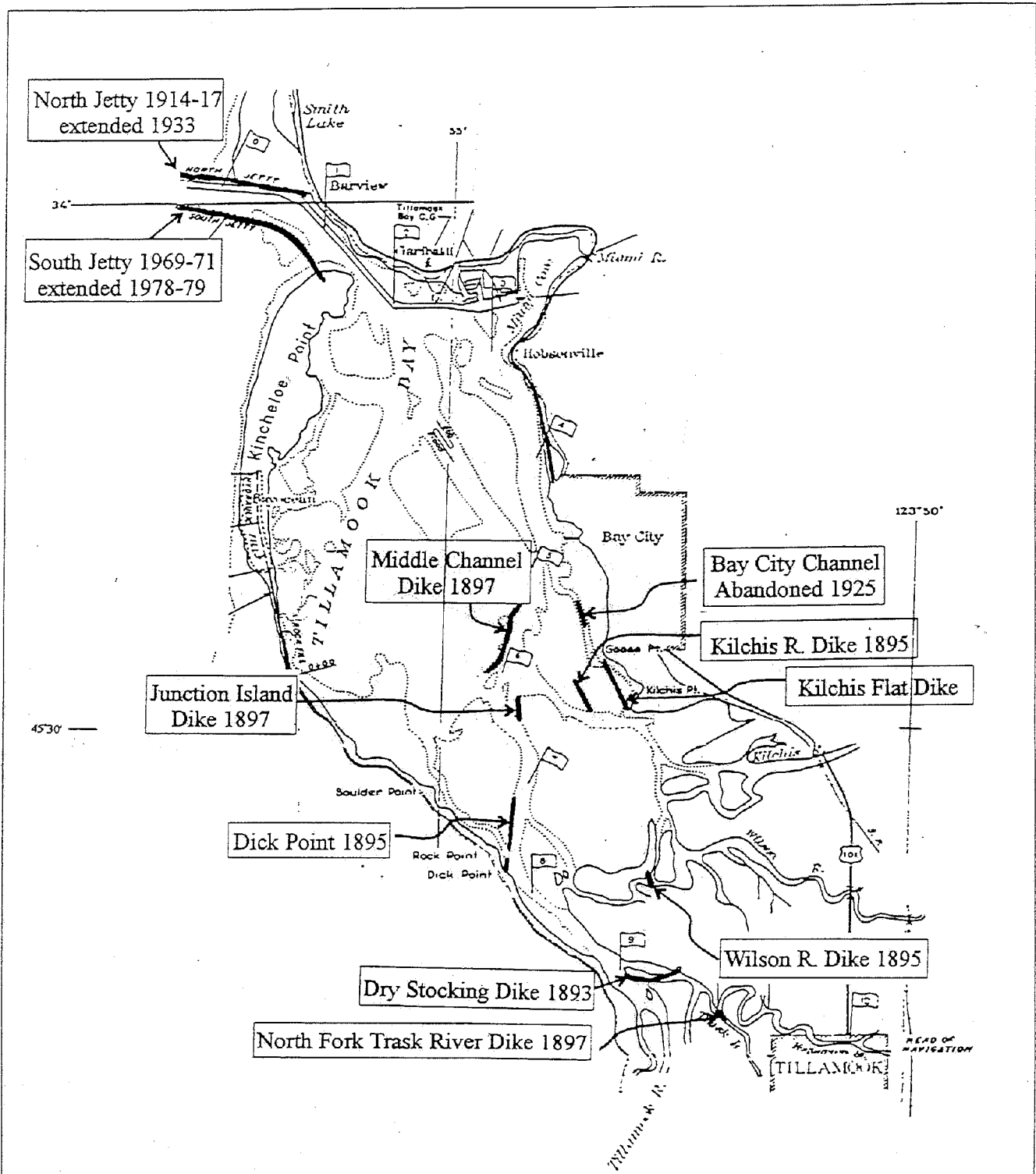
¹⁸ Tillamook Headlight, April 17, 1891

¹⁹ Tillamook Headlight, October 29, 1891

²⁰ Reports of the Chief of Engineers for 1904, US Army Corp of Engineers

²¹ Orcutt, Ada M. "Land of Many Waters"

²² Steiger, L.D. 1975. Proposed Modification of the Tillamook Bay and Bar Project, Tillamook, Oregon. A report presented to the District Engineer, Portland Corps of Engineers, by the Tillamook County Board of Commissioners, Port of Tillamook Bay and Port of Bay City. L.D. Steiger and Associates



TILLAMOOK BAY AND BAR, OREGON

SCALE IN FEET
 2000 0 5000 10000
 U.S. ARMY ENGINEER DISTRICT, PORTLAND

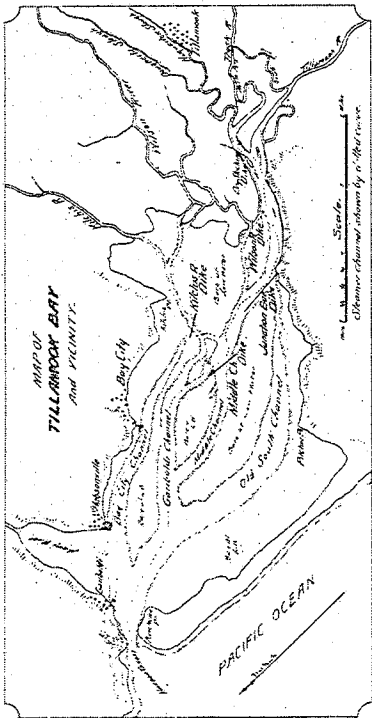
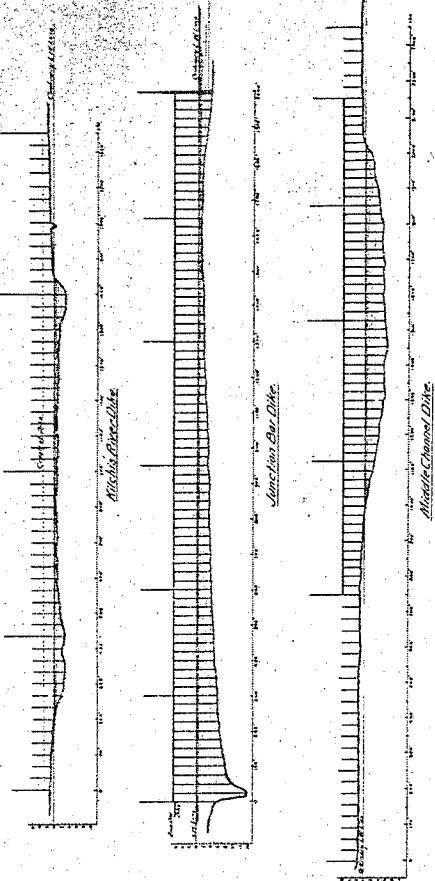
figure 23

**Map of Estuary Pile Dikes
 and River Levees and
 Channel Modifications**

Source: US Army COE, Portland District #1069

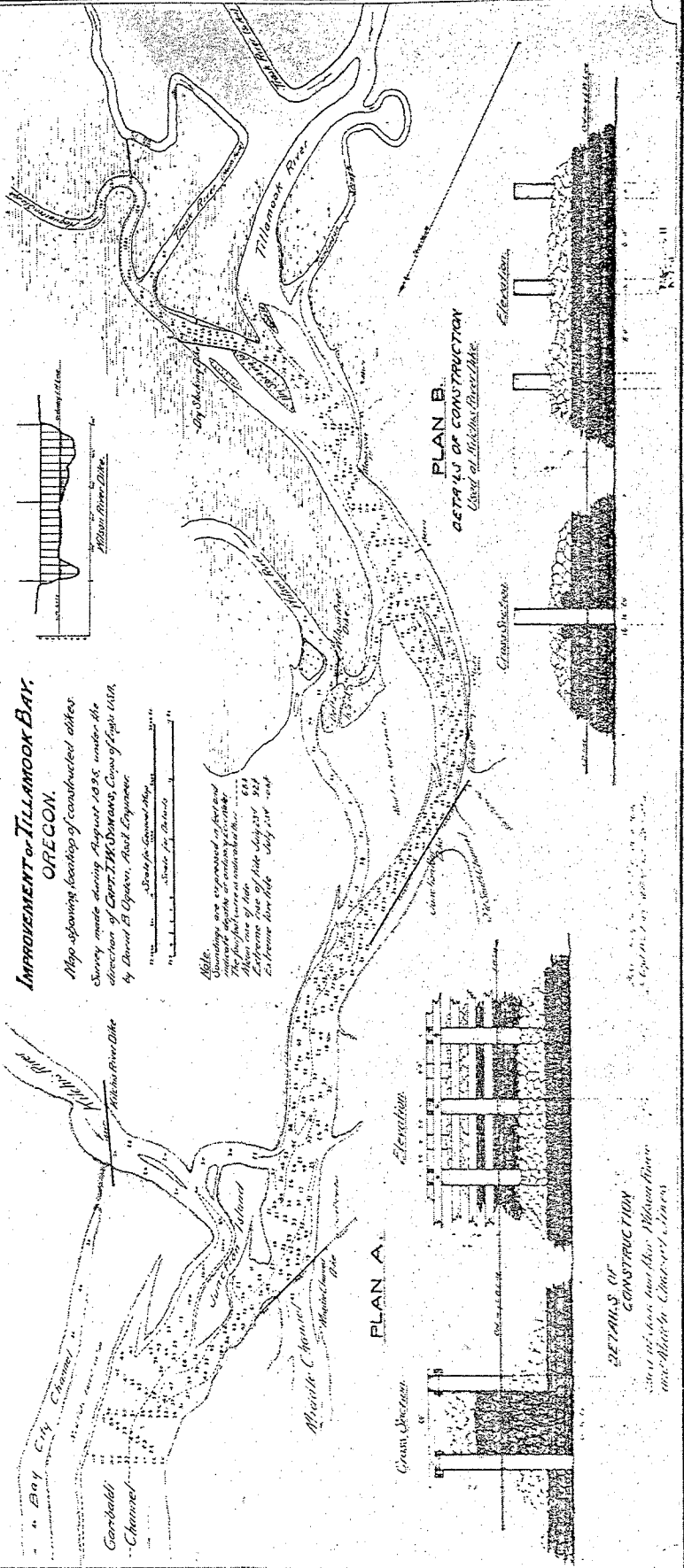
Philip Williams & Associates, Ltd.

PROFILES OF DIKES.
 Constructed during the season of 1935
 at Tillamook Bay, Oregon.

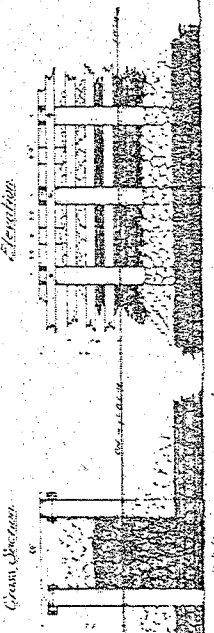


IMPROVEMENT OF TILLAMOOK BAY,
OREGON.

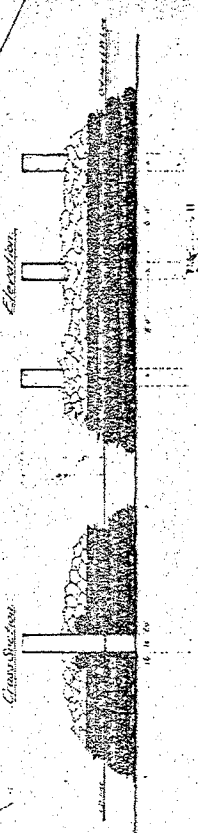
Also showing location of constructed dikes.
 Survey made during August 1935, under the
 direction of Capt. T. W. Rogers, Corps of Engineers, USA,
 by Lewis B. Ogden, Asst. Engineer.



PLAN A.



PLAN B.
DETAILS OF CONSTRUCTION
 Canal at Mildred River Dike.



DETAILS OF CONSTRUCTION
 Canal at Mildred River Dike.

Scale of 1" = 10' for Mildred River
 and Mildred Channel dikes.

contemplating a depth of nine feet at mean high tide between the lower Bay and Tillamook City. The amount expended on this project by the United States was \$142,530, of which \$70,057 was for maintenance.²³

Also, in 1892 the Smith and Barker sawmill in Tillamook was incorporated as the Tillamook Lumbering Company. This mill neither achieved any great commercial significance, nor participated in much of a cargo trade due primarily to the navigational problems of Hoquarten Slough.^{24 25 26} Nevertheless, this mill is credited with installation of the first electrical plant in Tillamook City. The arrival of electricity to the downtown area was noted by the Tillamook Headlight in April, 1892 with the following amusing report:

"The incandescent lights have been glowing for the past week and the arc lights will be turned on tonight. The City presents a scene of gorgeous brilliance, the people are buoyant with enthusiasm and there is nothing to mar the occasion but a drizzling rain and the Democratic Convention."²⁷

Over the next decade, annual water borne shipments continued to run between a low of 17,640 tons (1900) to a high of 36,885 tons (1898).²⁰ However, maintaining a channel depth of nine feet to Tillamook at mean high tide became a challenge. Although the banks of Hoquarten Slough are of stiff clay and not easily eroded,²⁸ the channel between Tillamook and Hobsonville was regularly subjected to depositions of sand, gravel and snags that required regular dredging and other channel maintenance.

²³ H. Doc. No. 35, 52d Cong., 1st sess., and Annual Report of Chief of Engineers, 1892, p. 2742. Also see H. Doc. No. 1344, 65th Congress, 2d sess., p. 6

²⁴ "Land of Many Waters", Ada M. Orcutt, p 130

²⁵ Tillamook Headlight, December 17, 1891

²⁶ Tillamook Headlight, April 14, 1892

²⁷ Tillamook Headlight, April 21, 1892

²⁸ H. Doc. No. 1344, 65th Congress, 2d sess., p. 5

Consequently, by a special act of the Oregon legislature in 1899, the Port of Tillamook was created as a municipal corporation for the express purpose to improve Hoquarten Slough and to "maintain a ship channel for good and sufficient width, and having a depth at all points at low mean water of not less than eight feet".²⁹ The newly created port was vested with the power of eminent domain and the authority to levy an annual property tax not to exceed two mills on each dollar of taxable property. Its boundaries were the corporate limits of the City of Tillamook and 50 feet on each bank of Hoquarten Slough westerly to and including Dry Stocking Bar. Under that law, the Tillamook City Mayor nominated the port's nine member board and the City Council then ratified the initial selections. As each port commissioner completed his staggered six year term, the Mayor nominated one person for each such office and the port board "vallified" the selection.²⁹

The Port of Tillamook held its first meeting on March 1, 1899. Its initial members consisted of Claude Thayer, H. Alderman, A.J. Cohn, F. Wheeler, F.R. Beals, W. Olson, D.T. Edmunds, P.W. Todd and P. McIntosh. The new port board appointed Joseph Lahmon as Port Warden. Olson was elected as president.³⁰

The Port authorized a one mill property tax levy for 1900³¹ and again in 1901,³² but the following year decided to forego a levy because they still had \$138.23. Yet, at the same time that they decided to not levy a tax for 1903, the Port Board sent a letter to the Corps of Engineers indicating that the steamers Elmore and Vosberg were having trouble navigating the slough.³²

²⁹ House Bill 159, Oregon Laws 1889, p 419

³⁰ Minutes, Port of Tillamook, March 1, 1899

³¹ Minutes, Port of Tillamook, January 29, 1900

³² Minutes, Port of Tillamook, January 8, 1901

The obstructions to navigation on Hoquarten Slough persisted despite the fact that by the end of the 1902-03 fiscal year, the government dredge was being operated by hired labor, dredging the shoals of Hoquarten Slough, from which about 10,000 cubic yards had been removed by July 1, 1903.³³



Government dredge at work in Hoquarten Slough near the town sawmill. (c. 1900). Photo Courtesy of Tillamook County Pioneer Museum.

In order to divert more of the flow of the Trask River away from Stillwell ditch and thus lessen the deposit of gravel in Hoquarten Slough, in 1904 the South Fork of the Trask River was partially cleared of snags and drift and seven piles driven across the North Fork just below its junction with South Fork. Dicks Point, Wilson River and Long jetties were repaired with 745 tons of small boulders, picked up along the south shore of Tillamook Bay by hired labor.³³ Dredging operations, and in particular the disposal method for dredged materials along Hoquarten Slough, were described in the Report of the Chief Engineer for 1904:

³³ Report of the Chief of Engineers, US Army Corps of Engineers, 1904, p. 3466

The dredge used is a Hayward bucket of 1 cubic yard capacity. The material removed from the shoals consisted of gravel and sand mixed with small snags and spruce limbs. In Hoquarten Slough it was deposited directly on the bank, and in the bay was sluiced behind the dikes or to a distance of 150 feet on either side of the cuts by dumping into a trough supported on a scow, into which a stream of water was pumped. In the slough the channel was made nearly the full width between banks, 60 or 70 feet, and across the shoals in the bay 150 feet wide. During the fiscal year, approximately 40,000 cubic yards of gravel, sand, and mud were dredged, and by last December the least depth in the channel between Tillamook and the lower bay was nowhere less than 4 feet at mean low tide. In addition to the dredging, 376 large and 770 small snags were removed from Hoquarten Slough, and placed on the bank and cut up.³³

In 1904, it was estimated that \$10,000 would be needed every two years to maintain the project. (Id. p. 3467) The Port of Tillamook urged Congress for an appropriation of \$20,000 for work inside the bay as well as for work on the bar.³⁴ A two mill tax was again levied for 1907 for the purpose of establishing a direct channel from Dry Stocking Bar to the City of Tillamook.³⁵ But the channel cut never occurred.

