

DON BURDICK

TAPE 1, Side 1

October 31, 1996

M.O'R.: This is Michael O'Rourke for the Washington County Historical Society beginning an oral history with Don Burdick on October 31st, 1996, and today's interview is taking place at the offices of the Lake Oswego Corporation.

I just thought we'd start off by talking a little bit about your background, a little bit about your family. You said you were a third-generation Lake Oswego resident?

D.B.: That's right.

M.O'R.: So it started with your grandfather, then. Why don't we start there; what can you tell me about him? What do you know about him? What kind of person was he?

D.B.: I know a lot about him. I knew him when I was younger. My grandfather was pretty pure Czechoslovakian, from Nebraska, where they had Czechoslovakian communities. In fact, he spoke Czech, even though he was born here, before he spoke English.

When he was about 14 years old, things were tough - this was the late 1800's - and he left home to ride the rails and see America, but he promised his mother that if he ever got to Portland, Oregon he would go see her sister. And three years later, when he was 17, he got off the train in Portland and contacted his aunt, whom he'd never seen before, and went to see her.

She had a gathering for him, to welcome him, and at the party he met my grandmother. He told me one time that he'd never come to Portland before, but he had to figure out how to get all the girls home but take my grandmother home last, which I guess he accomplished. They married, and he was a farmer in Washington County, and he was the founder of United Grocers. Opened a little grocery store.

But one of the things he did was he had a star safe in the bottom of his - right behind the counter of the grocery store, and people would put their valuables in there, and he was a credit grocer, and he would give them credit up to whatever he thought the value was in his star safe. But as time went on he got more interested in banking than he did in groceries.

M.O'R.: Which he was sort of doing with the star safe?

D.B.: Which he was doing, yeah. And so he, with \$5,000 of his money, and one of his brothers had 1500, I think, and here in Lake Oswego - well, at that time it was Oswego - they raised \$7500, and they started the Oswego State Bank in 1916.

M.O'R.: Now, what year did he arrive here?

D.B.: He got here in about 1895.

M.O'R.: Okay. So he'd already been here 21 years or so?

D.B.: Yeah. At the time.

M.O'R.: Whereabouts in Washington County did he farm?

D.B.: He was in the Tigard area, just beyond Durham, what is now Durham today. He had a farm there first, and then a grocery store.

So anyway, they had a daughter, my mother, Olga, and she met my dad in the midst of the Depression. He was with the Union Pacific Railway, and they moved their headquarters from Portland to Omaha, and when they announced the move, they gave him a choice, that he could either move with them and continue to be an accountant with the Union Pacific, and wouldn't that be wonderful, it was the middle of the Depression, or he could take a year's salary and stay in Portland.

Well, he took a year's salary and stayed in Portland, and he then worked for my grandfather in the Oswego State Bank, and they worked there, my grandfather and my dad, until probably about 1964.

In 1964 they sold out to the Citizens Bank, and then to the Oregon Bank, which became Security Pacific and is now Bank of America.

So I was born in this town of Oswego, which then became Lake Oswego, went through the public school system here and got a degree, finally, from University of Oregon in finance and went to work for banks in California. But I must say, anybody from Oregon, you just come back here on your vacations and every chance you get, and finally the president of the successor bank, a man named Virgil Sosil, came to me and said, "Well, Don, why don't you come up to Lake Oswego and run the successor operation to your grandfather's bank?" - which is what I did.

M.O'R.: Before we move ahead from this point, let me back you up just a little bit and ask you just a little bit more about your grandfather.

D.B.: Sure.

M.O'R.: What kind of farming operation did he have? Was it vegetables or dairy or ...

D.B.: He was not a very good farmer. He started out to be a farmer because that's what they did in Nebraska, but in Nebraska they raised wheat and corn and, you know, commodities. Here in Oregon, he tried to raise vegetables, and he had only modest success as a farmer. He had pretty good success as a grocer. They had a little grocery store where they actually lived above the grocery store, and then the store itself was on the first floor. So in effect he was always open.

I know that he was very proud of the role he played in the founding of United Grocers, the co-op, which is now headquartered over in Milwaukie and a huge company.

M.O'R.: And what do you know about that?

D.B.: I know very little about his involvement there except he was really proud that he did it. There were a lot of indepen-

dent grocers here in Oregon, and he was but one of them, and it was a way that they could get their supplies in a central location, and they would also own the co-op.

M.O'R.: The distribution part of it?

D.B.: The distribution system among themselves, yeah.

M.O'R.: That sounds smart.

D.B.: Yes. As a matter of fact, there's a lot of sidelights to anybody's life story, but my best friend all the way through high school, his father was president of United Grocers, a guy named Harry Tai, was president, and Gary and I were real close all through high school and all through college; in fact, to this day we're still very close, and we both live on Lake Oswego. So he's second generation, but I've got him beat by one.

M.O'R.: And what about your grandmother? Was she a native Oregonian, then?

D.B.: Well, yes, my grandmother was born here, and she was a native Oregonian, but she was also out of the Czech community here in Portland. It was not as strong as the little towns in Nebraska where they actually spoke Czech in the town, and although they learned English in school, it was kind of as a second language. Here in the Portland community, the Czech community was very close, but English was always the primary language.

So we have a big extended family. My name of Burdick happens to be from my dad's side, but every time the family gets together the names are only familiar to people who are from that extraction. Lots of real long names.

M.O'R.: And did your grandparents speak Czech to one another or were they primarily English-speakers?

D.B.: They did, but at the time I knew them they were, you know, long in years, and so they spoke English always with us.

M.O'R.: And your father, you mentioned that he was also a banker, but how would you describe him as a person?

D.B.: Well, I think he was a pretty good accountant, but actually with the Union Pacific, what he did is he played on their golf team. So he was an accountant, I guess, when the golf team wasn't traveling. But he used to travel with Union Pacific Railway and play golf for them at all kinds of exhibitions and so forth, and that's actually how he met my mother: He played an exhibition at Oswego Lake Country Club, and my grandfather was in the club, and they played a couple of times together, and I think it occurred to my grandfather that, you know, "Well, here's a single guy, and I've got a daughter who's not married and ...". So anyway, he introduced them, and my mom and dad got married.

So we've lived here all of our lives. In fact, my Mom is now 89 years old, and she lives at the Carmen Oaks Retirement Center here in town, and my father's passed away. But my mom is still active, and about once a week each of us three children get a call saying, "Let's go out to dinner." So that's kind of nice.

M.O'R.: And was she a housewife?

D.B.: Yes. She graduated in Latin from the University of Oregon in the mid-20's. There isn't a lot of demand for Latin majors. She worked in the bank, also, for a number of years, and then when the family started coming along, just my father worked.

M.O'R.: Do you have brothers and sisters, also?

D.B.: I do. I have a sister a year-and-a-half younger than I who lives here in the community also, and a brother who is a CPA, and he lives here and actually lives in Johns Landing now.

M.O'R.: So everybody's still pretty much here?

D.B.: Everybody's close at hand, and all of our children now are - well, our youngest daughter is out of college - I mean, all of their kids and my sister's children, so it's once again an

extended family. I never thought I'd be at this end of it. I always thought of myself as being a child, and all of a sudden I'm at the other end of the spectrum.

M.O'R.: It's amazing how that just kind of happens without you noticing it.

D.B.: It happened over time, and I didn't force it at all. That's right.

M.O'R.: What can you tell me about your own experience growing up here in Lake Oswego? What were your experiences as a child here in the community that you remember - especially experiences having to do with the lake or experiences that were important in terms of forming your ideas and this sort of thing?

D.B.: Well, I think when I was growing up here, my world was only three blocks long, and we lived several blocks from the bank, and my grandfather lived one block further. So my childhood world was from his house down to the bank and back to ours.

It was great community to grow up in, though. I don't happen to be Catholic, but our house was right next to the Catholic parochial school here in town, so most of friends wore - in those days they had uniforms to go to school, and the boys would all wear salt-and-pepper cords; I still remember that. And so most of my friends were at the school there.

Great fun. Great community. At that time it was just called Oswego, and there was another community out west called Lake Grove, and then the lake here was called Oswego Lake. So I went to the public school system here in town, and I always thought that it was great fun and always wanted to live on the lake. My parents, however, said it's too damp, and I never understood that argument because when some of friends who did live on the water were swimming in the lake or boating on the lake or doing something around the lake and I wasn't, it was always kind of wishful - a wish of

mine that I could. And I think it probably influenced me; when I had a chance to come back to the community, I searched and searched for a way to get back on the water again and looked for a place to live on the lake and finally discovered that in 1974 and live in the same house as we bought then, and raised our family there, and still like it. Don't think I want to move. And it's not damp. [laughs] Never found that to be true.