Snagging and dredging operations continued during the summer and fall of 1908, commenced again in June of 1909 and continued throughout that summer. At this time, the greater part of the water borne commerce out of Tillamook Bay was furnished from the City of Tillamook, which, according to the Report of the Chief of Engineers "... is the most important settlement in this vicinity".³⁶

It was in 1908 that the first local attempt was made by special election to increase the boundaries of the Port of Tillamook, as well as to amend certain provisions of the 1899

³⁴ Minutes, Port of Tillamook, November 22, 1904

³⁵ Minutes, Port of Tillamook, October 24, 1907

³⁶ Report of the Chief of Engineers, US Army Corps of Engineers, 1909.

legislative act that created the port. In addition to the proposed annexation, the ballot measure sought to reduce the permanent tax levy to one mill, but allow for an additional one mill tax upon future voter approval. The measure also proposed that the Board be comprised of one commissioner from each voting precinct and one member at large, each to be chosen by popular election. Finally the ballot measure also proposed port authority to straighten Hoquarten Slough by cutting one or more new channels as well as extending the port jurisdiction over those channels.³⁷ At the special election held on December 7, 1908 the measure passed by a wide margin within the existing port boundaries, but passed by only three votes within the territory proposed for annexation.³⁸ But shortly after the passage of the measure, an action was filed in the Tillamook Circuit Court challenging the annexation.³⁹ Although the trial court found that the Port of Tillamook had been legally created by act of the legislature of 1899, the trial court ruled the annexation to be illegal in that there was no method provided by law applicable to ports for such an extension of its boundaries.^{39 40} The method that the port attempted to follow was only applicable to cities and towns and the legislature had never made that procedure applicable to ports.⁴¹

But the Port of Tillamook was not thwarted by its loss in court. On July 7, 1909, a petition was filed with the Tillamook County Court to undertake proceedings for the incorporation of the Port of Tillamook as a municipal corporation under general law.⁴² The petition was filed under the recently enacted 1909 state law⁴³ that not only

³⁷ Tillamook County Clerk's District file for the Port of Tillamook

³⁸ Certification of election by Claude Thayer, Secretary for the Port of Tillamook to FW Benson, Secretary of State, December 28, 1908, Oregon Archives Division, Document #1758, p 4

³⁹ Charles Kunze and J.W. Maddux v. Port of Tillamook, Tillamook Circuit Court Case #897

⁴⁰ There was no law authorizing port annexations until 1911. Chapter 115, Sec Oregon Laws 1911, p 157

⁴¹ Respondent's brief in State ex rel v. Port of Tillamook, 62 OR 332, 124 P 637 (1912), Oregon Archives Division

⁴² Petition, County Court Journal G, pp. 463 (July 10, 1909)

⁴³ Chapter 39, OL 1909

authorized the formation of port districts by popular vote, but also enabled existing port districts that had been formed by earlier special legislation, such as the Port of Tillamook, to become a statutory port district using the same procedures set out in the 1909 Act.⁴⁴ However, the Port of Tillamook petition also sought to enlarge the boundaries of the original legislatively created district by including substantial additional lands in the South Prairie and Fairview areas. (See Appendix Map) Pursuant to the 1909 Act, the county court called for a special election to be held on August 24, 1909.⁴⁵

At the election, the measure passed with 248 votes in favor and 172 opposed. The county court entered its final order on August 31, 1909 and the new, larger Port of Tillamook was deemed to be formed.⁴⁶ Pursuant to the 1909 Port District Act, Governor Benson appointed a board of five port commissioners consisting of H.T. Botts, A.G. Beals, D. Fitzpatrick, James Walton, Jr. and M.F. Leach.

Although the first few meetings were devoted to such routine business as the establishment of harbor lines,⁴⁷ by the end of 1909, the Port of Tillamook found itself strapped for cash and had to authorize the borrowing of funds to hire the government dredge for continued work in its channel.⁴⁸

Following the expiration of their initial terms, both Botts and Fitzgerald were re-elected at the general election on November 8, 1910. Small tax levies were again made by the port in 1909 and 1910. The future looked bright for the Port of Tillamook and local maritime commerce, and the coming railroad was viewed as an important catalyst for that future.

⁴⁴ Id., Section 9

⁴⁵ County Court Journal G, pp 463 (July 10, 1909)

⁴⁶ County Court Journal G, pp 477-478, August 31, 1909

⁴⁷ Minutes, Port of Tillamook, September 13, 1909, November 19, 1909 and December 2, 1909

⁴⁸ Minutes, Port of Tillamook, December 30, 1909

Although construction of the railroad by the Pacific Railway and Navigation Company began in 1906, completion of the rail line appeared near by 1910. Real estate operators and land promoters were numerous. Town sites sprang up overnight and lots were sold the length of the County. Dr. W.A. Wise started developing Barview; his first buildings were washed out in a storm. Twin Rocks, Rockaway, Lake Lytle, Manhattan, Moroney, Brighton, Wheeler, Mohler ("Where Rail Meets Sail"), Necarney City and its oil well, Sunset View and others sprang up to attract visitors and separate them from their money.⁴⁹ Bay City was a busy place. The dock was jammed with freight for railroad construction and Bayocean. Business was booming.⁵⁰

A petition was filed with the Tillamook County Clerk on February 25, 1910 to incorporate an additional port district to be known as the Port of Bay City. This new port was to be formed under the 1909 Act authorizing the formation of port districts by popular vote. A special election was called by the county court for April 27, 1910.⁵¹ The voters in the proposed district approved the measure 63 to 16. On May 4, 1910 the county court declared the Port of Bay City to also be legally incorporated as a municipal corporation.⁵² (See Appendix Map)

Following the establishment of the Port of Bay City, the Governor appointed John Bozarth, W.C. Hawk, Theo Jacoby, C.W. Pike and Gust Nelson as the initial port commissioners. At its first meeting on May 18, 1910, held at the First Bank and Trust Company in Bay City, the newly appointed Board elected Bozarth as port president.⁵³

⁴⁹ Tillamook County News, Garibaldi, Oregon, August 18, 1955, "Reminiscent with the Judge"

⁵⁰ Tillamook County News, Garibaldi, Oregon, July 14, 1955, "Reminiscent with the Judge"

⁵¹ Tillamook County Court Journal, Book H, p 17 February 25, 1910

⁵² Tillamook County Court Journal, Book H, pp 33-36, May 4, 1910

⁵³ Minutes, Port of Bay City, May 18, 1910

A few weeks later, Port of Tillamook Commissioners Beals and Botts were dispatched to Portland for a meeting with the Port of Bay City, the Corps of Engineers and the Whitney Company to discuss improvements to the bay and bar.⁵⁴ Russell Hawkins of the Whitney Company arranged the June 3 meeting with the Corps to discuss building jetties. Nelson and Bozarth represented the Port of Bay City.⁵⁵

By the summer of 1910, both the Port of Tillamook and the Port of Bay City desired a channel 20 feet deep over the ocean bar, 16 feet deep to Bay City and 14 feet deep to Tillamook City, which would involve the construction of two jetties at the entrance to the bay and dredging up to Tillamook City at an estimated cost of \$2,206,450.⁵⁶ But the Corps of Engineers wanted help paying for it.

In July of 1910, a special three member board of officers from the Corps was convened for a visit to Tillamook Bay for the purpose of obtaining local financial cooperation. That visit occurred on September 22, 1910 where public hearings were held in both Tillamook and Bay City. At the conclusion of the Tillamook hearing, the Port of Tillamook commission passed the following Resolution.⁵⁷

Be it resolved by the Board of Commissioners of the Port of Tillamook, That the port of Tillamook hereby pledges itself to cooperate with the Government of the United States in the development of Tillamook Bay and Bar, under a project providing for jetties at the mouth of said bay necessary to provide a depth of not less than 20 feet at low water; a channel from the mouth of the bay to Bay City with a depth of not less than 14 feet at low water, and from Tillamook City to Bay City of not less than 10 feet; the channel of Hoquarten

⁵⁴ Minutes, Port of Tillamook, May 27, 1910

⁵⁵ Minutes, Port of Bay City, May 28, 1910

⁵⁶ Letter of W.H. Bixby, Chief of Engineers, US Army to the Speaker of the House of Representatives, December 20, 1911, H. Doc. 349, 62d Cong., 2d sess.

⁵⁷ Report of Special Board, US Army Corp of Engineers, October 2, 1910, H. Doc. 349, 62d Cong., 2d sess.

Slough to be straightened to provide a reasonably straight course from Tillamook City to the head of the bay, with a width of 150 feet and that for the purposes of such cooperation and to carry out such project, the port of Tillamook will contribute and pay to the United States for use upon such project, the sum of \$300,000, upon the United States providing for the carrying out of such project in full; or, if the channel from Bay City to Tillamook City be made of a depth of not less than 12 feet at low water, this port will contribute the sum of \$375,000; or, if the depth of said channel from Bay City to Tillamook City be made of a depth of not less than 14 feet at low water, this port will contribute the sum of \$450,000.

I, Jas. Walton, jr., secretary of the board of commissioners of the port of Tillamook, do hereby certify that the foregoing resolution was duly adopted by said board at a meeting held by it at Tillamook City, Oreg., on the 22nd day of September 1910.

Dated September 22, 1910.

James Walton, Jr.
*Secretary of the Board of Commissioners
of the Port of Tillamook*

At the second hearing, held at Bay City on the afternoon of the same day, the Commission of the Port of Bay City unanimously agreed to a resolution which was later framed and adopted as follows:⁵⁷

Be it resolved by the Board of Commissioners of the Port of Bay City, Oreg., That the port of Bay City hereby pledges itself to cooperate with the Government of the United States in the development of Tillamook Bay and Bar under a project providing for jetties at the mouth of said bay necessary to provide a depth of not less than 20 feet at low water and a ship channel from the mouth of said bay to the town of Bay City with a depth of not less than 16 feet at low water, and that for the purpose of such cooperation and to carry out such project the port of Bay City will contribute and pay to the United States for use upon such project a sum equal to 10

per centum of the assessed valuation of said port for the year 1910, provided said 10 per centum does not exceed \$200,000, upon the United States providing for the carrying out of such project in full.

In witness whereof the said port of Bay City has caused these resolutions to be signed by its president and attested by its secretary, this 24th day of September, 1910.

John O. Bozworth, President

Attest:
Theodore Jacoby, Secretary

At these hearings it was revealed that the maximum that could be contributed by the two ports under state law bonding limitations was an estimated \$500,000 for the Port of Tillamook and \$200,000 by the Port of Bay City.⁵⁶

On September 22, 1910 the Whitney Company was authorized by the Port of Bay City to negotiate the sale of its bonds,⁵⁸ but little more than a week later the port retracted this authorization and instead designated Russell Hawkins to carry out the bond negotiations. The port at that time also conditioned its pledge to the government on the premise that the jetty project be completed within two years.⁵⁹ In November 1910, the property within the Port of Bay City had an assessed value of \$2,002,620.⁶⁰ It was at that time the Port of Bay City also levied its first property tax of one mill per dollar of assessed valuation.⁶¹

But the special board of Corps of Engineers, believing that it was not advisable for the United States to further improve the channel above Bay City at that time, prepared a plan for improvement up to Bay City only, at an estimated cost of \$1,744,000. This improvement was recommended on the condition that about 25 per cent of its cost be

⁵⁸ Minutes, Port of Bay City, September 22, 1910

⁵⁹ Minutes, Port of Bay City, October 1, 1910

⁶⁰ Minutes, Port of Bay City, November 16, 1910

⁶¹ Minutes, Port of Bay City, November 26, 1910

contributed by local interests, leaving about \$1,300,000 to be provided by the federal government. However, the Board of Engineers for Rivers and Harbors reviewed these reports but could not agree that resulting benefits warranted even a \$1,300,000 federal expenditure.⁵⁶

This matter was held in abeyance by the Board of Engineers for a time until a proposition was presented through the district officer on June 14, 1911 for a partial project with the local ports paying half the costs. This proposition contemplated dredging the channel to Bay City, 200 feet wide and 16 feet deep, and the construction of the north jetty at an estimated cost of \$814,000, leaving the question of a south jetty to be determined in the future.⁶² The Board of Engineers also recommended the adoption of this plan on the condition that local interests contribute one-half the cost, and "... also construct and maintain a good navigable channel of at least nine foot depth at high water between Bay City and Tillamook at their own expense".⁵⁶

Such a project would be costly to local ports. The Port of Bay City undertook an annexation of the 2 - 3 mile wide swath along the coast that included the area from Garibaldi to Rockaway.⁶³ Although the annexation measure was passed unanimously by Port of Bay City voters at the August 31, 1911 special election, within the annexation area it passed by the narrow margin of 21 votes in favor with 18 opposed. The annexation became official on September 8, 1911.⁶⁴ (See Appendix Map)

Although the newly re-incorporated and enlarged Port of Tillamook had levied taxes following its 1909 formation,⁶⁵ it would now become necessary to issue bonds to meet its contribution commitments to the federal government. In October 1910, the Port of Tillamook authorized Russell Hawkins of Portland to enter into negotiations for the sale

⁶² Minutes, Port of Bay City, April 3, 1911

⁶³ Tillamook County Court Journal, Book H, pp 149, 154, July 8, 1911

⁶⁴ Tillamook County Court Journal, Book H, pp 169-70, September 8, 1911

⁶⁵ Leach v. Port of Tillamook, 62 Or 345, 123 P. 642 (1912)

of \$450,000 in bonds.⁶⁶ As the above described negotiations evolved with the Corps of Engineers, the Port of Tillamook enacted a number of successive Resolutions authorizing the various bond issue amounts.^{67 68} But, just as the Port of Tillamook was about to reach a deal on its bond sale,⁶⁹ the other shoe dropped.

On June 14, 1911 a group of farmers within the enlarged area of the Port of Tillamook district, believing they would not be benefited by inclusion within the port, filed a law suit in Tillamook Circuit Court challenging the 1909 formation and enlargement of the port. Port of Tillamook President Botts, who was also a local practicing attorney, represented the port.⁷⁰ The trial court ruled in favor of the port, but the plaintiffs appealed the ruling to the Oregon Supreme Court.^{71 72}

Although a number of issues were raised on appeal, the real cause of the controversy was the 1909 extension of the original port boundaries. The question of that annexation had not been submitted in a manner that allowed the voters of the area to be annexed to vote separately from those within the original port boundaries. As a result, the Supreme Court held that the proceedings were null and void.⁷³ As to the port's attempt to reorganize under the 1909 Act and repeal the charter granted to the port by the legislature, the Supreme Court stated:

⁶⁶ Minutes, Port of Tillamook, October 17, 1910

⁶⁷ Minutes, Port of Tillamook, April 6, 1911

⁶⁸ Minutes, Port of Tillamook, April 10, 1911

⁶⁹ Minutes, Port of Tillamook, July 19, 1911

⁷⁰ Minutes, Port of Tillamook, September 11, 1911

⁷¹ At that time, appeals of Circuit Court judgments in this state were filed directly with the Oregon Supreme Court as Oregon did not establish its Court of Appeals until 1969

⁷² Minutes, Port of Tillamook, April 11, 1912

⁷³ State ex rel. v. Port of Tillamook, 62 OR 332, 343, 124 P. 637 (1912)

"The effect thereof was not a reorganization of the port within the contemplations of the provisions of the Laws of 1909. We see no reason why the original Port of Tillamook is not a valid corporation".⁷³

The Oregon Supreme Court decided that case, known as State ex rel v. Port of Tillamook, on June 18, 1912.⁷³ The Tillamook Headlight editor lamented that the decision "... would mean considerable delay on the bar and harbor improvements...".⁷⁴ But that disappointment was not shared by the farming interests from the Fairview - South Prairie area who had mounted the legal challenge. Soon after the Supreme Court decision, over 200 farmers gathered at the Fairview Grange Hall with their lawyer Ralph Duniway to celebrate their victory over the Port of Tillamook.⁷⁵

Ironically, on July 25, 1912, just a few days prior to the Supreme Courts' denial for a re-hearing of its decision in State ex rel. v. Port of Tillamook, Congress approved the new project under the 1912 Rivers and Harbors Act, which contemplated the construction of the north jetty and dredging the channel to Bay City, 16 feet deep and 200 feet wide, at a cost of \$814,000 with the two ports paying one-half the cost and creating and maintaining a depth of nine feet at mean high water between Bay City and Tillamook.⁷⁶

Following the supreme court's adverse ruling, the Port of Tillamook now found itself in the position of having to meet its earlier commitment to the Corps of Engineers without any bonds and only a reduced two mill tax base from the lands within the legislatively created district of 1899, being the City of Tillamook and 50 feet on either side of Hoquarten Slough out to Dry Stocking Bar.

⁷⁴ Tillamook Headlight, June 20, 1912

⁷⁵ Tillamook Headlight, June 27, 1912

⁷⁶ Rivers and Harbors Act, July 25, 1912, H. Doc. 349, 62d Cong., 2d sess.

But the Port of Bay City lost no time circulating a petition to annex a portion of the voided Port of Tillamook lands. By July 19 they had garnered the requisite number of signatures and filed the petition. The county court called a special election for August 31, 1912.⁷⁷

The proposed annexation area embraced \$4,000,000 in additional taxable property and it was suggested that it would not be necessary to issue bonds to pay for bar and bay improvements within the proposed enlarged Port of Bay City.⁷⁸ Although there was apparently agreement that the bar needed improvement, there was difficulty achieving agreement on exactly where channel improvements within the bay should occur.⁷⁹ As Election Day approached, there was no doubt in the mind of the Headlight editor that the annexation election would fail.⁸⁰ He wanted to see a single port district for all of Tillamook Bay.⁸¹

On Election Day, it was a close vote in the area proposed for annexation with 21 votes in favor and 18 against. However, within the district, Port of Bay City voters overwhelmingly approved the measure, casting 110 votes in favor with only six opposed.

The Tillamook Headlight noted that the reason for the small voter turnout in the annexation area was due to the fact that the territory consisted largely of timber lands with few settlers living within the area. The editor did concede that this would result in producing the \$400,000 needed to meet the federal government's requirement for local

⁷⁷ Tillamook County Court Journal, Book H, p 253, July 19, 1912

⁷⁸ Tillamook Headlight, July 11, 1912

⁷⁹ Tillamook Headlight, July 19, 1912

⁸⁰ Tillamook Headlight, July 22, 1912

⁸¹ Tillamook Headlight, July 4, 1912

matching funds. He also held out hope that this would mean that the Whitney Company would start construction of a large sawmill at Idaville now that the funds were available for bay and bar improvements.^{82 83}

On September 9, 1912 the county court declared the lands to be annexed, effectively incorporating into the Port of Bay City, the northern half of the Port of Tillamook's 1909 voided reincorporation.⁸⁴ (See Appendix Map) By mid-October 1912 the Port of Bay City Board met with a representative of the First National Bank to now discuss the issuance and sale of \$407,000 in bonds for half the cost of the federal project.⁸⁵ The details for a bond sale were proposed on October 25th under a contract that would authorize the federal government to draw down funds from the bond sale proceeds as required.⁸⁶

Some five weeks following the Port of Bay City's successful annexation election, two more petitions were filed by Port of Bay City voters proposing more special elections to annex the remainder of lands that were part of the Port of Tillamook's voided reincorporation.