M.O'R.: Do you have a basement?

D.B.: We do, as a matter of fact. We have a tri-level house, which is not very fashionable in today's world, but it's served us pretty well. It's not everything we'd love to have. We go to the *Street of Dreams* shows here, and it's incredible to me to think when you go to one of these *Street of Dreams* what a person 100 years ago or 150 years ago when there was 13,000 people in Oregon in 1850, that today when you look out and just imagine what they would have thought. I mean, there was no vision at all of what this was going to become, and the same is true now. I mean, we're about to hit the year 2000, but in another 50 years or 100 years nobody today has a vision of what this is going to look like. I think unfortunately we're going to lose a lot of the rural nature of this Willamette Valley, and I don't like that prediction. I enjoy the trees and the forests, even though there is a lot fewer today than there was just a few years ago. But things are changing fast.

M.O'R.: Yeah, they certainly are. The population pressure is really there everywhere.

D.B.: It is. We're growing, and I know there are a lot of pundits who think that growth is good for its own sake. I don't happen to be one of those.

M.O'R.: Even though you didn't live on the lake, did you swim in the lake as a kid?

D.B.: Oh, yes. After the turn of the century, when the Oregon Iron and Steel Company dedicated the lake and began to develop it for recreational purposes, one of the things that Paul Murphy, who was really the head of it, did with some wisdom was to dedicate a swim park for the children of the city of Oswego, and that's at the east end of the lake. And he also dedicated a swim park at the west end of the lake for the children of the Lake Grove school district. And those two parks survive today, even though Oswego incorporated Lake Grove and became Lake Oswego.

But when I was growing up, I was eligible to swim in the Oswego Swim Park for the city, which I did. That's where I learned how to swim, and that's where everybody learned how to swim. So it was great fun, although you always wanted to get outside those confines.

There was at that time a commercial swimming establishment here at the east end of the lake, and that - I think you had to pay 25 cents to get in, and my problem was I didn't have 25 cents. So in our family you always went to the free swim park, which is what I did. When I got to high school, or junior high, actually, I began to have some friends who lived on the lake, and if they ever said, "Come on over," well, I was the first to go. So it was a love affair that developed really before I got onto the water as much as I would like to.

M.O'R.: And when you would go, then you'd swim ...

D.B.: Oh, you'd swim around the lake. The lake was not as clean in those days as it is now.

M.O'R.: Yeah, I was going to ask you what the water quality was like then?

D.B.: Well, the city was not sewerred, so all the houses had septic tanks, and it's just that around the lake there were a lot of failing septic tanks, as there are in any area where there's a



sustained use of septic tanks or they get too crowded. So the bacteria counts were higher in those days probably than they are today.

But a little bit of a trade-off; the Tualatin River water that came into the lake at that time was probably cleaner than it is today. So even though some in-basin activities in terms of the septic problems caused water quality problems, it was pretty regularly flushed with water from the Tualatin.

In those days a lot of people swam in the Tualatin, including me. I swam at a place called Roamer's Rest, which I think a lot of people remember. It's become a mobile home center today, or a manufactured house area, but it used to be a wonderful park where people would go and we would always go in our family. I still remember the big plates of food that we would prepare to go out there. Our contribution was usually corn and watermelon, and just kind of thinking about it, I had a couple of aunts whose contribution was fried chicken and dumplings, and then also there's a Czech dumpling that's called a sinker, but it's really an unraised dumpling, and you serve it with a caraway seed and oil, and it may sound strange, but believe me, it's an ethnic dish that's delicious when you taste it.

M.O'R.: Yeah, it sounds all right. I wouldn't mind trying a sinker sometime.

D.B.: Yeah. And the Czechs, I think their fried chicken was up to anybody's par, too, so that was always good.

M.O'R.: Sounds like a pretty good picnic.

D.B.: Yeah, they were great family picnics. But they were held out on the Tualatin.

M.O'R.: Out at Roamer's, then?

D.B.: At Roamer's Rest.

M.O'R.: Do you remember the other - there were two other establishments there, too, I believe: Avalon and Louie's?

D.B.: I don't have a memory of those, no. Just the one that we would go to all the time.

M.O'R.: I guess Roamer's was a popular place, I've heard, with young people especially, and that there were a couple of large water slides there?

D.B.: I can't remember the water slides. I remember there was a floating dock, and we would swim out to the floating dock and swim back again. People have asked me about my experience, did I remember it being really murky and dirty, and I don't. I remember it as a place where we went out and we had great fun. I remember that it was always more fun on a hot day than a cold day because on the cold days we were always chilly; we'd swim anyway, but it was always cold when you got out. I can remember shivering on the park benches there at Roamer's Rest.

M.O'R.: And if anything the water was better than the water here in Lake Oswego at that time?

D.B.: I don't remember making a comparison at that time. As a child it just didn't occur to me. I mean, water quality came into my lexicon probably about the time I came on the board of the Lake Oswego Corporation. For me water quality was always connected with drinking water until that time. Now when I think of water quality I think not only of drinking water, but also of our streams and rivers in the state and how they're being threatened by a lot of urban development, and agriculture as well.

But as a child, no, I just jumped in.

M.O'R.: It sounds like the problems, then, weren't so severe that you would be conscious of any manifestation of water quality?

D.B.: I can't remember my parents or anybody ever cautioning me that I shouldn't go swimming because the water was dirty. Today I think that would be a pretty common caution in a lot of areas.

My knowledge, really, of the Tualatin River didn't really improve very much until I got on the board of the Lake Corporation, and then once here I began to realize that the challenges that we face in trying to run an urban lake are much greater than just within our own boundaries, that what happens way up in the Coast Range at the headwaters of the Tualatin has an effect on this community living around this body of water, and the kind of a discovery that we can't go it alone, that we're all in this together.

M.O'R.: When you were a kid apart from Roamer's did you have any awareness of the Tualatin? I mean, did you do anything else further up the river, fish or anything like that?

D.B.: No. No. We used to - in my church we would go out to Pacific University. I was a Congregational Church member at that time, and so we'd go out to Pacific University for conferences and so forth. But no, Washington County was just a long ways away from my world. And of course at that time there was no Scoggins Dam to be a recreation center, as there is today. That's not the intended purpose of Scoggins Dam, but it is what has happened out there.

M.O'R.: One of the side benefits.

D.B.: One of the great benefits of that reservoir.

M.O'R.: What about the channel between the Tualatin and the Lake; did you ever explore that as a kid?

D.B.: No, because the Oswego Lake was always private, still is, and probably will always try to be private. So there was really no access for me. I didn't live in an easement area, and the lake was here, but it really wasn't something I could get on

very easily. I always wanted to, but couldn't. So my learning curve on the infrastructure of the lake as a child was very small.

I remember a couple things about the lake. I do remember that Willa Worthington - she married, Willa Worthington McGuire - they developed water skiing on Lakewood Bay, which is one of our embayments over near the city. Wally Worthington had a facility there where he would repair boats and engines and so forth and could haul out boats, right here in Oswego, and his daughter Willa began to develop this idea of water skiing. I mean, they actually I think made boards in their shop where they could actually nail tennis shoes to the boards - or what was the predecessor of the tennis shoe, a rubber shoe, and then she'd step into those and they'd pull her behind and she'd water ski.

I remember her, and I remember how proud the community was of her. She left and she went to Cypress Gardens, Florida and developed the Cypress Gardens of water skiing as a presentation sport, if you will. But she's from Oswego, and water skiing in large part was developed on this lake. So I remember that. I thought that was a kind of an interesting sidelight of growing up. I guess if I had a lot of time to jot down notes about things around the lake that I especially like, I would come up with them, but ...

I guess I remember also that there were easements around the lake, and our family ultimately moved to a nicer home when I was in high school, and then we were a member of an easement on the lake, so we could come down and swim here through the easement, didn't have to actually live on the water. You could actually live off the water but swim through the easement. I always thought that was just great fun, being a member of that easement.

And I fished on the lake. Caught a lot of fish on this lake.

M.O'R.: What kind of fish?

D.B.: Oh, all - it's a panfish lake. There's no anandromous fish here. But it's croppie and bluegill and perch and bass, in the main. There's a lot of carp in the lake, get to be really huge size. Once in a while I've heard of trout appearing in here. I have no idea where they came from, but they're here. And then off and on I've heard stories of sturgeon in the lake.