Both petitions were filed with the Tillamook County Clerk on the same day and came before the county court on October 4, 1912. Petition #1 sought an election to annex the easterly portion, divided by a line that appeared to range and roam in a generally north - south direction (see Appendix Map). The county court set the special election for

⁸² Tillamook Headlight, September 5, 1912

⁸³ The Whitney Company, Ltd. of Detroit, Michigan began in the 1890s securing timber lands located primarily along the Kilchis River where ridge lines extended 1,800 – 2,100 feet above the river. It wouldn't be until the period of 1920 – 1927 that the company would construct 11 miles of logging railroad along the lower slopes and 1920 when the Company began operating its sawmill in Garibaldi. The Idaville site would be used solely as a supply camp and log dump. See Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume 1, pp 118 – 126; 144 – 148

⁸⁴ Tillamook County Court Journal, Book H, pp 266-269, September 9, 1912

⁸⁵ Minutes, Port of Bay City, October 16, 1912

⁸⁶ Minutes, Port of Bay City, October 25, 1912

November 30, 1912.⁸⁷ Although Petition #2 included the westerly remainder of the voided lands (see Appendix Map), it did save and except the original boundaries of the 1899 legislatively created Port of Tillamook district. November 30, 1912 was also designated the date for the special election on this petition.⁸⁸

The editor of the Tillamook Headlight expressed outrage, calling the scheme "trickery" and "a great mistake".⁸⁹ He argued that the proposed boundaries specifically excluded territory where there were voters⁹⁰ by trying to encircle the legislatively established Port of Tillamook. He asserted that this would make some land owners pay the expense, while leaving out others who were equally benefited but not taxed.⁸⁹ He said there was great animosity over the proposal because most of the commerce originated within the City of Tillamook. If this measure passed, he feared it would place the central part of the County in the control of the Port of Bay City "...with little prospects of obtaining harbor improvements to this vicinity". The editor blamed the Whitney Company, through the Port of Bay City, with trying to "gobble up" all the territory.⁹¹ He charged, "If the Port of Bay City wants more territory, why, there's the earth".⁹²

On November 26, 1912, four days before the two special elections were to take place, a meeting occurred where matters apparently came to a head. In the middle of the meeting, word was received that the Port of Bay City would take steps to pull the measure.⁹³ Port of Bay City attorney Ralph Duniway submitted a plan whereby the legislative Port of Tillamook could be made a constructive port by working with the Port

⁸⁷ Tillamook County Court Journal, Book H, pp 275-276, October 4, 1912

⁸⁸ Tillamook County Court Journal, Book H, pp 277-278, October 4, 1912

⁸⁹ Tillamook Headlight, October 3, 1912

⁹⁰ Tillamook Headlight, September 26, 1912

⁹¹ Tillamook Headlight, November 28, 1912

⁹² Tillamook Headlight, October 10, 1912

⁹³ Minutes, Port of Bay City, November 26, 1912

of Bay City. These developments prompted the Headlight editor to state, "We are glad that the Whitney Company now sees the injustice of forcing this through and a disposition to get together."⁹¹ That same day, the Port of Bay City Commission enacted a Resolution seeking to halt the election, stating in part:

"Whereas, since the filing of the petitions, circumstances have arisen over which the Commission had no control, which might invalidate the election if held, and thus affect the validity and legal standing of the Port..."⁹⁴

The Resolution ordered that the county court be immediately requested to call off the election.⁹⁴

The next day, County Judge Homer Mason, in a handwritten letter to the County Clerk and signed "County Judge", directed that the two prior county court Orders calling the election be set aside and ordered that the County Clerk not proceed any further with the election. The letter stated in part:

"Whereas there appears to be no authority given by law for the holding of two such elections on different questions to be voted on at the same times and places, and as great confusion would be caused thereby and no legal election as to either question submitted would probably result and it also appearing that on account of weather conditions the notices for said elections have not been received by judges and clerks of election in time for the same to be posted as contemplated by law, and the Port of Bay City having requested that on account of the probable invalidity of the proposed elections, the orders for holding of said elections be recalled or set aside."⁹⁵

⁹⁴ Port of Bay City Resolution, November 26, 1912, John Bozarth, President and Theodore Jacoby, Secretary, as filed in the Tillamook County Clerk district file

⁹⁵ Handwritten letter, November 27, 1912 signed "County Judge" as contained in the Tillamook County Clerks file for the Port of Bay City

In the meantime, the Port of Bay City's successful annexation two months earlier had not set well with the Port of Tillamook. Consequently, attorney H.T. Botts had filed a law suit on September 12, 1912 challenging the original formation of the Port of Bay City.⁹⁶ It appears that the 1909 enactment authorizing port formations included a provision limiting the territorial boundaries of ports where the petition did not include the County as a whole. In such cases, the boundaries could not extend beyond the natural watershed of any drainage basin whose waters flowed into another bay, estuary or navigable river within the same County.⁹⁷ The object of the law was to prevent landowners from being taxed for harbor improvements when, by reason of natural conditions and topography, such owners would not benefit by proposed improvements. The watershed, with its advantage of down gradient to water commerce, apparently suggested to the legislature a suitable unit upon which ports not embracing an entire County should be formed.

As a result, the 1910 formation of the Port of Bay City was challenged by Botts on the basis of the watershed boundary limitations claiming that a few very small springs within the Port of Bay City and near the summit of the range of mountains that separated the common boundary shared by the Port of Nehalem and Port of Bay City, were actually part of the Port of Nehalem watershed. The Oregon Supreme Court rejected that argument and affirmed the formation of the Port of Bay City holding that a substantial and not a technically mathematical compliance with the statute was sufficient.⁹⁸

On the other hand, in a similar challenge to the 1911 formation of yet a third local port to be called the Port of Bayocean, where the proposed boundaries also included portions of the watersheds tributary to Nestucca Bay and Netarts Bay, the Supreme Court

⁹⁶ State ex rel Watt v. Port of Bay City; see also Port of Tillamook minutes, September 12, 1912

⁹⁷ Chapter 3, Title XXXXI, L.O.L., Section 6115

⁹⁸ State ex rel, v. Port of Bay City, 64 Or 139, 129 p 496 (1913)

affirmed the trial court's judgment voiding the formation proceedings, stating that the area of watershed tributary to other ports was so extensive that it passed beyond a mere technical deviation from the statute and became a matter of substance.⁹⁹

The apparent plethora of litigation challenging the formation of port districts invited the following admonishment from Chief Justice McBride, writing for the Court in State ex rel. v. Port of Bay City, supra at pp 143-144:

"There should be somewhere an end to litigation in respect to the organization of these ports, and, proper notice being conceded, parties claiming interest adverse to their organization should be required to act promptly and before the final order of the county court is entered, instead of waiting until the preliminaries of organization have been completed and the officers of the corporation have entered upon their duties, and then interfering with the prosecution of the work by a proceeding based upon trifling irregularities."¹⁰⁰

When word was received of the Port of Bay City's win in the Supreme Court, the Headlight editor optimistically responded:

"...It is good news to know that the government's offer will soon be accepted and the remaining \$300,000 appropriated. In another two years the central part of Tillamook County will have one of the best harbors between the Columbia River and San Francisco, doing a big lumber business".¹⁰¹

On the other hand, following the Port of Tillamook's reversal by the Supreme Court in June of 1912, with the elimination of its status as a reorganized port under general law, it took some six months to reconstitute the former legislatively created port board. It

⁹⁹ State ex rel. v. Port of Bayocean, 65 Or 506, 133 p 85 (1913)

¹⁰⁰ In 1919 the legislature enacted a measure establishing a one year statute of limitations for bringing challenges to the formation of a port district. Chapter 341, OL 1919

¹⁰¹ Tillamook Headlight, January 23, 1913

wasn't until a meeting on December 26, 1912 when F.R. Beals and "...all the members of the Port who are now residing in the boundaries of the Port" convened, including Alex McNair, M.F. Leach, B.C. Lamb and C.W. Talmage. The record of the meeting states:

"It appearing there are four vacancies in the Board caused by the removal of former members to points outside the limits of the Port, and it further appearing that the members present at the meeting constitute a majority of the Board and a legal quorum to do business..."

The "quorum" thereupon appointed W.G. Dwight, P.W. Todd, Chas. J. Clough and A.G. Beals to fill the four vacancies.¹⁰²

The legislative Port of Tillamook was once again motivated in January 1913 to draw up yet another petition to annex further lands into its district.¹⁰³ Although the petition did not materialize, the Tillamook Headlight took up the standard. The editor argued that the timbermen had been paying 75 to 80 percent of the taxes in the County and that the dairymen had been taking the timbermen's money to build schools and roads which greatly enhanced the value of the farm lands. He felt the timbermen were entitled to the same consideration to help develop the local lumber industry.¹⁰⁴ Instead of drawing a petition for further annexations, the Port of Tillamook held a joint public meeting with the Port of Bay City to consider forming a single port district. But the farmers still didn't think they would be benefited and the idea of the joint port died.¹⁰⁴ But the Headlight's editor remained undaunted, stating in a February 27, 1913 editorial:

"As the improvement of the Tillamook Bar is assured, it will not be many years before lumbering will surpass all other industries in the county, for milling will be on a large scale as soon as the bar is improved".¹⁰⁵

¹⁰² Minutes, Port of Tillamook, December 26, 1912

¹⁰³ Minutes, Port of Tillamook, January 23, 1913

¹⁰⁴ Tillamook Headlight, January 30, 1913

¹⁰⁵ Tillamook Headlight, February 27, 1913

But the following month the Secretary of War insisted that the Port of Tillamook provide a bond to ensure maintenance of the nine foot deep channel from Bay City to Tillamook. The port secretary was instructed to telegraph the Oregon delegation in Washington, D.C. in hopes of getting the federal government to accept only the bond of the Port of Bay City since obtaining personal bonds was not feasible and obtaining a surety bond would be as expensive as a maintenance project would be.¹⁰⁶ The matter was finally resolved in July 1913, when the Port of Tillamook filed a joint surety bond with the Port of Bay City.¹⁰⁷ Recognizing that the Port of Tillamook was without funds, on July 30, 1913 the Port of Bay City also authorized a separate agreement with the Port of Tillamook that required the Port of Tillamook to reimburse all of the Port of Bay City's expenditures incurred in maintaining the nine foot channel to Tillamook.¹⁰⁸

During the period of time that the two ports were sorting out the surety bond matters, the Port of Bay City finalized the sale of its general obligation bonds. At a special meeting on April 12, 1913 the Port of Bay City authorized that \$407,000 in bonds be issued at six percent interest over 25 years for the Port's share of improvements to the Tillamook Bay and Bar.¹⁰⁹ The final resolution for the bond sale was issued on May 5, 1913 at the same time that a "tripartite" agreement was signed between the Port, the Corps and First National Bank authorizing the federal government to draw down the funds as needed.¹¹⁰ This agreement also provided that the Port of Bay City would maintain the channel from Bay City to Dick's Point.¹¹¹ By July 23, 1913 the proceeds of the bond sale were received by the Port of Bay City and placed on deposit with the First

¹⁰⁶ Minutes, Port of Tillamook, March 27, 1913

¹⁰⁷ See Minutes, Port of Bay City, June 21, 1913, July 15, 1913, July 23, 1913 and July 30, 1913

¹⁰⁸ Minutes, Port of Bay City, July 30, 1913

¹⁰⁹ Minutes, Port of Bay City, April 12, 1913

¹¹⁰ Minutes, Port of Bay City, May 5, 1913

¹¹¹ Also see Tillamook Headlight, February 6, 1913

National Bank of Cleveland.¹¹² Several months later on September 29, 1913 the Port of Bay City Board Member and Treasurer Gust Nelson passed away. The board vacancy was filled on October 17, 1913 by Russell Hawkins.¹¹³

In the mean time, the Corps continued to operate the bucket dredge with hired labor from October 1 to November 15, 1912 and from May 1, 1913 to August 18, 1913¹¹⁴. On August 18, 1913 the government dredge was turned over to the Port of Tillamook, who operated it without cost to the United States until October 23, 1913. The dredge was tied up until May 10, 1914 when it was transferred to the Nehalem River so that lumber vessels could reach the sawmills that had been constructed following the improvements at the Nehalem Bar.¹¹⁵ ¹¹⁶ Due generally to the malaise that gripped the US economy and the accompanying slump in lumber markets, the sawmill in Wheeler temporarily shut down in June 1914 and the government dredge returned to Tillamook Bay.¹¹⁶ Additionally, it was noted that the Port of Tillamook at that time was "... out of commission for want of funds".¹¹⁵ Nevertheless, 37,500 cubic yards of sand was excavated during the latter season from the upper Tillamook Bay (including 6,100 cubic yards from Hoquarten Slough), 20,500 cubic yards of which was done by the Port of Tillamook. Additional dredging of the Bay City cut-off and other localized dredging was paid for by the Port of Bay City.¹¹⁷ This work resulted in an increased depth in the inner

¹¹² Minutes, Port of Bay City, July 23, 1913

¹¹³ Minutes, Port of Bay City, October 17, 1913

¹¹⁴ Report of the Chief of Engineers, US Army for 1914

¹¹⁵ Tillamook Headlight, April 30, 1914

¹¹⁶ See various news stories for June in the Tillamook Headlight and Tillamook Herald. Also see Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, pp 135 – 141

¹¹⁷ Minutes, Port of Bay City, August 24, 1914 and September 30, 1914

channel from Bay City to Tillamook. Sea going vessels carrying a draft of nine feet had no difficulty in reaching Tillamook, a distance of 12 miles from the entrance at mean high tide.¹¹⁸

When developing its budget for 1914, the Port of Bay City minutes note that the Corps estimated the cost of maintenance for the channel to Tillamook would be \$5,000, but that the Port of Tillamook only had \$1,500. As a result, the Port of Bay City had to allocate the \$3,500 balance out of its \$31,946 budget.¹¹⁹

On April 21, 1914 the Port of Bay City concluded the acquisition of rock for both the Tillamook and Nehalem jetties, at \$0.01 per ton. The rock was purchased from lands on the lower Miami River owned by J.C. and H.R. Bewley.¹²⁰

Little if any channel work but much debate occupied the latter half of 1914. Arguing that the steamer Sue H. Elmore was saving dairymen \$13,000 annually in hauling out cheese and bringing in feed from Portland, the Headlight editor suggested that the Tillamook Commercial Club take up the matter of deepening the channel from Bay City to Tillamook.¹²¹ The Commercial Club in fact did pursue such an initiative, asserting that the ongoing navigational improvements of a north jetty and main channel would produce cheaper freight rates.¹²² These matters culminated in a joint public meeting of the Port of Tillamook with the Commercial Club in December 1914 to seek cooperation of the farmers, who insisted that they would need a say in port operations.¹²³ Although a committee was appointed to work with the dairymen, the Commercial Club would the

¹¹⁸ Congressional Documents, Annual Reports of the Chief of Engineers for 1917, US Army

¹¹⁹ Minutes, Port of Bay City, December 17, 1913

¹²⁰ Minutes, Port of Bay City, April 21, 1914

¹²¹ Tillamook Headlight, August 13, 1914

¹²² Tillamook Headlight, November 5, 1914

¹²³ Tillamook Headlight, December 3, 1914

following month endorse enlarging the port.¹²³ ¹²⁴ But the Port of Tillamook, armed only with its meager two mill tax limitation, could do little more than sit by and watch the Port of Bay City and federal government build the north jetty, while it continued to struggle to keep the Hoquarten channel open.

Work commenced on the north jetty in June 1914. Rock for the jetty was quarried near the Miami River and hauled by train seven miles to the jetty site.¹²⁵ The 5,400 foot long jetty projected straight seaward from the base of the hills on the northern side of the channel. The essentially straight structure with a slight southward curve at its terminus had a crest height of approximately 16 feet above mean lower low water. The first phase was completed in October 1917, utilizing a total of 429,000 tons of stone at a total construction cost of \$766,000.¹²⁶

In December 1914, the Corps notified the Port of Bay City that the funds appropriated for operation of the dredge on the Tillamook channel were about exhausted.¹²⁷ The Port responded on January 20, 1915 that it was prepared to expend \$3,500 for that purpose during the ensuing year. It was also during this meeting that charter member Dr. W.C. Hawk retired from office. He was replaced by commissioner elect F.C. Robinson.¹²⁸

During February of 1915, with the convening of the Oregon legislative session, a singular entry within the Port of Tillamook minutes makes reference to a bill purporting to dissolve the legislatively created port. However, neither the legislative record nor local media contain any mention of such a measure. If a dissolution was contemplated,

¹²⁴ Tillamook Herald, January 26, 1914

¹²⁵ Tillamook Herald, December 1, 1914

¹²⁶ Report of the District Engineer, US Army Corps of Engineers, War Department (1940)

¹²⁷ Minutes, Port of Bay City, December 16, 1914

¹²⁸ Minutes, Port of Bay City, January 20, 1915

one can only speculate whether it may have been motivated by the Port of Tillamook out of frustration over its financial ineffectiveness or by others interested in the port's demise. However, on February 5, 1915 the Tillamook Herald published a large display of a telegram received from Congressman Hawley that \$172,000 had been appropriated for the Tillamook improvements.¹²⁹ It was then at the February 11, 1915 meeting of the Port of Tillamook, where the sole entry is found referencing a legislative bill to dissolve the port.¹³⁰ Following the resignation of F.R. Beals as president and board member, the minutes for that meeting reflect that the board directed that Representative Handley at Salem be wired immediately to request withdrawal of the House Bill providing for the dissolution of the port.¹³⁰

At its April 24, 1915 meeting the Port of Tillamook Board approved a motion that it would once again undertake dredging on Hoquarten Slough, but to notify the Port of Bay City that it would have to improve the channel from the Port of Tillamook boundary to Bay City.¹³¹ Despite the fact that the Tillamook channel already exceeded the nine foot high water depth, the Port of Bay City on July 17, 1915 authorized another \$2,000 for work on the Tillamook channel.¹³² An additional \$900 was designated in October 1915.¹³³

But by September 1915, the Port of Bay City had become concerned about its legal authority to maintain the Tillamook channel. In a September 30, 1915 letter from Port of Bay City Treasurer John Bozarth to John Gearin, the Port's attorney, it was noted that the law governing general port districts only authorized improvements to bays, rivers and harbors within its limits and between its limits and the sea. But nearly all the

¹²⁹ Tillamook Herald, February 5, 1915

¹³⁰ Minutes, Port of Tillamook, February 11, 1915

¹³¹ Minutes, Port of Tillamook, April 24, 1915

¹³² Minutes, Port of Bay City, July 17, 1915

¹³³ Minutes, Port of Bay City, October 20, 1915

channel between Bay City and Tillamook lay outside the limits of the Port of Bay City and not between the limits and the sea. The treasurer was concerned about his personal liability, notwithstanding the port's commitment to the Corps for this channel maintenance.¹³⁴

Attorney Gearin disagreed that there was a problem, stating that other areas of the 1909 Port Act, as well as the Congressional Act, provided the appropriate authorization for the expenditures.¹³⁵

From July 1 to October 23, 1915 the dredge, operated by hired labor under funds contributed by both the Ports of Bay City and Tillamook, was employed maintaining the bay channel between Bay City and Tillamook. The dredge removed 44,888 cubic yards of sand from Long Jetty, Dicks Point, Wilson River, Junction Shoal and the shoal between Dick's Point and Memaloose Point. Project depth was restored to nine feet at ordinary high tide.¹³⁶

Although a tax levy of 3½ mills for 1916 was authorized by the Port of Bay City at its November 17, 1915 meeting, its \$32,844.42 budget also adopted that day¹³⁷ was rescinded the following month. It appears that the port had not conducted a public hearing before adopting the budget as required by a 1915 amendment to state law. In its reconsidered budget on December 8, 1915, the proposed tax levy was reduced to 3.1 mills, but retained the \$3,500 for its annual contribution for maintenance of the Tillamook channel.¹³⁸

¹³⁴ Minutes, Port of Bay City, October 4, 1915

¹³⁵ October 7, 1915 letter from Attorney John Gearin to the Port of Bay City, as set forth in the October 20, 1915 minutes of the Port of Bay City

¹³⁶ Reports of the Chief of Engineers, US Army Corps of Engineers, June 30, 1916

¹³⁷ Minutes, Port of Bay City, November 17, 1915

¹³⁸ Minutes, Port of Bay City, December 8, 1915

Another hearing on the revised levy and budget was scheduled for December 30, 1915, and notice of the hearing was published in the Tillamook Herald. However, two days before the hearing, the Port of Bay City received a letter from County Assessor C.A. Johnson raising a number of legal issues about the port's procedures. The December 28th letter noted that the port had only published its notice 20 days in advance of the hearing instead of 30 days, as required by law, to exceed the constitutional 6 percent limitation on its budget increase. Moreover, the County Assessor also alleged that the required legal notice had been published outside the port boundaries in violation of the law. Assessor Johnson also reported that he had already extended the 3½ mills on the tax rolls. He suggested that the port explain to its taxpayers that it would be impossible to change the 3½ mill levy made on November 18th and that it would be the duty of the Port to ratify the 3½ mill levy. The County Assessor's letter concluded by refusing to extend any other levy that might result from the December 30th hearing and suggested the port take the matter to the courts to determine which was the legal levy.¹³⁹

Attorney Gearin was contacted by phone and advised that the port board adopt the 3.1 mill levy and then notify the appropriate county officials of their action before the 31st. At the December 30th hearing, no taxpayers showed up.¹³⁹ Notice of the tax levy was personally delivered to the County Assessor and County Clerk by the Port Secretary on December 31st.¹⁴⁰

After re-reading the County Assessor's December 28th letter, Attorney Gearin became suspicious that someone else had prepared the letter and was preparing a record "to stir up trouble". In a February 19, 1916 letter, Gearin suggested the port have him undertake a Writ of Mandamus to the Oregon Supreme Court to compel the Assessor or Sheriff, whoever had possession of the tax roll, to correct the levy and collect only 3.1 mills. At its February 21, 1916 meeting, the Port of Bay City Board authorized Gearin to proceed.¹⁴⁰

¹³⁹ Minutes, Port of Bay City, December 30, 1915

¹⁴⁰ Minutes, Port of Bay City, February 21, 1916

The dredge was again operated for about two weeks in June 1916, restoring the channel in Hoquarten Slough. At its July 19, 1916 meeting, the Port of Bay City Board directed that a bill be submitted to the Port of Tillamook for all the work it had performed on the Tillamook to Bay City channel and requesting that the Port of Tillamook Board attend the next Port of Bay City meeting.¹⁴¹ It is not apparent from the proceedings of either of the two ports what, if anything, was done in response to the billing statement. The total amount expended for work under funds contributed by the two ports during that year was \$4,992.07.¹³⁶

Now in the midst of a world war, the legislatively created Port of Tillamook once again attempted to expand its boundaries in October 1916 with the filing of yet another petition for annexation.¹⁴² This endeavor focused on lands that were substantially those remaining from its voided 1909 reincorporation but not taken by the Port of Bay City in its terminated annexation of October 1912. (See Appendix Map) It also proposed to include some additional lands on the Bayocean Peninsula.¹⁴²

In total, the annexation sought the addition of about 12.5 square miles, increasing the assessed valuation from \$1,200,000 to about \$5,000,000. But the port first had to prevail upon the timbermen in the upper bay. The Port of Tillamook board dispatched port commissioners M.F. Leach, C.J. Edwards and C.I. Clough to meet with the timbermen.¹⁴³ They returned from the meeting with a dismal report. Hawkins, of the Whitney Company and McCloud from the Hammond Lumber Company were opposed to enlarging the Port of Tillamook. They wanted to see the entire port abandoned and taken into the Port of Bay City. They strenuously objected to any improvements above

¹⁴¹ Minutes, Port of Bay City, July 19, 1916

¹⁴² Tillamook County Court Journal, Book I, pp 268-70

¹⁴³ Minutes, Port of Tillamook, October 31, 1916

Kilchis Point on Tillamook Bay.¹⁴⁴ The Port of Tillamook advocates also attempted to convince the farmers that they would be benefited by inclusion within the port boundaries. At that time, most of the dairymen were buying their hay from California. Large steamer schooners were loaded with hay in San Francisco and sailed to Portland, where the shipments were reloaded onto light draft gasoline schooners that could navigate the shallow channels of Tillamook Bay. It was argued that the two mill tax from the enlarged port would provide the funds needed to deepen the channel to ten feet at low water between Bay City and the City of Tillamook. This would enable the larger steamer schooners to deliver hay directly to the City of Tillamook thereby saving the farmers \$3 per ton. Since the Port of Tillamook's legislative charter did not authorize bond issues, the farmers would never have to pay more than the two mill tax limit.¹⁴⁵ The arguments were unavailing. At the November 21, 1916 special election, the measure failed. Although enough favorable votes had been obtained within the original legislative district boundaries (199 to 26), voters within the annexation area rejected the measure by a vote of 380 against to only 82 in favor.¹⁴⁶ The end was drawing near for maritime trade from the City of Tillamook.

But the Port of Tillamook commission was not satisfied with the currently authorized depth of nine feet at mean high tide. The port wanted a channel 200 feet wide and ten feet deep at zero tide from Tillamook to the upper end of the 16 foot channel opposite Bay City, a distance of about seven and one-half miles. The port believed that such an improved channel would permit vessels of sufficient size to reach Tillamook and enable water transportation to successfully compete with the existing rail rates. However, the

¹⁴⁴ Minutes, Port of Tillamook, November 13, 1916

¹⁴⁵ Tillamook Headlight, September 28, 1916 and October 5, 1916

¹⁴⁶ Tillamook County Court Journal, Book I, p 290, December 5, 1916

Port of Bay City was not especially interested in improving the channel above Bay City except to maintain the present project depth of nine feet at mean high tide, as it had agreed.¹⁴⁷

Yet, the writing had been on the wall for a number of years. Water borne commerce on Tillamook Bay had reached its maximum in 1911 with approximately 26,000 tons. With the completion of the rail line that year, ocean shipments began to rapidly decline. Although the first portion of the north jetty was completed in 1917, no shipments passed over the bar that year and the one boat built for trade between Tillamook and Portland, the Sue Elmore, ceased operations over this route. The water borne commerce of the bay, which was formerly carried on by small steamers and gasoline vessels, had become almost extinct during the prior year due to the lack of such vessels, the expense of operating this class of boat and competition with the railroad. The district engineer stated that the upper part of Hoquarten Slough was narrow, crooked, shoal and not wide enough at the town of Tillamook for vessels of 100 feet in length to turn, nor to furnish a suitable booming site for a large sawmill.¹⁴⁸ By 1917 the Port of Tillamook had spent approximately \$16,917 in dredging the channel to Tillamook.

Matters were not going well for the Port of Tillamook by 1917 in other areas of its operations. In January the Board was having discussions about seeking a release from its surety bond given to the government in conjunction with the Port of Bay City for their mutual channel maintenance obligations.¹⁴⁹ Moreover, for reasons not clear from the record, the Tillamook City Mayor since 1915 had not been appointing successors for port board vacancies as required by the 1899 act. It may have been related to the abrupt resignation of F.R. Beals as president and board member of the Port of Tillamook at the port's February 11, 1915 meeting. No reason was given in the minutes

¹⁴⁷ Preliminary Examination of Tillamook Bay and River and Hoquarten Slough, Oregon, United States Engineer Office, First District, Portland, Oregon June 30, 1918

¹⁴⁸ Report of the Board of Engineers for Rivers and Harbors, July 24, 1918

¹⁴⁹ Minutes, Port of Tillamook, January 19, 1917

for the resignation. As a result, the Port Board had developed the practice of waiting until the time had passed for the mayor to make such appointments then the remaining quorum of the port membership would fill the vacancy.¹⁵⁰

But in July 1917, during the final months of World War I, an event presented the Port of Tillamook with another glimmer of hope for channel improvements in the lower bay. During World War I, the Spruce Production Corporation was established by the War Department in the Pacific Northwest. It bought timber lands, built railroads and sawmills and organized the industry for maximum production of Sitka Spruce lumber. The needs of the United States and her allies for fleets of airplanes suddenly made the light, resilient spruce of the west coast the most sought after wood in the world. Immense quantities of spruce lumber moved from the sawmills to cantonments, shipyards, arsenals and factories.¹⁵¹ In the spring of 1917 the federal government signed a contract with Feeney and Bremer, a local firm, to build two spruce ships at Dick's Point for the war effort.¹⁵² In a letter dated July 9, 1917 Port of Tillamook Commission President B.C. Lamb requested and was granted relief of the obligation to maintain the nine foot channel into downtown Tillamook. The reason given was to allow the Port to disband and reincorporate, thereby increasing the size and assessed valuation as a means of raising funds for port improvements.¹⁵³ On July 23, 1917, in support of the federal contract, the Port of Tillamook entered into a Resolution and Agreement with the United States Shipping Board and Emergency Fleet Corporation to maintain a 16 foot deep channel from Dick's Point to Bay City.¹⁵⁴

¹⁵⁰ See e.g., Minutes, Port of Tillamook, November 20, 1915 and March 6, 1917

¹⁵¹ Greeley, William B., "Forests and Men", New York (1951)

¹⁵² Tillamook Headlight, June 2, 1918

¹⁵³ Levesque, Paul A., "Principal Flood Problems of the Tillamook Bay Drainage Basin", October 1980, p 122

¹⁵⁴ Minutes, Port of Tillamook, July 23, 1917

A Special Board of Engineers was convened by the Corps. The June, 1918 report presented by the senior board member concluded that there was not sufficient business at the Hoquarten harbor to warrant the use of large vessels and apparently those of small capacity could not successfully compete with the railroad, which afforded more direct market connections. The report also concluded, "as yet there has been no development to justify the expenditures already made and there is no indication of a change that will warrant additional improvement".¹⁵⁵ Consequently, on November 16, 1918, the chief of engineers recommended that there be no change in the existing authorized navigation project.¹⁵⁶

That same month the armistice was signed and World War I came to an end. The government cancelled its contract with the Feeney and Bremer Ship Building Company for one of the two ships.¹⁵⁷ Seven weeks later, the second of the two ships was launched amidst great fanfare, but immediately became unceremoniously stuck in the channel where it remained mired for several days until it could be floated off by higher tides.¹⁵⁸

At its December 18, 1918 meeting, the Port of Bay City directed that another bill be sent to the Port of Tillamook for work on the Tillamook channel, together with interest at six percent.¹⁵⁹ But in December 1918 the Port of Tillamook published its budget for 1919 indicating that it would use the \$2,322 cash on hand and \$2,364 expected from its two

¹⁵⁵ Report of the Board of Engineers for Rivers and Harbors, William T. Russell, Brigadier General, US Army, Ret. June 20, 1918

¹⁵⁶ Letter from Major General Black to the Secretary of War, November 16, 1918

¹⁵⁷ Tillamook Headlight, November 14, 1918

¹⁵⁸ Tillamook Herald, January 9, 1919, Tillamook Headlight, January 9, 1919

¹⁵⁹ Minutes, Port of Bay City, December 18, 1918

mill levy for 1919 and spend \$4,000 on the maintenance of Hoquarten Slough. The \$686 balance would be spent on "legal and other expenses".¹⁶⁰ The need for the port was at an end.

Construction was nearing completion on at the huge new Cummings-Moberly sawmill at Garibaldi that touted it would employ 200 men.¹⁶¹ Local train service had for some time provided the most practical means of travel between Tillamook and Garibaldi as well as points north. By the end of 1918 "road fever" consumed locals and Oregonians alike. There were calls for a hard surfaced truck road between Tillamook and Garibaldi.¹⁶¹ More importantly, plans were being finalized for construction of a \$5,000,000 highway that would travel along the coast from California to the Columbia River, to be known as the Roosevelt Coast Highway¹⁶² (the present day Highway 101).

By January 1919, the Rivers and Harbors bill was before the 65th Congress. It came as no surprise when, in its January 2nd 1919 edition of the Tillamook Headlight reported that the bill included a modification resulting from:

"... a recommendation of the Port of Tillamook to repeal certain clauses in the original plan adopted for the improvement of the bar and bay and refers to the problem of the local port to give financial assistance to maintain the channel up to this city".¹⁶³

On February 11, 1919, the following letter from the Port of Tillamook was sent to the Port of Bay City and spread upon its minutes:

¹⁶⁰ Legal Notice, Tillamook Headlight, December 5, 1918

¹⁶¹ Tillamook Herald, July 11, 1918 and February 13, 1919

¹⁶² Tillamook Herald, March 6, 1919

¹⁶³ Tillamook Headlight, January 2, 1919

"Salem, Oregon, Feby. 11th, 1919

Mr. George B. Mc Leod,
Portland, Oregon,

Dear Sir:- Being desirous of developing commerce and industry on Tillamook Bay, we have introduced in the Senate Senate Bill No. 105 to repeal the act creating the Port of Tillamook; and in the House, House Bill No. 250 to permit a municipal corporation to dissolve. The reason for the above legislation is that we believe the first step necessary to united effort for progress in the Tillamook District is to do away with the present Port of Tillamook.

The next step will be to plan for the development of the entire Bay on some fair basis, and desiring the co-operation of all concerned, propose the following plan of procedure, upon which we agree to obtain the concurrence, in writing, of the Commissioners of the present Port of Tillamook, to-wit;-

- FIRST, to abolish the present Port of Tillamook.
- Second, no step will be taken for the creation of a new port district, unless such steps contemplate the inclusion of the entire watershed of Tillamook Bay.
- THIRD, arrange for the appointment of a committee to adopt a comprehensive plan for the future port development; said committee to consist of eight men, two from the present Port of Tillamook, two from the present Port of Bay City, two from the farmers, appointed by the Grange or Grangers; two from the timber owners, to be appointed by said timber owners;
- Fourth, adopt a plan formulated by the above committee.
- Fifth, to discourage exploitation of any port that may be formed, by the owners of real estate, and which real estate may happen to be adjacent to points of development.

We understand that if the above plans are carried out, such will have the general endorsement of the timber owners.

Very truly yours,

H.H. Rosenberg	Chas. I Clough	C.J. Edwards
W.C. Dwight	Alex Mc Nair	T.B. Handley
P.W. Todd	C.W. Miller	
M.F. Leach	B.C. Lamb"	

The Communication was ordered placed on file and Commissioners Hawkins and Nelson were appointed as a committee to act on behalf of the Port of Bay City relative to the matters covered in the letter.¹⁶⁴

At about the same time, Senate Bill 105, introduced in the 1919 legislative session to dissolve the Port of Tillamook by repealing the 1899 act that established the Port, was enacted as Chapter 96, Oregon Laws 1919. The measure was signed by the Governor on February 22, 1919. In noting the passing of the Port of Tillamook, the Headlight editor stated:

"It is just as well. It was a hobby horse for a number of years. When the bill was first introduced in the state legislature, we took exception to it, for it was not far reaching in scope. So we are glad that an effort is being made to dissolve it."¹⁶⁵

Not only did Congress accept the Special Board of Engineers' recommendation for not undertaking a new project for enlargement of the Hoquarten Harbor, but it also acknowledged the recommendation of the Port of Tillamook. Maintenance of the channel from Bay City to Tillamook was abandoned by Congress under the River and Harbor Act of March 2, 1919. That meant that the channel from Tillamook to Bay City was no longer designated as a federal channel and federal funds could no longer be authorized for its maintenance or improvement.

¹⁶⁴ Minutes, Port of Bay City, March 19, 1918

¹⁶⁵ Tillamook Headlight, February 19, 1919

In June 1919, the Port of Tillamook made an offer of \$3,230.38 to the Port of Bay City in full settlement and payment for the Port of Bay City's work on the Tillamook channel. The offer was accepted.¹⁶⁶ At that time there was a controlling depth of only three feet in the channel from Bay City to Tillamook.¹⁶⁷ By the end of 1919, traffic over the Tillamook Bar dropped off to only 180 tons for that year.¹⁶⁸

Perhaps in the vein of too little, too late for the Port of Tillamook, under an Oregon act of 1920, all municipal corporations previously created as ports under special laws by the Oregon Legislature, in addition to the powers they already possessed, were also granted all the powers then or thereafter possessed by municipal corporations organized as ports under the general laws of the state, except the power to borrow money and issue bonds.¹⁶⁹

It was during this period that the Port of Bay City began to focus its gaze on the upper bay between Miami Cove and the north jetty. Despite the fact that the port had acquired lands and built or managed docks, wharves and warehouses at Bay City,¹⁷⁰ by 1917 siltation between the main channel and the Bay City docks had once again isolated those facilities from the main channel.¹⁷¹ More importantly, the following year, with the Cummings-Moberly sawmill now under construction, the company needed help dredging a channel and turning basin on the south mill frontage near the mouth of the

¹⁶⁶ Minutes, Port of Bay City, June 27, 1919

¹⁶⁷ Report of the Chief of Engineers, US Army, 1920 pp 2925 – 2926

¹⁶⁸ Report of the Chief of Engineers, US Army, 1922 p 1143

¹⁶⁹ Oregon Laws 1920, C.10, Section 1.; Olson's Oregon Laws, Section 7190

¹⁷⁰ See e.g., Minutes, Port of Bay City, February 17, 1912; April 1, 1912; May 5, 1913; October 11 and 17, 1913; June 23, 1914 and February 21, 1917

¹⁷¹ Minutes, Port of Bay City, March 31, 1917

Miami River.¹⁷² On August 21, 1918 the Port agreed to dredge a channel to serve the mill, 20 feet deep at lower low water from Garibaldi to the Pacific Ocean;¹⁷³ a decision which would lead the Port to the brink of financial jeopardy.