I guess the first story was Chuck Schaeffer, the lake warden, told me about a large sturgeon that died, and they took the body to an island at the east end of our lake here, and the island is known after "Pew Island," after that sturgeon. The other story of sturgeon, though, has been in the last couple years there have been some sightings of a sturgeon, a big one. That sturgeon's estimated to be in the 15 to 18 foot range, which is a big fish. Actually in 1996, during this flood recovery, he's been seen twice; I've heard reports of him twice.

[End of Tape 1, Side 1]

DON BURDICK

TAPE 1, Side 2

October 31, 1996

M.O'R.: You mentioned that you found public school here in Lake Oswego good fun, I think you said?

D.B.: Oh, yeah.

M.O'R.: So you enjoyed school?

D.B.: Oh, school was great fun. The Lake Oswego school system was a good school system even then. The majority of our class went on to college. Although it's interesting, the majority went on to college and graduated from college, and I think a lot of them became professionals, some right here in town. So it was an excellent school system, but there's an interesting sidelight to that, and that is at our last class reunion, which would have been the 40th reunion, we had pretty full attendance, including all six - we had a class of 135, and all six - 129 graduated, and all six of those that did not graduate with our class but had been in the class came to the reunion. And every one of their six owned their own business. They were all very successful. They were far more successful than the average graduate or the average person that went on to college. But they owned businesses as varied as construction and timber.

One of them is a girl that I don't think anybody held out much hope for; she was bright, but just kind of a wild card in the equation at that time, when you're a kind of an innocent 17-year-old kid graduating from high school. But she went on to work as a waitress and then do menu planning and then went back to school and became a dietician, and she has a company now that establishes diets for large retirement communities. She has dozens of people on her staff, and they travel all over the United States, and they

develop food planning for these retirement centers all across America. And she's very proud of the fact that she did not graduate with our class.

We have another fellow, a kind of interesting guy, he would rather drive a bulldozer or a tractor than go to school, and today this fellow has a huge spread of heavy equipment, millions and millions of dollars' worth, and he does construction work throughout the Pacific Northwest. And he's also very proud of the fact that he didn't graduate with our class. One of the persons who didn't graduate has become a writer and has written a lot of children's books. And so it's kind of a varied ...

M.O'R.: So whether people graduated or not, they obviously had a pretty good foundation as a result of the education they received.

D.B.: Somehow I think that as far as satisfaction in life, those who didn't graduate actually may have done better than those who did. I think it's an anomaly. I don't think that that is the average, but that just happens to be the case with our class.

M.O'R.: Then you went on to Oregon State, was it?

D.B.: Oregon State. In those days if you did well in school you were expected to go into engineering, so everybody assumed that that's what I should do, including me. "I've got to be an engineer because that's what you do if you do well." I hated it, and I was down at Oregon State for two years. Oregon State's great, I just didn't like being an engineer. It was before the days of computers, so you calculated everything on a slide rule, and I can still remember my slide rule.

M.O'R.: Yeah, I used to have one of those, too.

D.B.: You used to have one, too? Well, a lot of us did. I knew I was in trouble when I had a little belt clip that it fit in.

There's a popular term today called the nerds, and I was a real nerd in school because I - I don't know ...

M.O'R.: Wore your slide rule on your belt?

D.B.: I wore my slide rule on my belt. That's right.

I stuck it out for two years, but I was not cut out to be an engineer, so I left Oregon State. I traveled in Europe for a year - actually worked on a freighter to get to Europe and traveled there for nine months on a little motor scooter. If you can believe it, I was gone almost a year and I spent less than \$1,000.

M.O'R.: What year would this be?

D.B.: It was in 1960. I saw the passion play in Oberammergau, which they put on every ten years in Germany. That was a very interesting aspect of that trip.

Anyway, from there I came back and attended the University of Oregon and got a degree in business and finance, and I loved it. It was great. It was like I'd waited my whole life to get involved in something like that. So I loved my last two years, and it was something I could do well at. Then afterwards I went to Southern California and attended other schools. I have attended Stanford and USC.

M.O'R.: Was this graduate work, then?

D.B.: Well, the USC work was graduate work. The Stanford work was called - it was a business credit program put on by the banking industry, but it was conducted at Stanford. So it was a summer internship program at Stanford, but conducted with their professors. And that was also great fun.