A contract was subsequently executed with the Tacoma Dredging Company at \$0.20.5 per yard for dredging a channel, planned and designed by J.S. Polhemus of Portland. Under a separate contract with the Corps, the mill owner was required to bulkhead the dredge spoils. In response to the port's bond solicitation, Morris Brothers offered \$264,030 for bonds with a face value of \$264,000. The bond sale also called for supplying the funds as needed, but everyone understood that the funds would be needed within a short time after the April 12, 1919 bond sale. In the midst of these transactions, the sawmill was partially washed out and the principal owner of the mill was killed in a separate accident. The port now needed to defer its financial obligations until the saw milling interests could be reorganized and when there was an entity that needed the channel and could fulfill the contractual obligations associated with the project. Although the Tacoma Dredging Company agreed to postpone shipment of the dredge to Tillamook Bay, the Morris Company had already sold \$100,000 worth of port bonds to the State of Oregon Industrial Accident Commission (IAC). On June 25, 1919 the IAC demanded delivery of the bonds. After consulting with its attorney John Gearin, the port delivered the bonds and immediately took steps to minimize its small losses up to that time, in what could have resulted in much more serious circumstances, beyond the contract of the port.¹⁶⁶

It wasn't long, however, before the Whitney Company assumed control of the mill and completed construction by 1920. Once fully completed, the steam/electric sawmill had circular saws with a capacity of 200,000 feet per day. The plant even reported a record cut of 280,000 feet in one shift in 1923. Plant equipment included edgers, a resaw, dry

¹⁷² Minutes, Port of Bay City, June 19, 1918

¹⁷³ Minutes, Port of Bay City, August 21, 1918

kilns and lathe machinery. The company operated a planing mill, a shingle mill, a machine shop and a sash and frame mill. The real landmark, however, was the 130 foot concrete stack.¹⁷⁴

It was also during this period that the Whitney Company constructed 11 miles of logging railroad along the lower slopes of the Kilchis River. A rod locomotive moved log trains to the Idaville log dump. The Idaville site also served as a supply camp.¹⁷⁵

Logs were rafted to the mill since Whitney's log trains were not allowed to travel over the six miles of Southern Pacific rail from Idaville Crossing to Garibaldi. The mill sawed logs cut by Whitney crews as well as those provided by private contractors such as Coats Driving and Boom Company. Whitney also purchased about 3,000,000 feet of logs per month in addition to its own logging supply.¹⁷⁴

The Whitney Company built bunk houses and operated a general store. The arrival of the new mill electrified the life of the town, as new families poured into Garibaldi. Homes were constructed, businesses were opened and old ones expanded.¹⁷⁴

But by 1923, there was also a renewed interest in reconstituting the former Port of Tillamook. The Rivers and Harbors Act of September 22, 1922 directed a preliminary examination of a South Jetty and a turning basin at the mouth of the Tillamook River with a channel 200 feet wide and 16 feet deep at lower water to Bay City. This was apparently driven by lumber interests in the 9,183,000,000 feet of timber in the watershed. The Corps conducted a local hearing on January 21, 1923 where the old wounds once again resurfaced. It was believed by many at the hearing that dairy interests had the most to gain, but none were present at the hearing. At that time it cost more to pay the freight on hay than the cost of hay itself. If a new port were formed with

¹⁷⁴ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, pp 144-148

¹⁷⁵ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, p 118

a millage tax, it was argued that dairymen would save more on freight than the cost of taxation. The project would involve the construction of a dredge and dredging a new channel that would have to be cost shared on a 50/50 basis. But the Port of Bay City was already taxed to the limit paying its share of the current jetty and channel project. Calling the recent history of bay improvements very unfortunate, those present were reminded of the black eye on the lower bay region when the former Port of Tillamook had to withdraw from the existing project leaving the Port of Bay City to shoulder the expense.¹⁷⁶ The idea of the Tillamook River turning basin and channel with the revival of the Port of Tillamook, died on the vine.

But that did not diminish the continued call for navigational improvements in the lower bay. In January, 1924 Coats announced plans to build a second mill on the lower bay, but needed channel improvements. The Port of Bay City desired a new dock.¹⁷⁷

Yet it was the upper bay where most of the maritime activity occurred. The Whitney Company engaged in the cargo business, shipping to San Pedro regularly. Lumber for cargo movement was loaded on barges and lightered to steamers outside the bar. Shipments in 1924 were apparently sufficient to warrant a call from the largest steamer at that time to visit Tillamook Bay. The Alvarado, 245 feet long, arrived on July 24, 1924 and was expected to depart with 1,200,000 feet of lumber from the Whitney mill. Shipments were also made over the Southern Pacific lines. For example, in March 1923, the company shipped 250 cars of lumber on the rails.¹⁷⁸

The channel to Bay City was abandoned in 1925. That same year, however, by authority of the River and Harbor Act, the Tillamook Bay Project was modified to include an 18 foot deep bar channel by 200 feet wide to a turning basin 500 feet wide at Miami

¹⁷⁶ "Transcript of Public Hearing on Proposed Port of Tillamook, held at the County Courthouse in Tillamook, Oregon, January 31, 1923". Tillamook County Pioneer Museum from the records of Claude Barrick

¹⁷⁷ Tillamook Headlight, January 4, 1924

¹⁷⁸ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, p 146

Cove. It also provided for a channel 16 feet deep by 200 feet wide from Miami Cove to a turning basin at Hobsonville. The latter channel was deferred until a saw mill of substantial capacity was erected in the vicinity of Hobsonville.¹⁷⁹

In April 1927, the Hammond-Tillamook Lumber Company assumed operations of the Whitney Company mill at Garibaldi. During the early 1930s, lumber was frequently shipped from the Hammond mill at Garibaldi. Sause Brothers Towing also engaged in moving log rafts to the Columbia and southern ports during this period. Smaller coastwise freighters and some larger craft were observed at the Hammond Lumber Company dock at Garibaldi. For example, in February 1931, the lumber schooner, Samoa, docked at Hammond facilities to take on 1,134,341 feet of lumber before proceeding to Willapa Harbor to finish loading. Such cargoes were not unusual as calls at Garibaldi facilities continued on a regular basis for several years thereafter. A number of successive record breaking cargoes were shipped during the summer of 1932. The steamer Tillamook departed Hammond's dock in June of that year with the largest load at that time. The manifest showed 1,813,474 feet destined for San Diego, San Pedro, Moss Landing and San Francisco. The Tillamook returned the following month for an even larger cargo consigned by Hammond for California ports. The 289 foot vessel took on 1,829,000 feet of lumber. Moreover, three cargoes that month aggregated 5,245,038 feet. Such prodigious shipments brought about six-day work weeks.^{180 181 182 183} Nevertheless, the economic malaise that gripped the country and particularly the lumber industry, eventually took its toll. Hammond closed the Garibaldi mill on July 12, 1934, due to poor business conditions. In October, Hammond

¹⁷⁹ Steiger, L.D., 1975 Proposed Modification of the Tillamook Bay and Bar Project, L.D. Steiger and Associates

¹⁸⁰ Garibaldi News, February 13, 1931

¹⁸¹ Garibaldi-Rockaway News, Garibaldi, Oregon, June 17, 1932

¹⁸² Garibaldi-Rockaway News, Garibaldi, Oregon, July 29, 1932

¹⁸³ Garibaldi-Rockaway News, Garibaldi, Oregon, January 17, 1933

management hired business consultant Robert Lea to study company operations. Lea recommended the Garibaldi mill be closed permanently due to high inventory, poor sales and low profits.¹⁸⁴

It wasn't until 1933 that the north jetty was finally completed to its present authorized length of 5,700 feet. Yet noticeable ocean beach erosion, which began to occur along the Bay Ocean Peninsula after the first phase of the north jetty was completed in 1917, was getting quite severe. During the 1920s to 1930s, about six feet of the Bayocean uplands was lost each year to erosion.¹⁸⁵ Pacific storms took a definite toll in 1932 when most of the Bay Ocean Natatorium washed away, the hotel fell in and homes were swept into the ocean.¹⁸⁶

As salvage of the Tillamook burn began to grow in 1937, logs from the Fall Creek area were trucked to Tillamook where they were either shipped to Portland over the Southern Pacific Railroad¹⁸⁷ or dumped into the south end of the bay and rafted to Garibaldi.¹⁸⁸

Log shipments resumed in 1937 from Garibaldi. The first barge load of logs left Tillamook Bay bound for Aberdeen on September 17.¹⁸⁹ Two more loads were shipped the following month.¹⁹⁰ These raft shipments from Garibaldi continued into 1939, often

¹⁸⁴ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, p 149

¹⁸⁵ Tillamook Bay National Estuary Project Reports

¹⁸⁶ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, p 471

¹⁸⁷ Tillamook Headlight Herald, February 18, 1937

¹⁸⁸ North Tillamook County News, August 20, 1937

¹⁸⁹ North Tillamook County News, September 19, 1937

¹⁹⁰ North Tillamook County News, October 8, 1937

with two rafts per week headed for the sawmill at Aberdeen. The site of the former Whitney/Hammond sawmill was used exclusively for rafting and booming well into 1941.¹⁹¹ But the fate of the sawmill was another matter entirely.

At one time the Hammond sawmill at Garibaldi had a value of over \$1,500,000, but depressed markets together with the terrible loss of green timber in the Burn, caused this valuable property to be thrown on the market for less than 1/10th of its original value. Even at this price there were no buyers and despite a vast amount of effort by different organizations, it finally seemed as though this great enterprise would be removed for its junk value, and with it would go all possibility of future payrolls from this source.

For over two years many organizations considered its purchase and contemplated a resumption of activity either in limited lumber production or other business; but all failed to maintain interest.

Finally, after all hope seemed lost, the A. & R. Logging Co. of Grays Harbor made an offer which was so low that it left nothing above junk value. They stated that if everyone concerned, including Tillamook County, would reduce their claims to a point where the entire property could be purchased, they would take over the mill site, machinery and buildings with the intention of operating a mill at this location. The logging company made no guarantees, but appeared to be the last hope for any further payroll. The county court called in representatives from the county and submitted the proposition. It was explained that if the sales were to be made the county would be required to adjust its claim on the real property. The tax had been paid in full on the personal property and machinery, so this required no adjustment.

¹⁹¹ North Tillamook County News, June 26, 1941

After several meetings company officials advised the county court that the company felt such action was justifiable. But the only way this could be done was by the Hammond Lumber company deeding the site to Tillamook County and then the county in turn deeding the site to the A. & R. Timber Company. Acting on advice and their own judgment the county court then made the deal in March 1938.¹⁹²

When the deal closed, A. & R. purchased about \$100,000 worth of logs. Local expectations for renewed sawmilling were heightened further when the company expressed an intent to buy additional quantities of logs. But the mill remained silent. In October 1939, expectation again gave way to disappointment when the company completed a deal with the Portland Junk outfit to haul away remaining machinery from the old Hammond mill. The following month a huge charge of dynamite brought the big burner at the mill crashing to the ground. Following the blast an immense cloud of red brick dust rose skyward from some 450,000 bricks which lined the big cylinder. Workmen immediately set to work salvaging scrap iron and brick. Many old timers were on hand to witness the spectacle. Most felt it ended forever whatever faint hopes might have remained for ever operating the mill again.^{193 194 195}

In the 18 months that followed, A. & R. Company used the property exclusively for rafting and booming. It became apparent that industrial development was not immediately forthcoming and the county court entered into negotiations with company officials in June 1941. The court then purchased the 216 acre mill property from the A. & R. Company for \$15,000.^{196 197}

¹⁹² Headlight Herald, Tillamook, Oregon, March 24, 1938; also see Deed Book 81, page 33, Deed Records, Tillamook County

¹⁹³ Tillamook County News, March 25, 1938

¹⁹⁴ North Tillamook County News, November 24, 1939

¹⁹⁵ North Tillamook County News, October 20, 1939

¹⁹⁶ North Tillamook County News, June 26, 1941

Upon acquiring the property, the court directed county crews to repair the rapid deterioration of the remaining buildings. Mill garages along the highway were nailed together and fallen doors were replaced and barred shut to prevent further damage. Workers generally attempted to improve the slovenly appearance. At the same time, the court leased a booming and rafting right to the A. & R. Timber Company for the annual sum of \$400. Additionally, they contracted with various parties for fishing rights in the amount of \$300 per year, which brought the total revenue from the property to \$700, or approximately \$100 per year more than taxes received by the county from this property. The county court then proceeded to bring the property to the attention of prospective purchasers through trade journal advertisements.^{196 198}

This promotion resulted in an agreement with Peterman Manufacturing Co. on July 2, 1941, for a ten year lease on the mill and site. The contract with this Tacoma company also provided for an additional five year option and contained provision for the privilege of purchase at any time during the term of the agreement. But the contract also provided that the mill had to be constructed and in operation no later than December 15, 1941.¹⁹⁹

T. A. (Al) Peterman was a veteran of the lumber industry. He had begun producing fir plywood in 1921, at the Tacoma plant started by his father, the late T. F. Peterman. Al Peterman joined his father while still in his teens, left for a time and became a successful broker in scrap iron and returned to manage the Peterman interests when his father died in 1920.

¹⁹⁷ This purchase included the entire waterfront property including the portion that contains the present Port of Garibaldi boat basin

¹⁹⁸ Headlight Herald, Tillamook, Oregon, June 19, 1941

¹⁹⁹ Headlight Herald, Tillamook, Oregon, July 3, 1941

Flamboyant and colorful in speech and manner, Al Peterman was known for improvising tools and equipment as he went along, seldom buying ordinary machinery of the day. He glued up his first plywood in 1921, as an adjunct to his growing door business and in 1927, built a separate plywood mill alongside his other Tacoma operations. At one time, Peterman was turning out about 5,000 doors a day.²⁰⁰

After completing arrangements with the Tillamook County Court in July 1941, Al Peterman prepared to construct a sawmill on the Garibaldi site using two or three of the existing buildings. He planned to raze the remaining structures. Optimism ran high with expectations of employment for 100 to 150 men in the mill, with additional employment of at least one logging company on timber holdings purchased by Peterman from the old Flora Logging outfit on Trask River.¹⁹⁹

During the first week of August, company officials, T. H. Mills and H.B. Rombo, arrived in Garibaldi to begin preliminary work. Mills, who had been employed by the company at Tacoma, was named local manager of operations. Rombo was construction engineer. Al Peterman, company president, arrived a few days later to assist in setting up headquarters. Arrangements were worked out with the Garibaldi Women's Club to use the new community center as company headquarters until an office could be established at the mill site. A decision was made to retain and repair the old planing mill, crane shed building and lumber storage building. Meanwhile, O.K. Tittle was engaged with his bulldozer to level ground and Southern Pacific crews began installing rail spurs and a siding to accommodate the new mill.^{201 202}

The following week, county crews began demolishing two existing buildings at the mill site. The original agreement with the company provided that the court would be responsible for removal of all buildings not used in plant operations. The first buildings

²⁰⁰ Cour, Robert M., "The Plywood Age", Portland, Oregon (1955)

²⁰¹ Headlight Herald, Tillamook, Oregon, August 14, 1941

²⁰² North Tillamook County News, August 14, 1941

to go were in the way of two proposed railroad spurs to be constructed by the company. Once the buildings were removed, Tittle completed grading for the new rail sidetracks.²⁰³

But, by January 1941, a number of factors, including the outbreak of war and the natural forces of nature served to create the first in a long series of delays and problems. A halt on demolition was called that month by Rombo when mud and water flooded over the mill site as a result of dredging operations on the mill pond. The ground had been softened to the point where it was impossible to continue wrecking with the large crane that had been employed for that purpose. All low spots filled with mud and the newly installed railroad spurs were also covered with silt. A decision was made to wait several months for dryer conditions before resuming operations. Local manager T.H. Mills was loaned by the company to the Winston Lumber interests of Minnesota, where he was to assume an executive position until work at Garibaldi could resume.²⁰⁴

In the interim, machinery acquisition proved to be another formidable obstacle. Military war needs quickly created industrial shortages which forced the company to purchase secondhand sawmill equipment. Although a considerable amount of used machinery was acquired by the company, they continued to be restricted by the amount of secondhand materials that could actually be pressed into service.²⁰⁴

Nevertheless, the county court was ceaseless in its efforts to bolster local industrial development at the Garibaldi site. Peterman, Rombo and a group of Portland businessmen met with the county court at Peterman's Garibaldi office in March 1942. This group included Jack Smith of Hawley Pulp and Paper Company and Franklin

²⁰³ North Tillamook County News, August 21, 1941

²⁰⁴ North Tillamook County News, January 15, 1942

Griffith of Portland Electric Power Co. The court at this time consisted of Judge Woods and Commissioners Lindsay and Anderson. Following this meeting, county officials hinted that further developments might be in store for Garibaldi.²⁰⁵

Matters seemed to take a turn for the better when a Seattle news broadcast on April 2, 1942 announced reports from Washington, D.C. that the US Government had completed arrangements for the purchase of the Tacoma site and buildings from the Peterman Manufacturing Company. The announcement added that the company was making preparations to remove its entire plant, machinery and equipment to Garibaldi where it would set up a new plant. The government desired the Tacoma facilities to permit expansion of the Seattle-Tacoma Shipbuilding Company. Following this announcement, Al Peterman telephoned Judge Woods calling his attention to the broadcast and confirming the news. The community was ecstatic as prospects for employment blossomed to 500 employees.^{206 207}

Three months later, the first trainload of machinery arrived at Garibaldi, consisting of 21 rail cars. Included in this shipment were two carloads of trucks, two of skids, two of factory trucks, one of veneer equipment, one of factory skids and thirteen of machinery. These were followed by 13 more carloads over the next several weeks, all of which were placed into storage. But when asked about immediate plans for construction, Rombo replied, "it's Uncle Sam who now tells us what to do."^{208 209 210}

²⁰⁵ North Tillamook County News, March 19, 1942

²⁰⁶ North Tillamook County News, April 2, 1942

²⁰⁷ North Tillamook County News, November 23, 1944

²⁰⁸ North Tillamook County News, June 11, 1942

²⁰⁹ North Tillamook County News, July 2, 1942

²¹⁰ North Tillamook County News, July 9, 1942

Razing of the old Hammond mill buildings resumed in June 1943, after an 18 month layoff. Fires burned mornings and afternoons – out at sunset – consuming debris and clearing the way for new construction. Following a trip to California in search of building materials, Peterman entered into negotiations with the county court for exercising the purchase options contained in the lease. When asked by Judge Woods when construction would begin, Peterman assured the judge that he would begin almost immediately. District Attorney Warren McMinimee was directed to prepare the deed for 40 acres on the site.^{211 212}

Yet, the remainder of the year passed without any developments on the site. Activity in the woods, on the other hand, began in earnest. In September, a crew of men and three caterpillars started falling and bucking Peterman's holdings 18 miles up the Trask. The following month the company took over most of Converse and Hitchman's cutting crew, putting them to work up Trask River. A "mulligan" transported workers to the logging show. Company operations in the woods expanded further late in the month with the purchase of Charley Stone's holdings on Trask River. The sale consisted of 60,000,000 feet of timber and all logging equipment with the exception of trucks which Stone rented to the new owners. There was no interruption in operations as the new owners continued logging with the same crew which had worked for Stone.^{213 214 215}

The year 1944 dawned with yet another Peterman announcement that erection of sawmilling facilities would soon begin. The first of March was targeted for initiating work but potential employment had suddenly diminished by 150 workers to a prospective level of only 350 employees. The Tacoma plant had employed 500. Yet winter gave

²¹¹ North Tillamook County News, June 24, 1943

²¹² Headlight Herald, Tillamook, Oregon, July 1, 1943

²¹³ Headlight Herald, Tillamook, Oregon, October 28, 1943

²¹⁴ North Tillamook County News, September 30, 1943

²¹⁵ North Tillamook County News, November 4, 1943

way to spring and then summer while nothing occurred. Finally, about July 15, 1944, a crew of ten men began construction. But the almost insurmountable obstacles of manpower and materials shortages created by global war only resulted in the limited construction of a small veneer plant. Even this was made possible only by the award of a government contract which called for putting a fir core into hardwood plywood shipped from the Midwest. The finished product was designed for crating army materials. Limited production began in August 1944.²¹⁶

The final irony of this unfortunate saga took its turn in November 1944, when, after little more than two months of operation, Al Peterman, owner and president of the company, died. All company operations soon ceased as the entire estate became tied up in probate proceedings. After nearly ten continuous years without a local industry, the demise of this enterprise was indeed a devastating blow to the Garibaldi community. Peterman Manufacturing Company had perished, an industrial casualty of the war.²¹⁷

Timber salvage from the Tillamook Burn during World War II was tremendous and continued to increase. At the same time, the rate of beach erosion along Bayocean increased to about 16 feet per year between 1939 and 1945.²¹⁸ The Corps of Engineers conducted a beach erosion study in 1939 – 1940. Public hearings on the subject were held prior and subsequent to the study by the Corps and by a committee of the US House of Representatives. The results of the Corps study and Congressional hearings indicated no protective works for the peninsula could be economically justified. A 1947 report contained in House Document 650 stated there was no immediate danger of a breach in the peninsula which would be detrimental to navigation in the bay.²¹⁹ But the need for channel maintenance became acute. Conditions in the bay were fast becoming unnavigable for boats and tugs, thereby causing timber companies to ship by

²¹⁶ North Tillamook County News, July 20, 1944

²¹⁷ North Tillamook County News, November 23, 1944

²¹⁸ Tillamook Bay National Estuary Project Reports

²¹⁹ Murray, T.J. and Associates, 1972, Development Program for Tillamook Bay, Oregon

rail. Water transport rates by the mid 1940s were less expensive.²²⁰ Most of the navigational trouble was due to the fact that the north jetty alone did not provide a safe entrance, but was further aggravated by the siltation of navigation channels within the bay caused by upland erosion from the Tillamook Burn.

Logging and lumbering activity by September, 1945 finally called renewed federal attention for navigational improvements to Tillamook Bay. Despite a hearing by the Corps of Engineers that month to evaluate the need for additional jetty construction, no action was immediately forthcoming and conditions continued to worsen.²²¹ By 1946, logs were being towed across the bay to Crown Zellerbach's reload south of Hobsonville.²²²

The holdings of Peterman Manufacturing Company at Garibaldi were purchased by Oceanside Lumber Co. and Oregon-Washington Plywood Co. in April 1945.

Oceanside Lumber Company was a newly organized Oregon corporation which controlled extensive timber in the County. Company officials were A.E. McIntosh, President; Harry T. Nicolai, Vice-President and J.G. Bourus, Secretary-Treasurer, all of Portland.^{223 224}

Oregon-Washington Plywood Company was also an Oregon corporation, which at the time operated a plant at Tacoma, Washington. The O-W Company was one of the pioneers in the plywood industry, organized in 1923 and well known throughout the

²²⁰ Tillamook Headlight Herald, September 13, 1945

²²¹ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands" (1985), Volume I, pp 472 - 473

²²² North Tillamook County News, November 14, 1946

²²³ North Tillamook County News, April 26, 1945

²²⁴ Headlight Herald, Tillamook, Oregon, April 26, 1945

northwest. Officers were Harry T. Nicolai, President and General Manager; Dennis M. Slenning, Tacoma, Assistant General Manager; Robert M. Lee, Tacoma, Secretary-Treasurer and B.A. Olson, Tacoma, General Superintendent. The company also controlled vast timber holdings in this county.

Theodore Nicolai, Treasurer of the Nicolai Door Manufacturing Company at Portland and son of Harry T. Nicolai, moved to Garibaldi to manage the planned plywood operation. Ralph McKenna was the company log buyer. He had been with the company for 22 years and was well known in this county. O-W Company maintained offices in New York, Chicago and Los Angeles and enjoyed a nice foreign business.

Harry T. Nicolai was a leader in business and industry and had been involved in the plywood business for over 25 years. As president of Nicolai Door Manufacturing Company, Portland (organized in 1910), he was one of the largest door manufacturers in the country, having attained a maximum production of 4,500 doors a day during the war. His financial interests by 1946 also encompassed an array of businesses.²²⁵

Soon after the property was acquired by the Nicolai interest, construction began on two separate plants, with buildings rising rapidly despite wartime shortages. The end of the war served to accelerate construction progress even further and the two plants reached completion in about one year. Oceanside Lumber Company sawmill began operations in April 1946.²²⁶

Sawmill equipment at the Oceanside Lumber Company was all electric and included a ten foot band mill and a 24 foot carriage and a double cut seven-pony band. Mill capacity was about 200 M board feet in one eight hour shift. The planer sawmill was equipped with two planers and a double-end trimmer which had a capacity of 150 M board feet of lumber per shift. Investments in this operation approached \$500,000.

²²⁵ North Tillamook County News, July 4, 1946

²²⁶ Headlight Herald, Tillamook, Oregon, July 11, 1946

The saw and planing mill in 1947 employed an average of 250 men on two shifts with a monthly payroll of approximately \$100,000. C.E. Castle was Superintendent; Carl Davis, Night Foreman and Herb Coffle of Barview, Day Foreman.²²⁷

A large log storage pond with a capacity of 10,000,000 feet was filled summer months to sustain operations through reduced winter activity in the woods. But the company did not directly engage in logging. Rather, Yunker and Wiecks, well known local loggers, acquired a substantial financial interest in the Oceanside Company and supplied logs from the burn under county cutting contracts.^{228 229}

While the lumber was shipped green, a large proportion went to remanufacturing plants where it was dried and made into doors, windows and other finished products. Lack of adequate port and shipping facilities, however, initially required shipment by rail and handicapped the development of water markets.²²⁵

In May 1947 a plywood plant began limited production at Garibaldi under the name of Nicolai Plywood Company. The completed plywood plant represented an investment exceeding \$350,000 and initially employed 125 workers.²²⁵

Officers and production managers of the Nicolai Plywood Company at that time were Harry T. Nicolai, President; Dennis M. Slenning, Vice-President; Theodore Nicolai, Secretary and Manager; B.A. Olsen, General Superintendent at Tacoma and Garibaldi and Edwin O. Wallmark, Superintendent – Garibaldi plant.

²²⁷ Tillamook County News, July 31, 1947

²²⁸ Tillamook County News, August 14, 1947

²²⁹ North Tillamook County News, July 4, 1946

A double shift started at Nicolai Company on June 1, 1946, despite the fact that not all equipment had been installed. A three ton jointer was then shipped by plane from Sheboygan, Wisconsin. By the end of the first week, the sander and jointer were placed in operation and the plant shipped its first carload of plywood to the Chicago Trim and Plywood Company.²²⁶

A modern Coe dryer was also installed at Nicolai Company about that time and operated on a three shift, 24 hour schedule. Plant capacity, with one dryer, annually exceeded 35,000,000 feet of 3/8" plywood, which, when added to the production of O-W Company at Tacoma, exceeded 80,000,000 feet per year.²²⁶

But in 1946, despite the opening of two new plywood plants (Nicolai Plywood at Garibaldi and Umpqua Plywood Corp. at Rosenberg), nationwide production was only slightly higher than in 1945 and demands remained strong.

In the first 14 months of production approximately 31, 000,000 feet of plywood was manufactured at the Garibaldi facility. This represented about 350 carloads which were shipped to almost all areas of the country. At that time there were about 145 employees working six days a week. But even this failed to put a dent in demand for plywood.

In addition to the production of finished plywood, Nicolai Company also operated its lathe on two shifts, in order to furnish rough green veneer to its parent company in Tacoma, Washington. It was considered a one-unit operation, since only one lathe cut 100 foot veneer. There were, of course, patch cutting machines, defect cutters, glue spreaders and many other pieces of machinery which made up the Nicolai operation.

An offshoot of plywood production was the utilization of all wood waste. In that regard, the Wilcox Flour Mill was located behind the plywood plant. By means of blower conveyors, dust from sanders and saws in the mill was transported into the Wilcox

operation where it was reground and sifted into various grades of wood flour. This by-product was used as a base for many items varying from plastics to face powder. Head offices of the Wilcox Company was also in Tacoma, Washington.

Another waste product from the mill was utilized by a small sawmill owned by F.D. Stout and located in Garibaldi on the boat basin road. Cores from peeler blocks were purchased by Stout and re-sawed into eight foot lumber, primarily 2 x 4s. Cores which were cracked or otherwise not suitable were cut into short lengths and sold locally for firewood.

The Oceanside Lumber Company sawmill and the Nicolai Plywood plant obtained electrical power as well as steam from the mill site power house. Their power source was also tied into the Mountain States Power Company and assisted in meeting electrical requirements for the local community.^{230 231} Power and underground fire protection units for the two plants were carried under the name Garibaldi Corporation, owned jointly by the Oceanside and Nicolai interests, representing an additional investment \$250,000. That sum brought the total local investment of three corporations to about \$1,100,000.²²⁹

The arrival of Nicolai industries revitalized the Garibaldi community. Every available home was soon filled and real estate prices reached a premium. All county owned lots in the area were also sold. Business thrived. A new and active Chamber of Commerce was organized and on January 25, 1946 the town voted to incorporate into a city for the second time in its history. There was a stir of excitement in the blood of every Garibaldi old-timer as the new industries took hold. Once again the city entered into an era of prosperity.

²³⁰ North Tillamook County News, July 16, 1946

²³¹ North Tillamook County News, July 23, 1946

After three years of operations, future prospects suddenly seemed to look even brighter. At a meeting of the O-W Board of Directors on July 26, 1949, it was decided to close and dismantle the plant at Tacoma and move the equipment to the site of Nicolai Plywood's operation at Garibaldi. The plants were to be merged and offices moved to Garibaldi in order to operate closer to the company's timber supply. But before the machinery at Tacoma was dismantled, former employees purchased the Tacoma plant and incorporated as North Pacific Plywood.^{232 233}

As a result, production facilities at Garibaldi were then increased by the installation of all new equipment and thereafter did business under the name of Oregon-Washington Plywood Company. Employees increased from 145 to a total of from 200 to 250.

After World War II the plywood industry was one of the last to be decontrolled. Not until March 31, 1947 were plywood manufacturers allowed to begin an expansion which proved to be unprecedented in American business annals.

As plywood production increased in 1947 and succeeding years, the market soaked up plywood as the scorched desert sand does water. There never was enough to go around. Returning G.I.s who fought the war needed millions of homes. Farms and buildings, forced to postpone repairs and expansion during the war, gobbled up every bit of building material available. America was once more able to indulge in recreation which meant motels, hotels, beach houses and boats.

²³² Tillamook County News, July 28, 1949

²³³ Tillamook County News, September 1, 1949

In February 1948, the Corps of Engineers recommended dredging to create an eight acre boat basin in Garibaldi.²³⁴ Elsewhere in the bay, a special election was held on March 24, 1948 to consider the formation of the Port of Bayocean.²³⁵ The measure passed with 19 votes in favor and 13 against. The Tillamook County Court formally declared the port's incorporation on March 31, 1948²³⁶ (see Appendix Map). Little fanfare preceded or followed its formation. A short clip in the Headlight Herald noting passage of the ballot measure stated only: "This means an incorporate of that port and real development of that area, re-dredging of the entire boat channels".²³⁷

Despite the formation of the new Port of Bayocean, the Oceanside Lumber Company at Garibaldi continued to find other ways of shipping its production. In fact, until 1951 all lumber from this mill was shipped by rail and truck. But in August, 1951 the company purchased an LSM which was converted in Coos Bay to carry lumber. Newly christened as the N.V. Oceanside, the company expected this vessel to make three round trips per month to the California ports of Long Beach, San Diego and San Pedro. Oceanside Company constructed a new dock and embarked on a dredging program which included a turning basin in the bay. From August 1951 until sold in October 1952, the N.V. Oceanside transported some 12, 000,000 feet of lumber in loads of approximately 600,000 feet.²³⁸

²³⁴ Headlight Herald, Tillamook, Oregon, February 19, 1948

²³⁵ As noted earlier in this paper, previous attempts in 1911 to form the Port of Bayocean were either defeated by voters or voided by the Oregon Supreme Court due to irregularities in the formation proceedings

²³⁶ Tillamook County Court Journal, Book S, pp 153 – 155

²³⁷ Headlight Herald, March 25, 1948, p4

²³⁸ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, pp 473 – 474

In November 1952, almost five years after the formation of the Port of Bayocean, severe storm waves, combined with higher than ordinary tides, breached the narrow southerly portion of the Bayocean Peninsula. Over the next four years, over 1.96 million cubic yards of marine sediments poured into the bay through the mile-wide opening.

One result was a narrowing of the federal shipping channel to the point where it became dangerous for tugs with long tows. The channel near Garibaldi also silted but was cleared by the Corps of Engineer's dredge. Another channel used for towing logs from Tillamook River across to Garibaldi filled in to the point where tow boats experienced trouble with their rafts.²³⁹

The Corps of Engineers designed a breakwater to close the breach in the Bayocean Peninsula, but needed a local government to act as a sponsor for the project. As explained in the local news media:

"It was finally determined that the best way to assure the engineers that the money, for taking care of the repairs of the wall after it was built, would be to get the Bayocean Port to petition for a special election and then to ask for the enlargement of the district to include a district of Tillamook and then later consolidate the Port of Bay City with the district."²⁴⁰

A petition for annexation was filed with the Tillamook County Court and a special election was subsequently set for May 15, 1953.²⁴¹ The rationale for the annexation is contained in various news articles in the weeks leading up to the election.

"The Port of Bayocean is too small to support the expenses which would be necessary to carry the expenses of keeping in repair the new construction which may be built by the

²³⁹ Tillamook County News, October 21, 1954

²⁴⁰ Headlight Herald, March 19, 1953, p 5

²⁴¹ Tillamook County Court Journal, May 15, 1953, Book V, pp 326A–326G

government. As long as the entire adjoining area will benefit by the construction, it is believed the people living in the area will vote for the annexation. The election at the present time does not concern the question of immediate taxes."²⁴²

* * * * *

"The impending election is an outgrowth of a request by the Corps of Engineers, United States Army, for the designation of a properly constituted legal entity with whom negotiations may be undertaken for the acquisition of rights of way, quarry rights and similar matters which must be locally arranged preparatory to the undertaking of a remedial action toward the improvement of Tillamook Bay."²⁴³

On Election Day the annexation measure passed overwhelmingly. Within the area proposed to be annexed, 752 votes were cast in favor with 521 opposed. Within the existing Port of Bayocean 46 voted in favor with only four opposed. The county court declared the annexed area to be a part of the Port of Bayocean.²⁴⁴ The annexation included in its entirety all of the lands and territory that comprised the 1899 legislatively created Port of Tillamook, as well as additional lands to the south of the City of Tillamook. (See Appendix Map)

On November 4, 1953, the Port of Bay Ocean changed its name to the Port of Tillamook Bay, by action of the Tillamook County Court.²⁴⁵

To obtain rights-of-way for construction and maintenance of a dike to close the breach, the Corps of Engineers obtained 54 perpetual easements on 356.27 acres of the peninsula. One Hundred forty of the 356.27 acres were owned by Tillamook County,

²⁴² Headlight Herald, April 9, 1953

²⁴³ Headlight Herald, May 7, 1953

²⁴⁴ Tillamook County Court Journal, Book Y, p 410, filed May 20, 1953

²⁴⁵ Tillamook County Court Journal, Book W, p 31, November 4, 1953

the balance was in private ownerships. The federal government also holds title to 125.09 acres on the northern end of the peninsula known as Kincheloe Point.²⁴⁶ The sand and rock filled dike that closed the mile-wide breach was completed in 1956 at a total cost of \$1,140,736. The Port of Bay City contributed \$67,911 and the tax payers of the Port of Tillamook Bay paid \$120,370.²⁴⁷

But in the midst of a lumber strike in September 1954, when both the Oceanside Lumber Company and power plant at Garibaldi were closed down, Company Manager, J. A. McAlister announced that the mill would be permanently closed and company assets liquidated. Lack of timber supply in the local area for the winter had prompted stockholders to vote for its closure. . This action followed the pattern of the West Coast Oregon Company in Portland, a related company with which the Garibaldi operation shared headquarters space. This was the final Oregon operation in which the late A.E. McIntosh also held an interest. A mill at Springfield in which he was involved had been sold in July and the West Oregon plant was then in the process of liquidation.²⁴⁸

Although operations continued at the plywood plant, closure of the Garibaldi sawmill affected about 300 people. The electric power plant was purchased by Pacific Power and Light Company as part of the power system serving county customers.

Lumber shipments resumed from Garibaldi in April 1956, after almost two years without any water transports.²⁴⁹ That month the Sun Lumber Company of Los Angeles, California loaded lumber at the old Oceanside Company dock. This was a unique shipment for Tillamook Bay. For the first time, the shipment consisted of lumber gathered from many small sawmills. Outfits as far away as Kernville in Lincoln County trucked their lumber to Garibaldi where thousands of feet were accumulated to make up

²⁴⁶ Murray, T.J. and Associates, 1975, Development Program for Tillamook Bay, Oregon

²⁴⁷ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, p 475

²⁴⁸ Tillamook County News, September 9, 1954

²⁴⁹ Tillamook County News, April 19, 1956

a load. Until this time, the small sawmill owner had been denied the cheaper freight rates of water transportation because of the large amount of material needed to make up one shipment. Sause Ocean Towing transported the lumber by barge to Los Angeles. Curtis Sause, one of the owners of the towing company, indicated that a barge load held about 1,500,000 million feet.²⁵⁰

The following year, the largest vessel to ever call at a local port, the Del Norte Woodsman, docked at Garibaldi. In previous years the largest vessels to come into Tillamook Bay were approximately 200 feet long. The Del Norte Woodsman was over 380 feet, was rated at 4,700 tons and drew 13.7 feet of water. It could carry 3,000,000 feet of lumber and had two large deck cranes for handling the cargo.²⁵¹

The huge vessel was towed into Tillamook Bay by the 100 horsepower Sause Bros. tug Natoma and tied to the old Oceanside Company dock. Almost 500,000 feet of lumber was loaded into the holds, the bulk of which had been manufactured in Beaver at the Van Handle Lumber Company. This represented only a portion of the cargo, the balance of which consisted of 2,500,000 feet to be loaded at Coos Bay and Crescent City, destined for Southern California markets.²⁵¹

With the tenuous navigational attributes of the bay now once again seemingly restored, the Port of Tillamook Bay turned its attention elsewhere. It's May 1953 annexation of lands that included the site of the former Naval Air Station appeared fortuitous as it started down a path toward its present existence as a largely dry land port. This part of the story actually began in 1942 with matters entirely unrelated to local port districts.

²⁵⁰ Tillamook County News, April 19, 1956

²⁵¹ Tillamook County News, March 7, 1957

In 1942, with World War II raging in Europe and the Pacific, the US Navy built 17 blimp hangars across the nation as the anchor for a network of blimp squadrons that would patrol the Pacific and act as escorts for local convoys. That year the federal government acquired 1,600 acres from local farmers and set about constructing a Naval Air Station, complete with a five and one-half mile railroad spur that interconnected with the Southern Pacific line in Tillamook.

A hard winter dragged out construction of the first hangar for nine months. When completed in the spring of 1943, its proportions were colossal at 1,072 feet long, 296 feet wide and 192 feet tall (over 21 stories tall, 1/5 mile long and a football field wide). Today it shares the title of the largest wooden facility in the continental United States. The enormous doors measure 120 feet tall and weigh 180 tons each. They provide an opening 220 feet wide. The second hangar was erected in a mind boggling 27 days.²⁵² The completed facilities at the Naval Air Station included administrative buildings, residential quarters, a school, fire station, bowling alley, officer's quarters and other utility buildings.