So I was in Southern California, in the Los Angeles and San Diego areas, in communities within those areas and did a lot of corporate finance, and then after 15 years when the chance came to come back to Lake Oswego and be a banker in this community - I



mean, it was an easy decision, which is what I did. That's how I got back here.

M.O'R.: Had you met your wife yet at this point?

D.B.: We met in the bank down there.

M.O'R.: In California?

D.B.: In California. In those days they have - today they're talking about discrimination and, you know, women don't have the same opportunities and so forth; well, in those days it was far worse. They used to hire all the young men to be lending officers in the banking industry because women just never got up in the bank, but in the escrow groups, that's where they hired the women. So my wife graduated from University of Nebraska and came out to work for the bank, and she was an escrow officer, closing real estate escrows. So we met while working for the same organization. And we got married and moved to San Diego where I was going to be a branch manager and raised a family down there.

Then from there we came back to Los Angeles, and the bank at that time was going through a reorganization. In those days all the loans were made in the branches, so that if you were an individual consumer or you were a large corporation - now, this was before the days of credit cards, or they were just being introduced I guess at this time, all the recommendations were made at a branch level, but the bank was ahead of its time, and they tried to convert to a corporate finance system. So I got to be what was called a corporate finance vice president in charge of a group.

So I had a group from an area near Los Angeles all the way north through San Luis Obispo, and so if it was a loan over \$250,000, well, then we got to do it in our group. So I had a really great experience down there. I really did enjoy it. But it was still living there versus living here, and if you can make a living in Oregon, why wouldn't you want to come back?

M.O'R.: Did you live in Los Angeles, then?

D.B.: Yes, I did. I lived in the area called Pacific Palisades. Lived high on a hill, actually, and we could see from our home all the way north to the Santa Barbara islands offshore, and all the way south we could see the big sweep of the ocean, and we could see Santa Catalina Island offshore, and then what they called the queen's necklace of all the lights along the shoreline and all the way back in to downtown Los Angeles. And there wasn't as much smog in those days, so you could actually see that. But still, it was crowded and - a lot of reasons to want to move north and to come back here. This is where my roots are; I knew everybody here.

M.O'R.: Sure. Did you wife concur with this decision, then, at that time?

D.B.: Oh, absolutely.

M.O'R.: Even though she wasn't from here?

D.B.: No, she wasn't from here, but no, we agreed this was what we wanted to do.

M.O'R.: This is a better quality of life than what you had down there?

D.B.: Oh, yeah. Well, I mean, after we moved back up here and I told people in Los Angeles - well, actually we moved into a home in an area of Lake Oswego and then made a second move onto the lake, but I told people, "Yeah, I live on the lake, and I don't know how to boat yet, but I could own a boat, and I have a canoe I can just - out my backyard. I've got a lake that's always the same level, and it's clear, and in the summertime I can swim because it's warm, but year round I can canoe around in it." And they thought I was a millionaire. I'm not, but the lifestyle is equivalent to that.

M.O'R.: Had you noticed any changes in either the lake or the community when you came back that maybe surprised you, or had you

maintained close enough ties that you already pretty much knew what was going on here?

D.B.: I had pretty good ties. I think the biggest changes were having worked for a large structured banking organization in the Los Angeles market and then coming back here and going to work for the successor to my grandfather's bank, it was still run the same way as it had been when he owned it. They used to write loans because they knew you, and they would say, "Oh, he's a pretty good fellow, and I knew his father. Yeah, we'll loan him some money."

M.O'R.: Without looking too closely at ...

D.B.: Without looking too closely at financial statements or credit checks or all the things that you take for granted now.

So part of my job was to move the bank into current practices, and I will share with you that while I did that, I still reflect back on a different way of doing business that in some ways had a lot of value attached to it that I miss to this day. And the banks have gone even further; it's even worse today. I shouldn't say "worse." It is more structured today, where loyalty doesn't mean very much.

M.O'R.: More impersonal?

D.B.: It's very impersonal today, and I don't like it, but I've always felt that as long as the banks were loyal to their customers, their customers would be loyal to them. When the banks started deviating from that, I think that they lost a lot in terms of the way they have to do business. There's a lot of regulations today that are oriented to try and make the playing field level and more equitable to all people, but I think we've lost a lot in terms of trust and loyalty.