Squadron ZP-33 was stationed in Tillamook. It consisted of eight K-class blimps, the second largest model in the Navy's lighter-than-air fleet. These massive air ships held a crew of ten and were sent aloft by 425,000 cubic feet of helium within their 251 foot long envelope. Although only lightly armed, they often carried depth charges as protection from the threat of submarine attacks on merchant convoys. The blimps cruised at 50 knots on two engines and had a range of 2,300 miles. The blimps could be stocked for flights as long as three days in duration. Though two hangars were constructed, all eight K's could be squeezed into one, with room to spare.

With the end of the war, the barely six year old facility was decommissioned in 1948. Over the next 25 years the federal government went through a piecemeal process of transferring assets and facilities at the Naval Air Station to Tillamook County. The

²⁵² The second hangar, known as Hangar A, was destroyed by fire on August 22, 1992

county court then appointed members to a Tillamook County Airport Commission to operate the facilities. Although the county transferred the electrical facilities to the Tillamook People's Utility District,²⁵³ the county also began in 1966 to transfer assets to the Port of Tillamook Bay.²⁵⁴ These included the air field, water, sewer and telephone systems as well as various buildings, facilities and railroad equipment.²⁵⁵ Some of the properties were also acquired by the Port directly from the federal government.²⁵⁶ Today, these are operated as a public airport and industrial park.

A history of local port districts would not be complete without including the colorful story of the Garibaldi boat basin. Sometime during the late 1940s or early 1950s, the Tillamook County Court began development of the basin. By December 1951, the boat basin was in need of improvements. A sales contract was negotiated by the county court with Port Commissioners Don Ellis, Bob Watt, Mark Edmunds, Jesse Hayes and Sause.^{257 258} By that time, the county had accumulated \$1,716 in rents from various leases since March 1 of that year. On December 12, 1951 the county court entered into a contract of sale with the Port of Bay City for the appraised value of \$29,000. Under the terms of that agreement, the port was to pay \$14,000 down by July 1, 1951 and thereafter make \$1,500 per year payments on the balance without interest until paid in full. As part of that agreement the county assigned its interest in the outstanding leases and uncollectable rents. Monies collected by the county prior to March 1, 1951 were deemed to belong to the county, but the \$1,716 accumulated since that date was credited to the port under the agreement against the purchase price. The county road

²⁵³ Deed dated September 2, 1966, Deed Book 203, page 499

²⁵⁴ County Court Journal (CCJ) 4, p 261, August 1, 1966

²⁵⁵ CCJ 4, p 315, August 26, 1966; CCJ 4, p 469, January 18, 1967; CCJ 4, p 471, January 23, 1967; Deed dated February 3, 1967, Deed Book 205, p 435; CCJ 4, p 484, February 6, 1967 and Deed dated September 20, 1974, Deed Book 197, p 154

²⁵⁶ Deed dated June 15, 1973, Deed Book 233, p 495

²⁵⁷ Headlight Herald, Tillamook Oregon, March 2, 1951

²⁵⁸ CCJ, Book Y, pp 242 – 245

running south from the railroad tracks was excepted from the sale, but the agreement provided that the road would be kept up and maintained by the port, but that the county would provide such maintenance at cost if requested by the port.²⁵⁹

The ultimate disposition of the boat basin contract would become entangled in a much broader issue involving not only the Port of Bay City and the county, but also local schools and other taxing districts. The issue stemmed from the county's timber salvage program on tax foreclosed lands in the Tillamook Burn. By 1951 the county had been involved in a wide variety of timber salvage sale contracts for about 15 years, but the problem started that year when the county needed a tax levy outside the six percent limitation to balance the 1951 – 1952 budget.

A number of problems contributed to the need for a levy, not the least of which was the county tax base. During the years of heavy timber sales, normal levy increases were not extended on the rolls since there was not only ample operating funds but also an annual surplus. The tax base was not extended each year as would have been necessary to meet expenses if outside revenue had not been available. Now the county could not make the quantum leap to compensate for those years of no increase in the tax base because under the six percent constitutional limitation, there was a fixed increase which could not be exceeded in any year except by a special voter approved levy. But in the spring of 1951, local voters rejected an operating levy. The county had to find revenue elsewhere. At about the same time, the DYW Company timber salvage contract came up for a five year renewal. As part of that renewal, Judge Effenberger negotiated a road use charge based on the volume of logs hauled over the county road.²⁶⁰

²⁵⁹ Agreement dated December 12, 1951 between Tillamook County and the Port of Bay City. CCJ V, pp 56 – 60

²⁶⁰ Levesque, Paul A. "A Chronicle of the Tillamook County Forest Trust Lands", (1985) Volume I, pp 489 – 500

County fiscal problems eased with the approach of the 1952 – 1953 budget year. For the first time in three years, the county court and budget committee did not have to ask for a special levy to perform the usual functions of government. Due to an increase in state highway returns, extra O&C and Forest Reserve sales and particularly to the overall increase in timber sales receipts, actual revenues exceeded budget estimates by a substantial sum.²⁶¹ Judge Effenberger remarked of the local economy:

At the present time, the timber industry is operating at peak production carrying slightly more than 50% of the county's tax load²⁶²

But considerations with the DYW contract renewal and the fiscal experiences of 1951 had also produced several new policies in the county's revenue program. A new policy of timber contract extensions resulted in more than doubling former stumpage prices. New sales of timber were thereafter handled under the supervision of the State Forestry Department on the basis of competitive bidding. Additionally, the Attorney General advised the county court that timber contracts which had no "in lieu of tax clause" were assessable. Beginning in 1952, such contracts were placed on the tax rolls.²⁶¹ However, the newly installed policy of road use charges for logging operators, such as in the case of the DYW contract renewal, eventually proved to be one giant step from the frying pan into the fire. It was born, however, of innocence and good intentions.

Judge Otto Effenberger called an informal meeting of loggers and operators one Wednesday afternoon in October 1951 to discuss the serious condition of roads in the county. With other members of the court present, the Judge opened the meeting. He said the meeting was called to see if together some plan could be worked out between the logging companies and the county court which would provide money to repair roads that were fast becoming impassable for both loggers and motorists. He suggested a

²⁶¹ Headlight Herald, Tillamook, Oregon, April 17, 1952

²⁶² Tillamook County News, May 8, 1952

charge of \$1 per thousand for hauling logs out of the burn and \$0.50 per thousand for hauling green timber. The old log hauling permit system was not in effect, so the Judge said he felt justified in proposing this solution.²⁶³

The Judge contended that the industry was using the roads commercially and should contribute more for their maintenance than other taxpayers. But the operators responded that other industries also used the roads and it was discriminatory to ask one group to carry the major burden of expense.²⁶⁴

At that point, District Attorney John Hathaway expressed the opinion that the court had the authority to require permits from operators and demand a fee, if it saw fit. Although Fred Packwood, attorney for Associated Forest Industries, agreed with Hathaway; he added that only a reasonable fee could be charged:

State Highway Code is regulatory in intent and the authority delegated to counties is an exercise of police power and may not be used to compel any industry to provide revenue.²⁶⁴

The Trask River Road Association represented by Baxter Moore pointed out that its members had voluntarily spent more than \$52,000 on the Trask Road in the fiscal year ending August 1, 1951, based on a charge of \$0.40 per thousand against operators using that highway. He said their road was in good condition now and that it would be unfair to ask them to contribute to rebuilding other roads which they did not use.²⁶⁴

Other operators pointed out that farm and gravel trucks did equal damage to roads and one suggestion was made that a fee of \$0.01 per pound of butter fat hauled would be just as appropriate as the log charge.

²⁶³ Headlight Herald, Tillamook, Oregon, October 11, 1951

²⁶⁴ Tillamook County News, October 11, 1951

A comment was made that PUC fees and gasoline taxes now paid in the county by operators would more than support county roads if they were spent by the state in the area where they originated. These monies were used instead by the State Highway Department for general state purposes, with only 19% being returned to the counties for road use. The court agreed that such was the case but that nothing could be done about that facet without legislative action.

Commissioner Schulmerich noted that only a few years prior, the county road budget was more than \$350,000 annually but this year, due to the levy defeat, only \$150,000 was available. The balance remaining in that fund would keep crews operating only until February.²⁶⁴

The consensus of opinion among the operators seemed to express that since the people as a whole had refused to grant extra road money, it was not the duty of one group to assume the whole road support program.

Judge Effenberger pointed out that the court had no intention of acting in an arbitrary manner and that the reason for the meeting was to bring out the various opinions. He suggested that the operators talk it over among themselves and submit a counter-proposal to the court.

Everyone withdrew from the room as a closed door meeting was held by members of logging companies. When the doors swung open, the timber men said their suggestions would be made known in the near future.²⁶⁴

Several days later Judge Effenberger reported that several logging companies had agreed voluntarily to pay \$2 per thousand log haulage; "if the county had this new source of revenue it would take over the entire cost of keeping the roads in shape".²⁶⁴

Whatever the formal outcome of the closed door session might have been, in the weeks that followed some of the operators apparently must have felt a certain degree of charitable compassion as noted in the County Treasurer's semi-annual report for the period ending January 1, 1952. One certain entry seems to purport an eleemosynary character to the listing: "\$19,654.15 loggers' contribution for road maintenance".²⁶⁵

Collections for road maintenance at that time were primarily made from operators in the north and central county. The county court took steps at the end of January 1952 to enlist contributions from operators in other parts of the county where roads were in serious disrepair. Sandlake Road by order of the court, was closed to weights over 60,000 pounds. This virtually shut down the transport industry in that area since 72,000 pounds was considered economically essential for operation.²⁶⁶

Closing Sandlake Road to log hauling brought a wave of protest from the south county area. More than 150 loggers and a sprinkling of farmers and businessmen from the area, confronted the court at a Friday afternoon session. Judge Effenberger and Commissioner August Schollmeyer represented the court that afternoon as Wesley Schulmerich, Commissioner from the south end of the county, was not present.²⁶⁶

Spokesmen from the loggers included Jim Finnell, Bill Browning, Vern Bliss, Lee Hutchins and other voices from the assembly raised in protest. Formally, however, the eight operators represented at the meeting were: Finnell Log and Lumber, Browning Bros. Log Company, Simmons Bros. Log Company, Wagner and Dunn Log Company, MN&O Log Company, Dean Hart Log Co. and Bliss and Rosenberg Company.

The loggers based the objections on what they claimed was a lack of cooperation and good judgment in the supervision of roads in the south end of the county. They admitted the road from Highway 101 near Hemlock to the Sandlake Store was in bad

²⁶⁵ Headlight Herald, Tillamook, Oregon, January 10, 1952

²⁶⁶ Headlight Herald, Tillamook, Oregon, January 31, 1952

shape, but they asserted that the road had also been used for general utility purposes for years and that it should have the care required for heavy duty vehicles. They claimed road beds in the central and north end of the county were in much better condition than the south end.

But Judge Effenberger held his ground. He stated there were no funds to properly take care of the roads and it was necessary for loggers to assist in road maintenance, explaining that operators in the north end and in the Trask and Wilson River areas help financially in the care of roads. However, he agreed that pulp loggers could not afford to aid in the same proportion as the operators taking out high grade timber, but that something would have to be worked out for road upkeep. State law allowed counties to require permits for more than 60,000 pounds, but the court did not plan to issue such permits for the Sandlake Road, "unless the industry failed to contribute to county road maintenance".²⁶⁶

Yet the loggers continued to resist. Spokesmen for the operators claimed they had offered to help maintain the roads and they were willing to send men and some equipment to aide in the road maintenance, but that this offer of help had not been accepted. One or two of the operators stated they were willing to help but not willing to pay any money into a county road fund. The loggers insisted they were impatient with the supervision of the road in question. They pointed out that any chuckhole appearing on the road must be filled in at once and supervision should be constant, otherwise the whole road bed would soon be jarred to pieces.

But finally, at the Judge's suggestion, the eight operators represented at the meeting each agreed to send a representative to meet with the court the following Wednesday in order to come to some agreement on road upkeep. In turn, the court agreed to lift the ban on the load limit for the time being and the operators were told they could again start hauling logs.²⁶⁶

Judge Effenberger, in an April 1952 account covering 15 months of county activity, described the operation of the road maintenance fee:

Voluntary contributions from logging companies to the county road funds are an essential factor in current road maintenance. Without the generous help of these companies, funds under the current budget would have been insufficient to keep county road crews operating until the beginning of the next fiscal year. Since the first part of August 1951, more than \$60,000 has been added to the county road funds from this source. Contributing firms include D.Y.W. Logging Company, Prouty Limber and Box Company, Grey Logging Company, Stone Logging Company, B & R Logging Company, L. Dawson and H.L.H. Logging Company.

* * * * *

We can see the handwriting on the wall, the fire killed timber reserve is getting smaller every day. When that supply is gone our major industry will disappear with it.

* * * * *

The failure of the citizens league to function in the planning program has been a disappointment to this office. We are hoping that a new interest can be created in this endeavor and this office will at all times be cooperative.

In another special report in the May 15, 1952 Headlight Herald, the county court made public the administration of timber and land sales distribution for a three year period beginning 1948.²⁶⁷ The report divulged that most of the money had gone into divisions

²⁶⁷ Headlight Herald, Tillamook, Oregon, May 15, 1952

such as the county general fund, schools, ports and cities. (See table) But the report also stated that \$35,000 had been deducted each year for road usage before the division was made. During that time there had been only one road levy of ¾ mills.

	1948 – 1949	1949 – 1950	1950 – 1951	6 months 1951 – 1952	Totals for period
Timber and Land Sales Total received	248,551.32	164,193.54	403,049.28	168,969.84	984,763.98
County Funds	163,218.43	108,030.34	246,701.69	91,665.22	609,615.68
District Funds	85,332.89	56,163.20	156,347.59	77,304.62	375,148.30
Total – Road Funds (A)	64,294.25	50,413.74	53,602.88	35,000.00	203,315.87

(A) These totals do not include license and gas tax fees from the state which amounted to about \$80,000 annually.

Local school districts by the autumn of 1953, began to strongly question disposition of land and timber sale funds. School District No. 9 retained Warren McMinimee to take action against the county court for recovery of withheld timber sale funds and at the same time to pursue a cease and desist order against the county court for future withholdings of this nature. The District No. 9 board minutes for October 12, 1953, shows:

It was moved by Gus Elbow, seconded by Francis Nyman, that we retain Warren McMinimee on a basis of 25% recovery and that School District No. 9 pay court and filing costs. If nothing is received, Mr. McMinimee is to receive nothing. Fee for the cease and desist order only, if successfully obtained, will be a flat sum of \$1,500. Motion Carried.²⁶⁸

²⁶⁸ As cited in an October 15, 1953 letter from Elynn M. Duffy, School District No. 9 Clerk to Warren McMinimee

Reaction to the District No. 9 challenge was swift. Loggers that contributed to the road fund wanted the money spent for the purpose for which it had been given. Roy Gould, President of Diamond Lumber Company, was one such operator and following a brief discussion with Judge Effenberger, left for Portland to seek legal advice.

The law firm of Koerner, Young, McCulloch and Dezendorf provided a written opinion to Roy Gould on October 16, 1953.²⁶⁹ In essence the opinion was concerned with the language in the recent renewal of timber cutting contracts between the court and the Long Bell Lumber Company which, among other things, provided that, in addition to other sums, the company was required to pay:

\$1 per thousand fee for all timber removed from the area covered by said contract in consideration of the use of county roads, payable by the 15th day of each month during the term of this agreement.²⁶⁹

The opinion expressed that local school districts would not be entitled to share in these \$1 per thousand payments, based on two contentions: In the first place, the \$1 payment was recited as being made in consideration of the use of county roads and it was seen as quite logical to base the amount of payment on the amount of use, namely, the volume of timber cut and removed, probably over county roads. In the second place, the statute providing for the distribution of proceeds from the sale of county lands acquired through tax foreclosure appeared to be limited to sales under that particular act, which dealt solely with the sale of lands, and, in their opinion, would not be construed to include the sale of timber only.

Upon receiving this opinion, Roy Gould dispatched a copy, together with a letter to Judge Effenberger.²⁷⁰ The letter read in part:

²⁶⁹ Letter Opinion; Koerner, Young, McCulloch & Dezendorf to Roy Gould, Diamond Lumber Co, October 16, 1953; Tillamook County Commissioners files

²⁷⁰ Letter, Roy Gould, President, Diamond Lumber Co. to Honorable O.E. Effenberger, October 19, 1952; Tillamook County Commissioners' files

Since the school district benefits as a result of having better roads and bridges over which to transport the children, I do not think it is proper for them to expect us to contribute other than through our regular taxes, for the purpose of maintaining schools.

The county court apparently continued to forge ahead with its road maintenance program as noted in the following year when Judge Effenberger traced "three years of county gain":

We have a good road program, stimulated considerably by the additional money received from the logging interests to be used for road purposes only.²⁷¹

But Warren McMinimee was not to be thwarted in his efforts on behalf of the school district. Following his election as State Senator from this district, Senator McMinimee wrote Attorney General Thornton in hopes of resolving the matter.²⁷²

McMinimee described to the Attorney General the conditions of the contract and that the county court considered such funds as a gift, over and above the contract price and that the receipts were therefore placed in a separate fund and not included in the regular budget. Although McMinimee did not consider this use of the fund as a misappropriation, he did contend that the various school and port districts were deprived of funds arising from timber sale proceeds and that such funds were being used for road purposes throughout the county.²⁷³

²⁷¹ Headlight Herald, Tillamook, Oregon, September 30, 1954

²⁷² Letter, Senator Warren A. McMinimee to Robert Y. Thornton, March 1955; Tillamook County Commissioners' files

Deputy Attorney General E.G. Foxley responded to Senator McMinimee with a letter opinion under Attorney General Bob Thornton's name, on April 20, 1955.²⁷³ This opinion expressed clearly, that under the specific conditions of this instance, the so-called "\$1.00 per thousand" fund must be distributed to the taxing districts.

In the course of developing this opinion the Attorney General had been informed by District Attorney John Hathaway, that the conditions set forth in Senator McMinimee's inquiry did not represent the actual basis and consideration for the timber sale extension agreements. According to the D.A., the actual basis and consideration was as follows:

That the various cutting contracts which had previously been entered into had expired and the Tillamook County Court had refused to renew the same at the old figure; that the logging operators being desirous of renewing these agreements offered to make an additional payment of \$1.00 per thousand in consideration of the renewal; that the offer of the logging operators was accepted by the Tillamook County Court; and that although the price increase was denominated in the various extension agreements as a road use fee, the true intent of the parties and their agreement was that the same was merely a price increase on all future timber purchased from the county.