We used to have people that would pay back a loan just because it was the thing to do, not because they had to do it.

M.O'R.: Well, now you're looking at this in retrospect. At the time when you came back and had the charge to move the bank into what were then established banking processes ...

D.B.: Had to move it into the 1970's. That was a long time ago now, but ...

M.O'R.: That's right. But did you have any ambivalence about moving in that direction at that time?

D.B.: No. I mean, I knew it was the thing to do; if we were going to survive, we had to do it. And we survived very well. The community here is actually pretty close. It's part of a big regional arena, and if you look at it on a map you see a name Lake Oswego, like you would see a name, Hillsboro or Forest Grove, but the establishment within the community is very tightly knit, just as it is in those other communities. So it's more than just a name on a map, there's a certain fabric that ties things together within the community, and I got to be a part of that.

This bank dominated the community, and people tell their bankers things that maybe they don't tell their wives or their doctors; I don't know. But I knew a lot about a lot of people. And while you must maintain confidentiality, you must always be discreet with that knowledge, nevertheless, it puts you in a position of really knowing what's going on in the community, to be a community banker. And I loved it. It was the best job I ever had. It was just great. I did that from 1974 to 1980, and the bank grew by multiples, probably 15 times from the day I came in to the day I left that experience. And our staff - you know, we had four or five people, and when I left we had 30 people. And we had 70 percent of all the banking business in the community. It was terrific.

I've always liked the town. That's one of the reasons I got on the board of the Lake Corporation. The Lake Corporation is kind of integral to what happens in this community.

M.O'R.: Now, when you say that the fabric is tightly knit and that you were really privy to a lot of what was going on within the community here, are you talking about things that don't necessarily have to do with finance or ...

D.B.: Oh, sure. Oh, yeah. I mean, the immediacy sometimes of things in front of us detracts from being able to look at a big picture, but if you're in a banking environment, you're oftentimes involved where decisions are being made because they affect finance. There are decisions of people buying houses, people trying to help their children buy houses, deaths in the family, estate planning, changes that would, you know, come about by a different product or different competition, but all affected families, and you knew the families. It wasn't just a decision that was made in isolation that would be relative to some large corporate entity. These were things where you knew all the families. You knew the guy or the lady who had to say no, and you know the person that the no was going to hurt or help. So sometimes you had to just walk a line and try and make decisions which would not only be credit-worthy, if there was a loan involved, but also your decisions affected people, people that you knew.

Anyway, you were talking about how did I feel about these decisions in a small town. Well, yeah, Lake Oswego really is a small town. It appears big to some people, maybe, who don't live here, and they think there's a lot of people who live around the lake, you know, who might have a lot of money and so forth, but I can tell you that there's fewer of those than there are people just like the rest of us, who struggle every day to put bread on the table and stay healthy and plan for their own futures.

M.O'R.: This is maybe jumping the gun, because we'll get into talking more about the upriver versus downriver on the Tualatin and this sort of thing, but I think there may be a perception out there - because of that small group of people you're talking about that do fit the stereotype of the wealthy person living on the lake, that there's a perception out there that Lake Oswego maybe has a bit more political clout than other communities in the state. Do you think there's any merit in that?

D.B.: Yeah, I think that's true. In the bank, we have an internal expression - I don't think I ever slipped up and used it externally, but the internal expression was that they're "nickel millionaires," which meant that they had a nickel, but they acted like they had a million.

But no, I believe what happened is that waterfront properties have more value, maybe, than other types of property. If you get on the waterfront, there's just more value to it. So that the people who would acquire those kinds of parcels to live in would be people from a little bit higher economic strata. So a lot of people who moved to the community long after me - I mean, my family's been here for - we could hardly afford to move on the lake today. So a lot of people who moved into the community brought with them an economic clout.

So I think that perception is correct, that there are a lot of influential people who live in the community. They moved here because it's water-oriented, there's a tremendous effort to preserve trees, there's also an excellent school system, where their children can attend a public school that's probably better than most private schools across the nation, and I think that more recently there's a perception that it's a safer community to live in, that there's less crime here. We've got our problems, but if

you combine all of those perceptions, this is an attractive place to live.