Deputy Foxley expressed in his opinion that he did not believe that anyone would raise serious questions as to the statutes applicability to timber sale proceeds due to the fact that it was incorporated by reference and the fact that timber was considered real property prior to its severance, constructive or otherwise and the further fact that the timber was a part of the land taken under foreclosure proceedings or conveyance in lieu thereof. But the main argument was based on the following:

The sale of land acquired by the county under foreclosure for delinquent tax liens, or pursuant to ORS 312.310, or the sale of the timber from such land, is solely for the purpose of

²⁷³ Letter Opinion, Deputy Attorney General E.G. Foxley to Senator Warren A. McMinimee, April 20, 1955; Tillamook County Records

aiding the county in recouping tax revenue due to the failure of the land owner to pay the proper ad valorem taxes. This being the fundamental purpose of such sales and unless express provision is otherwise made for the distribution of surplus funds arising therefrom, it is apparent that the proceeds must be distributed in accordance with the general rule governing the distribution of the proceeds arising from sales under foreclosure and applied to the specific object for which it is collected. ORS 311.350 provides:

Money collected or received by an officer for a district and specified object shall be kept as a separate fund for the specified object and no portion shall be paid or applied to any other object or purpose without due authority.

It is apparent from the express wording of this section that public officers have no authority to divert moneys collected for one purpose to another, except as expressly provided by law. If public officers have no authority to make such diversion directly, then it is more apparent that they would have no authority to enter into a contract to use funds for purposes other than that authorized by statute.

The Port of Bay City had also for a long time felt it was entitled to its fair share of the controversial "dollar per thousand timber sales fund". In July 1956, the Port began taking action. When the July 1, 1956 payment on the boat basin contract became due, the Port Commission withheld the amount. Six months later a letter²⁷⁴ was sent to the county court by the Port Assistant Secretary A.E. Hagglund explaining that Port Commission actions were taken in response to the county's disposition of the dollar per thousand road fund:

The Port of Bay City earnestly feels Tillamook County owes the port more money by reason of withholding the Port's share of these funds, than the Port of Bay City owes the county on the Garibaldi Boat Basin contract. It is for this

²⁷⁴ Letter, A.E. Hagglund, Assistant Secretary, Port of Bay City to the Tillamook County Court, January 10, 1957

reason that the port did not make its July 1, 1956 payment on this contract and considers the unpaid balance on the contract as an offset against what the county owes the port.

* * * * *

By September 1957 the sum of \$9,000 remained unpaid on the boat basin contract. On September 16, 1957 the Port of Bay City and the county executed a settlement agreement where the \$9,000 balance due was cancelled by the county in exchange for a waiver of all present and future claims relative to the distribution of funds to the port. As part of this settlement agreement, the county also agreed to maintain the county road within the boat basin.²⁷⁵

The boat basin was deepened from ten to 12 feet in 1958 by the Corps of Engineers and authorized by Congress as part of the federal navigation project.²⁴⁶

The north jetty was rehabilitated in 1963 – 1965 at a federal cost of \$3,000,000. The construction, maintenance and rehabilitation of the north jetty required transportation of 963,211 tons of quarry stone in the region.²⁷⁶

In 1956 Congress authorized construction of a south jetty 8,000 feet in length. The construction contract for the first 5,000 foot increment of the south jetty was awarded in April 1969. Construction was initiated on June 21, 1969. Approximately 4,200 feet of jetty, costing \$4,526,000 was completed by 1971 under the first contract. During the winter between construction seasons, heavy seas scoured a deep hole at the seaward end of the new jetty. The overrun of rock required to fill the hole apparently precluded construction of the full 5,000 foot increment.²⁷⁷

²⁷⁵ CCJ Book "Y", pp 242 – 245; also see Deed Book 148, p 334

²⁷⁶ US Army Corps of Engineers (1976), Operation and Maintenance of Jetties and Dredging Projects in Tillamook Estuary, Oregon; Final Environmental Impact Statement, Portland, Oregon

²⁷⁷ Murray, T.J. and Associates (1972). Development Program for Tillamook Bay, Oregon, prepared for Tillamook County, Port of Bay City and the Port of Tillamook Bay

A contract for the second increment of construction of the south jetty, was awarded on May 15, 1972. Construction plans called for stockpiling rock at the site during the summer construction season in 1972 and then placing the stone during the summer in 1973. Completion of the second phase of construction to a total of 6,500 feet, on October 17, 1974, at that time, left the south jetty 1,500 feet short of its originally authorized length of 8,000 feet.²⁷⁷

Construction of the south jetty to that point had required 1,436,000 tons of quarry stone. South jetty stone was transported from a quarry near Cape Meares by truck and by barge from a quarry on the Columbia River.²⁷⁶

The total federal investment for Tillamook Bay in new work on jetties, excluding annual maintenance dredging costs, was \$16,689,185 in 1974, total maintenance costs were \$1,500,000 and total rehabilitation costs \$2,840,000. Local contributions totaled \$598,000. Although maintenance dredging was scheduled annually on the entrance channel, over the five subsequent years only 1,400 cubic yards of sediment had been removed.

With only limited dredging operations, an unsatisfactory channel continued to exist due to sediment deposition in and adjacent to the channel. A primary user problem developed from shoaling due to wave build up over the sand bars and shallow flats adjacent to the north jetty which made navigation hazardous.

Conditions worsened during the winter when the south side of the channel, which lacked the protection of a jetty, was exposed to southwesterly storms. At times, conditions made the channel impassable for sufficiently long periods of time that water carrier services had to be cancelled.²⁷⁸

²⁷⁸ US Army Corps of Engineers, 1978, Final Environmental Impact Statement – Extension of Tillamook Bay Oregon, Portland, Oregon

Construction of the final 1,500 feet of south jetty began early in 1978. The core, bedding material and armor stone were obtained from an approved commercial quarry source at Camus, Washington. Material was barged to a temporary off-loading facility constructed near Crab Harbor within Tillamook Bay, where the rock was stockpiled or off-loaded onto trucks and hauled to the construction site.²⁷⁸

The south jetty was completed in September 1979 to its authorized length of 8,000 feet with an elevation of 18 feet above mean lower low water and a crest of 30 feet. The center lines of the north and south jetties are approximately 1,200 feet apart.

It was on February 21, 1990 that the Port of Bay City formally changed its name to the Port of Garibaldi.²⁷⁹

In 1991, the Port of Tillamook Bay acquired the 95 mile Southern Pacific rail line from Tillamook to Schefflin in Washington County. When added to the port's 5½ miles of spur line, the rail stretches from the Port Industrial Park up the coastline to Wheeler, then east through the coast range, hugging the mountainside along the Salmonberry Canyon. It includes a number of river crossings and wooden trestles – some 200 feet high. Under an April 1993 Intergovernmental Agreement between the port and various state agencies, the port is required to implement a Plan of Rehabilitation and Operation, including a schedule for upgrading the railroad to FRA Class II standards.

Up until December 2007, the port railroad hauled lumber and feed grains six days per week to the Willamette Valley. But that month, severe winter storms and mountain flooding destroyed large sections of road bed, collapsed a tunnel and damaged trestles, leaving more than \$53,000,000 in damages. After two years of analysis and negotiations with FEMA, the decision was made to not undertake the repair of the rail line. Yet the port continues to operate various portions of its 101 miles of spurs, sidings

²⁷⁹ Tillamook County Clerk District files for the Port of Garibaldi

and the mainline. The Portland & Western Railroad leases a 3½ mile section from Banks to Hillsboro. The port's facilities in Banks serve Banks Lumber Co., which has a sawmill and pellet mill and the port continues to maintain its coastal track, which serves the Oregon Coast Scenic Railroad.

In the meantime, the Port of Tillamook Bay now has over \$33,000,000 in FEMA alternative project funds for redefining its identity as a dry land port, all the while pondering the future of its remnant navigational appendage, the Tillamook Bay South Jetty.

The Port of Garibaldi, on the other hand, now looks to the future expansion of its boat basin to accommodate anticipated growth in sport, charter and commercial fisheries, an element conspicuously absent from this paper.²⁸⁰

The rest, as they say, is history In the making.

²⁸⁰ The absence of information in this paper on the history of fishing was not by design or for lack of interest. On the contrary, very little documentation appears to exist or was not immediately apparent. A vanishing oral history about the role of local fisheries needs to be captured before it is lost forever

MAP #1

Port of Bay City annexation
of Port of Tillamook Territory on
August 31, 1912

May 4, 1910
Original Port of
Bay City
"H" 33-36

September 7, 1911
Annexation to Uca
Port of Bay City

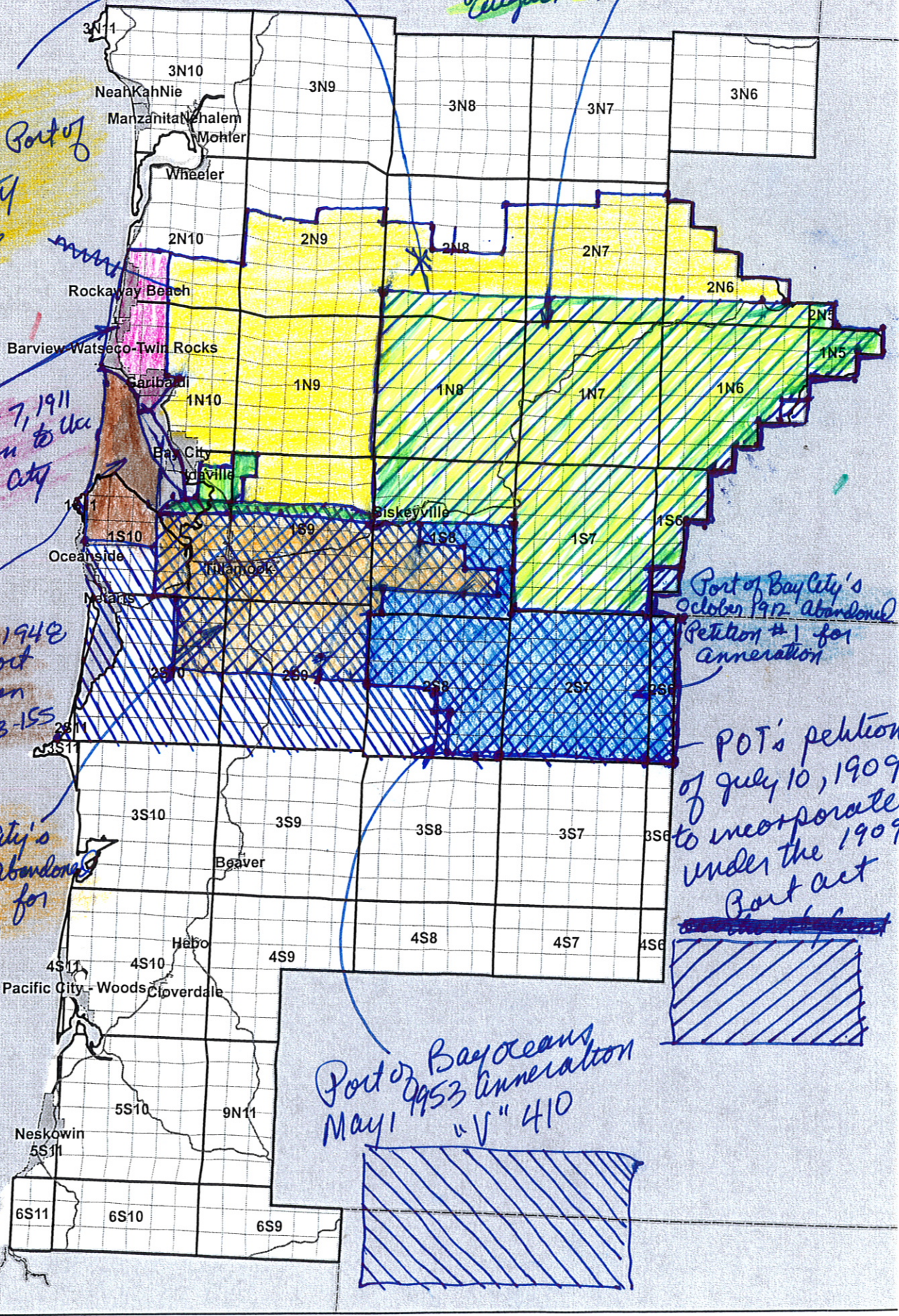
March 31, 1912
Original Port
of Bay Ocean
"S", pp 153-155

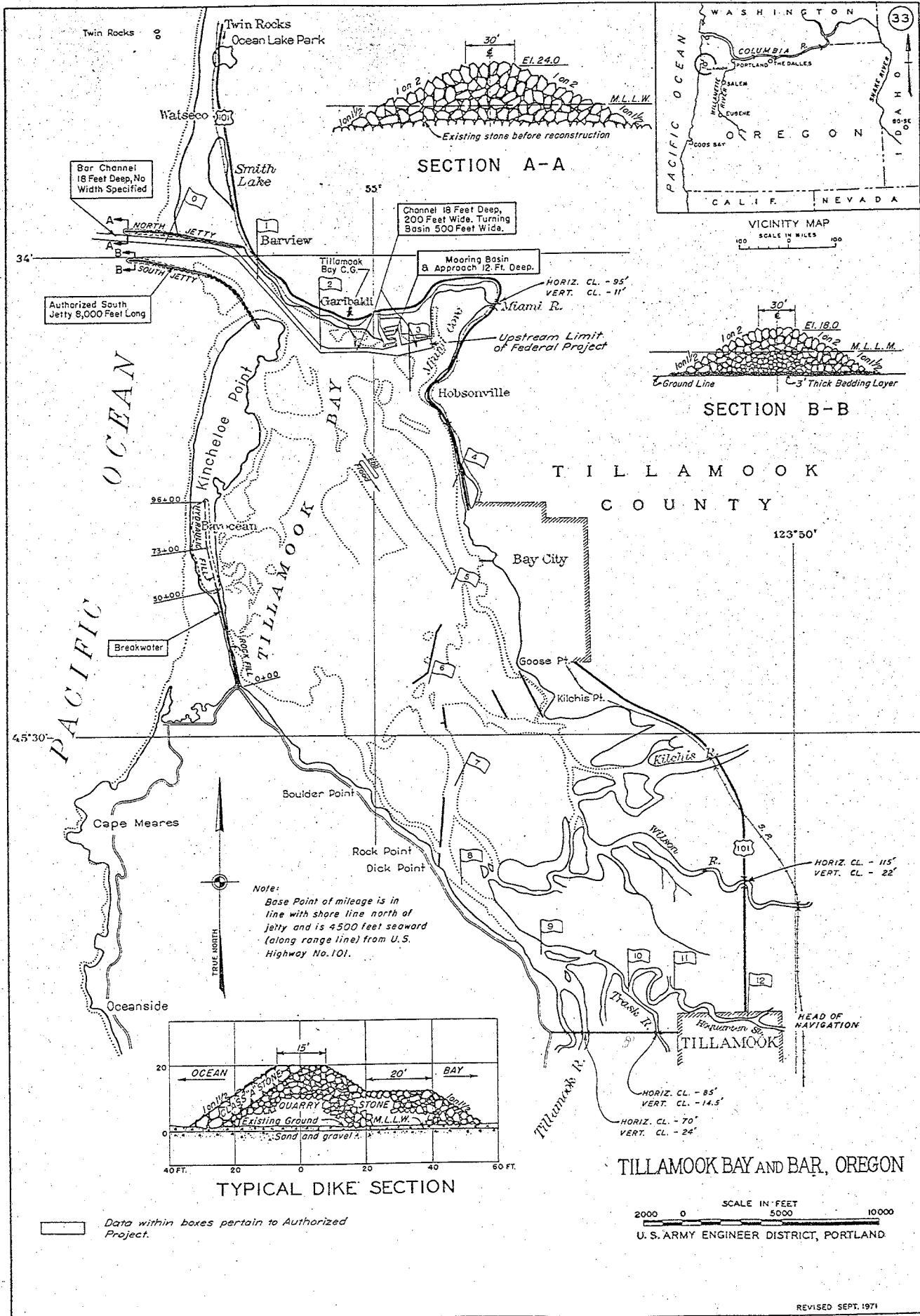
Port of Bay City's
October 1912 abandoned
Petition # 2 for
annexation

Port of Bay City's
October 1912 abandoned
Petition # 1 for
annexation

POT's petition
of July 10, 1909
to incorporate
under the 1909
Port act

Port of Bay Ocean's
May 1953 annexation
"V" 410





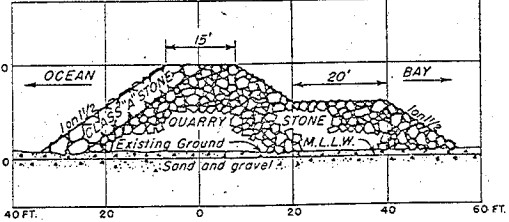
Bar Channel
18 Feet Deep, No
Width Specified

Authorized South
Jetty 8,000 Feet Long

Channel 18 Feet Deep,
200 Feet Wide, Turning
Basin 500 Feet Wide.

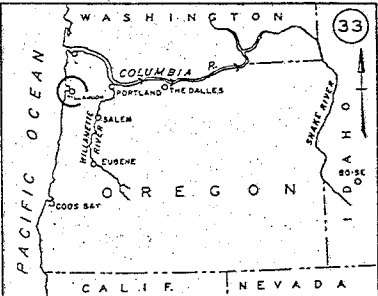
Mooring Basin
& Approach 12 Ft. Deep.

Note:
Base Point of mileage is in
line with shore line north of
jetty and is 4500 feet seaward
(along range line) from U.S.
Highway No. 101.

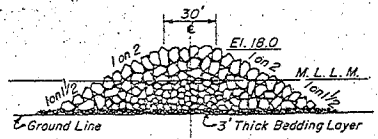


TYPICAL DIKE SECTION

□ Data within boxes pertain to Authorized Project.



VICINITY MAP
SCALE IN MILES



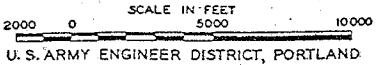
SECTION B-B

HORIZ. CL. - 115'
VERT. CL. - 22'

HORIZ. CL. - 85'
VERT. CL. - 14.5'

HORIZ. CL. - 70'
VERT. CL. - 24'

TILLAMOOK BAY AND BAR, OREGON



U. S. ARMY ENGINEER DISTRICT, PORTLAND

REVISED SEPT. 1971

U.S. Army Corps of Engineers Modifications to Tillamook Bay

Proposed Modification	Location	Dimensions			Date and Status (a.)
		depth (feet)	width (feet)	Length	
North Jetty	Entrance			5,700 ft	1933-completed 1965-rehabilitated
South Jetty	Entrance			8,000 feet (b)	1955-authorized 1969-construction started 1971-completed to 4,200 feet 1974-completed to 6,500 feet 1979-completed to 8,000 feet
Channel	Entrance	18 (c)	Not Specified		1927-completed
Channel	Entrance to Miami Cove	18 (c)	200	3miles	1927-completed
Turning Basin	Miami Cove				1968 (publication date) "most of it inactive"
Small-boat Basin	Garibaldi	12			1958-completed
Channel	Miami Cove to Hobsonville	16 (c)	200	4,000 ft	1968 (publication date) "Inactive"
Turning Basin	Hobsonville				1968 (publication date) "Inactive"
Dike	Bayocean Peninsula-Between Pitcher Point and Bayocean			1.4 miles	1956-completed

- a. Lack of completion date does not necessarily signify that the modification has not been constructed.
- b. Modified to 6,500 feet after scouring at the completed end during the winter of 1971-72.
- c. The possibility of deepening the entrance channel to 40 feet and the inner channel to 30 feet is being considered.