I think that a lot of people who do not live here feel that everybody who does is rich. That's not true. The average is probably higher, but there's lots and lots of folks here. It's a community like many other's of the 90's, and we have unemployment, and we have people who are not well trained for the tasks they're trying to do, people who are under-educated. I'm sure we've got alcoholism and child abuse and drug problems and all the other things that are society's ills. This is not Camelot, but it's an area, I think, where the average person takes a great pride in the community. And because of that, I think it's a better community.

M.O'R.: Back to when you were a kid and you really wanted to live on the lake, and at least part of why you wanted to live on the lake was so you'd have access to the lake ...

D.B.: Right, and jump in the water.

M.O'R.: As someone who didn't have that access but lived near it, did you ever feel any resentment about that way of operating things at the time?

D.B.: No. No, it was just the way things were.

M.O'R.: Let me ask you about how your perceptions changed once you got involved in the actual politics of running the Lake Corporation. That started in 1979; is that right?

D.B.: Yeah, in '79 I came on the board. It may have been '78, but in that era. I was working for the bank; I was a banker to the Lake Corporation, as well as most all the businesses in the community. We had purchased a home on the water, so the board of the Lake Corporation came to me and asked if I'd like to join. I was absolutely delighted that they would ask, and I thought that was wonderful. I was honored, actually. And so I did, and that was in about '78, '79.

M.O'R.: Okay. Can you just briefly tell me what the Lake Corporation is responsible for and how it's set up?

D.B.: Well, at that time I thought what the board did was sit around once a month and collect the dues and go over a few small things and have a cup of coffee and go home. I soon found out that was not at all the case. The scope of activities seems to be getting more complex, even in the time I've been aboard.

Right now the Lake Corporation has a lake; it's 415 acres. We own about 500 acres total, but it's right in the heart of the community. So we own some uplands area around our waters. We're responsible for operating three different dams: We have a diversion dam on the Tualatin River, which raises the level of the Tualatin to a point where the river then can press up against a head gate, and the head gate is our second water structure. That's a structure which prevents the water from the Tualatin from coming down the main canal in any volume greater than what we want; we can regulate the volume of water coming into the canal. The canal is a couple of miles long, down to the main lake. Then at the east end of the lake we have what's called the main dam.

M.O'R.: Which is right outside?

D.B.: Which is just outside of where we're sitting now. The main dam is how we regulate the level of the reservoir.

Beneath the main dam we have - it's like a pen stock. We call it a flume line. It's about 2,000 feet long, and it goes down towards the Willamette River, where we have a power house. So in essence when a drop of water enters the lake from the Tualatin, it travels down the canal, ultimately through the lake. We don't spill any water over the dam. It goes through the pen stock or through the flume line down to the powerhouse, and we manufacture power, and we sell power to the Portland General Electric grid, or PGE grid.



In the early days we used to sell power directly to communities, like Oak Grove and Dunthorpe, and we were a direct supplier. But today we sell through the grid. So our water right on the Tualatin River is reliant upon our ability to manufacture power - our primary water right; we have several. So we function as a utility by manufacturing the electrical power.

We also function as a flood control function for the City of Lake Oswego for the drainage basin of the city, that the water drains into our lake and then it drains on out into the Willamette. We have 72 different surface water drainage points around the lake, where a drainage tube or a culvert or something enters the lake.

Then we also function as a supplier of irrigation water, and the irrigation is for people who live around the lake and also for the Oswego Lake Country Club, and we have water rights for that as well.

So in a kind of a pure sense, we are a reservoir with a power facility, but if you look at the beneficial uses around the lake - which actually there have been some studies done, and the number one beneficial use of this lake is to look at it, is observing it, just looking at it. Which I thought was very interesting, that the people responded they liked to look at the water. They want to see clean water.

But we have other beneficial uses. Water contact sports, lots of swimming, lots of boating, lots of recreation. Water skiing is very popular. A lot of fishing. We don't manage it for fish, but we happen to be one of the best pan fisheries and bass fisheries in the Northwest. So we manage it for those reasons.

But in order to manage it, you can't manage it just based upon what's here. You have to manage it based upon what comes in from the outside. So we looked at where the water's coming from, and we take about - historically we've taken about 10 percent of our water

from the basin, our own basin. So we're very concerned about surface water management in Lake Oswego, from our own basin. But 90 percent of our water comes from the Tualatin River, so that makes us very concerned about the Tualatin Basin.

[End of Tape 1, Side 2]